

**75th OREGON LEGISLATIVE ASSEMBLY – 2009 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5004-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Kotek
Carrier – Senate: Sen. Winters**

Action: Do Pass as Amended and Be Printed A-Engrossed

Vote: 18 – 0 – 4

House – Yeas: Buckley, D. Edwards, Galizio, Garrard, Gilman, Komp, Kotek, Nathanson, Richardson

– Nays:

– Exc: Jenson, Shields, G. Smith

Senate – Yeas: Bates, Carter, Girod, Johnson, Monroe, Nelson, Walker, Whitsett, Winters

– Nays:

– Exc: Verger

Prepared By: Jim Carbone, Department of Administrative Services

Reviewed By: Sheila Baker, Legislative Fiscal Office

Meeting Date: June 9, 2009

Agency

State Commission on Children and Families

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Biennium

2009-11

Budget Summary*

	2007-09 Legislatively Approved Budget (1)	2009-11 Essential Budget Level	2009-11 Committee Recommendation	Committee Change from 2007-09 Leg. Approved	
				\$\$ Change	% Change
General Fund	\$ 60,263,113	\$ 62,078,040	\$ 49,271,855	\$ -10,991,258	-18.2%
Other Funds	\$ 23,487,919	\$ 21,706,708	\$ 17,854,789	\$ -5,633,130	-23.9%
Federal Funds	\$ 4,522,936	\$ 4,864,514	\$ 4,864,514	\$ 341,578	7.6%
Total	\$ 88,273,968	\$ 88,649,262	\$ 71,991,158	\$ -16,282,810	-18.4%

Position Summary

Authorized Positions	34	32	28	-6
Full-time Equivalent (FTE) positions	30.92	29.67	25.67	-5.25

(1) Includes adjustments through the December 2008 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The primary source of revenue for the Commission on Children and Families is state General Fund. Other Funds revenue consists mostly of federal grant revenues which are transferred from the Department of Human Services and the Employment Department. Direct Federal Funds revenue streams come from the Positive Youth Development grant, the Delinquency Prevention grants and the Juvenile Accountability Block Grant. The Commission’s budget does not include revenues leveraged by local commissions to support local programs and activities.

The approved budget eliminates the \$3.8 million transfer of Child Care and Development Funds (CCDF) from the Employment Department to the Commission for the 2009-11 biennium. These funds are expected to be redirected to the Department of Human Services to support child care expenditures in that agency. This redirection is intended as a one-time action. The CCDF transfer to the Commission is expected to resume in the 2011-13 biennium.

Summary of Human Services Subcommittee Action

The State Commission on Children and Families’ mission is to improve the lives of children and families through coordinated state and local action. The agency builds public/private partnerships, leverages and distributes resources, monitors program outcomes, and provides technical assistance and support to both state agencies and local commissions on children and families across the state.

The Joint Committee on Ways and Means Human Services Subcommittee approved a budget of \$49,271,855 General Fund, \$71,991,158 total funds and 28 positions (25.67 FTE) for the Commission. This is 18.2 percent General Fund and 18.4 percent total funds below the Commission’s

2007-09 Legislatively Approved Budget, and 20.6 percent General Fund and 18.8 percent total funds below the 2009-11 essential budget level (EBL). With the exception of the Child Care and Development Fund program, the approved budget preserves all the funding streams and program initiatives within the Commission, although some are at much reduced levels. The following table shows the approved budget adjustments:

