
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: Human Services Subcommittee

From: Laurie Byerly, Legislative Fiscal Office
(503) 986-1833

Date: June 18, 2015

Subject: HB 5026: Department of Human Services – Child Welfare
Work Session Recommendations

Department of Human Services – Child Welfare

	2011-13 Actual	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	281,301,656	429,106,967	482,435,080	470,861,862
Other Funds	26,650,855	23,042,429	23,432,630	22,838,433
Federal Funds	419,325,752	465,621,415	458,049,022	449,789,894
Total Funds	\$727,278,263	\$917,770,811	\$963,916,732	\$943,490,189
Positions	2,254	2,481	2,521	2,598
FTE	2,207.35	2,402.82	2,470.34	2,550.30

Attached are the recommendations from the Legislative Fiscal Office for the Child Welfare (CW) program. The LFO recommended budget is 9.7% General Fund and 2.8% total funds higher than the 2013-15 Legislatively Approved Budget. The recommended budget includes the following key budget actions or components:

- Eliminating standard inflation and assuming a 3% higher vacancy rate, allowing \$13.5 million General Fund (\$29.0 million total funds) to be repurposed for other budget needs. Funding for Behavioral Rehabilitation Services is at the settlement agreement level and includes an inflationary adjustment.
- Built in adjustments for caseload and cost per case changes, culminating with final reshoot adjustments based on the Spring 2015 forecast.
- Continues investment in Differential Response and Strengthening, Preserving and Reunifying Families
- Maintains Child Welfare staffing at 85.9% of the workload model.
- Makes budget changes related to 2014 Emergency Board actions.
- Supports the two investments outlined below, which are funded with savings achieved by assisting more youth through subsidized guardianship rather than

foster care. This shift will require some statutory flexibility that will be addressed in the omnibus program change bill.

- \$250,000 General Fund to cover startup and ongoing base costs for a youth shelter project in Lane County. The funding will pay for rehabilitation of an existing building, initial staff support, and program supplies. The project will help stabilize and assess high risk youth who are unable to stay at home or in foster care, with a goal of minimizing exposure to or progression through both the child welfare and juvenile justice systems.
- \$1,644,462 General Fund for the Homeless and Runaway Youth program, which supports local programs providing services such as street outreach, day drop-in, and overnight shelter.

Adjustments to Current Service Level:

See attached “HB 5026 Work Session” spreadsheet dated 6/18/15.

LFO recommends the Subcommittee approve a 2015-17 DHS Child Welfare preliminary budget as follows:

\$ 470,861,862	General Fund
\$ 22,838,433	Other Funds
\$ 449,789,894	Federal Funds
2,598	Positions
2,550.30	FTE

Accept LFO Recommendation

Move the LFO preliminary budget recommendations for Child Welfare and HB 5026.

Performance Measures

See attached “Legislatively Proposed 2015-17 Key Performance Measures” form for measures tied to this specific program. An agency-wide report will be presented for review and approval as part of the final action on the DHS budget.

Accept LFO Recommendation

Move the LFO recommendation on Key Performance Measures for Child Welfare.

Recommended Changes to Appropriation Bill

The Child Welfare budget is part of HB 5026, which is the budget bill for the entire Department of Human Services. The recommended amendments to HB 5026 will be presented after work sessions are completed on all parts of the budget.

DEPARTMENT OF HUMAN SERVICES: CHILD WELFARE
HB 5026 WORK SESSION

	GEN FUND	LOTTERY	OTHER	FEDERAL	NL Other Funds	NL Fed Funds	Total Funds	POS	FTE	Comments
2013-15 Legislatively Approved Budget (As of May 2015 Rebalance)	429,106,967	-	23,042,429	465,621,415	-	-	917,770,811	2,481	2,402.82	
2015-17 Current Service Level Estimate (at Governor's Budget)	482,435,080	-	23,432,630	458,049,022	-	-	963,916,732	2,521	2,470.34	
2015-17 Governor's Budget (GB)	470,120,909	-	22,915,332	445,338,657	-	-	938,374,898	2,550	2,492.09	
2015-17 LFO RECOMMENDED BUDGET	470,861,862	-	22,838,433	449,789,894	-	-	943,490,189	2,598	2,550.30	

2015-17 LFO RECOMMENDED BUDGET ADJUSTMENTS DETAIL

1	2015-17 Current Service Level Estimate	482,435,080	-	23,432,630	458,049,022	-	-	963,916,732	2,521	2,470.34	
2											
3	Recommendations for Existing Packages										
4	Pkg 090: CFO Analyst Adjustments										
5	Reduce standard inflation	(8,619,356)	-	(588,291)	(11,321,338)	-	-	(20,528,985)	-	-	Gov's funding strategy
6	Add'l 3% vacancy factor	(4,873,366)	-	(32,007)	(3,565,253)	-	-	(8,470,626)	-	-	Gov's funding strategy
7	Pkg 091: December Rebalance										
8	S&S Adjustments	(5,678,744)	-	-	-	-	-	(5,678,744)	-	-	\$5.7m to SS; budget realignment
9	Transfer in from ODOT for Driver's Education	-	-	103,000	-	-	-	103,000	-	-	Driver's education for foster youth
10	Transfer out to OHA-MAP for CANS program	(325,994)	-	-	-	-	-	(325,994)	-	-	CCOs responsible for assessments
11	Other Recommended Adjustments										
12	Pkg 801: LFO Analyst Adjustments										
13	Caseload forecast	(518,488)	-	(197,439)	(649,695)	-	-	(1,365,622)	-	-	Foster care ↓ Permanency ↑
14	FMAP Rate Change	(1,103,353)	-	-	1,103,353	-	-	-	-	-	From 63.90% up to 62.21%
15	Correct BRS Inflation	85,958	-	118,823	1,595,661	-	-	1,800,442	-	-	Tie to settlement amount
16	CW Workload Update	8,636,677	-	-	3,691,018	-	-	12,327,695	71	71.00	@ 85.6%, Screen/Assess ↑ 6-7%
17	Use GF for Subsidized Guardianship	(1,894,462)	-	-	-	-	-	(1,894,462)	-	-	Guard payments < foster care
18	Youth Shelter and Assessment Project	250,000	-	-	-	-	-	250,000	-	-	Shelter startup (Lane County)
19	Runaway and Homeless Youth	1,644,462	-	-	-	-	-	1,644,462	-	-	Almost a 90% ↑ in state funding
20	Technical adjustments and transfers	823,448	-	1,717	887,126	-	-	1,712,291	6	