	2009-11 EBL	Approved Adjustments					% from EBL
		General Fund	Other Funds	Positions	FTE		
<u>Local Grants and Statewide Initiatives</u>							
Children Youth and Families	\$ 2,672,822	\$ (400,928)					-15.00%
Great Start	\$ 2,585,083	\$ (387,762)					-15.00%
Youth Investment	\$ 7,092,168	\$ -	\$ (1,063,825)				-15.00%
Basic Capacity	\$ 13,092,616	\$ (1,963,892)					-15.00%
Juvenile Crime Prevention	\$ 8,114,372	\$ (1,622,874)					-20.00%
Child Care and Development Fund	\$ 2,982,426		\$ (2,982,426)				-100.00%
Court Appointed Special Advocates	\$ 2,590,325	\$ (70,554)					-2.72%
Relief Nursery	\$ 3,212,696	\$ (87,505)					-2.72%
Healthy Start	\$ 21,349,795	\$ (4,595,569)					-21.53%
Runaway Homeless Youth	\$ 933,328	\$ (833,328)	\$ 600,000				-25.00%
Community Schools	\$ 513,751	\$ (413,751)					-80.54%
<u>State Office Support</u>							
Court Appointed Special Advocates	\$ 101,770	\$ -					0.00%
Community Schools	\$ 133,852	\$ (133,852)			(0.50)		-100.00%
Runaway Homeless Youth	\$ 124,452	\$ -					0.00%
Healthy Start	\$ 1,954,818	\$ (1,203,631)					-61.57%
Juvenile Crime Prevention	\$ 735,873	\$ (25,000)					-3.40%
Child Care and Development Fund	\$ 869,493		\$ (869,493)	(2)	(1.50)		-100.00%
State Staff/Technical Assistance	\$ 701,755	\$ (23,840)			(0.50)		-3.40%
Policy and Support (Budget Unit 002)	\$ 3,260,732	\$ (579,874)		(2)	(1.50)		-17.78%
Unspecified GF offset with Youth Investment OF		\$ (463,825)	\$ 463,825				
Total Reductions		\$ (12,806,185)	\$ (3,851,919)	(4)	(4.00)		

The subcommittee approved Policy Package 090, which reduces General Fund expenditures for county grants, statewide initiatives, and program support and technical assistance; reduces Youth Investment Other Funds by \$1,063,825 and shifts that funding to backfill other General Fund reductions; and eliminates the \$3,851,919 Child Care and Development Fund (CCDF) Other Funds that supports program grants and staff. It is expected that, for the 2009-11 biennium, the CCDF revenue that was transferred to the Commission will be redirected to the Department of Human Services to support child care expenditures in that agency. The subcommittee expressed its intent that this be a one-time redirection of the CCDF funding. The Commission should include the CCDF program expenditures in developing its 2011-13 essential budget level (EBL).

Policy Package 090 eliminates two positions funded with CCDF Other Funds: a Program Analyst 2 Program Coordinator (1.00 FTE) and a Program Analyst 2 Communications Specialist (0.50 FTE). Partial funding (0.25 FTE) for an Office Specialist 2 is shifted from CCDF Other

Funds to General Fund. The package also eliminates 0.50 FTE of a Program Analyst 2 position for the Community Schools program and 0.50 FTE of an Office Specialist position.

The subcommittee also approved Policy Package 804, which continues House Bill 5552's 2007-09 budget reductions into the 2009-11 biennium. This package eliminates an Executive Support Specialist position (1.00 FTE) and an Information Systems Specialist 6 position (0.50 FTE) in the Policy and Support Services budget unit, for a 2009-11 biennial savings of \$192,288 General Fund.

Two budget notes were adopted by the subcommittee. The first budget note recognizes that a \$4.6 million (21.5%) General Fund reduction in the Healthy Start program mandates changes in the program to improve service delivery and to control costs.

Budget Note

The State Commission is to work with local commissions and agency partners to review how Healthy Start services can be delivered more effectively and at a lower cost across the state. Options should include, but are not limited to, consolidating delivery at the local level through relief nurseries or other community partners, multi-county operations, State Commission program administration, increased focus on at-risk families, and service cost caps for Healthy Start families. The Commission is to report to the Emergency Board before January 1, 2010, on this review, any changes proposed or implemented as a result of the review, any expected administrative savings, and the number of Healthy Start families expected to be served within the 2009-11 program funding allocations.

The second budget note directs the Commission to take a broader look at its statutory responsibilities and current structure. It has been 10 years since passage of Senate Bill 555, which set up the framework within which the current system operates.

Budget Note

The State Commission is directed to work with local commissions on children and families, its state agency partners, other community stakeholders, and representatives of the Senate, the House of Representatives, the Governor's Office, the Department of Administrative Services and the Legislative Fiscal Office, to review its statutory responsibilities, organizational structure, and potential service and administrative efficiencies at both the state and local level ("shared services"). The Commission is to report back to the Legislative Assembly during the 2010 legislative session on this review and its recommendations.

The subcommittee also asked the Commission to work with the appropriate legislative policy committees during the interim on these issues.

Summary of Performance Measure Action

See attached Legislatively Adopted 2009-11 Key Performance Measures form.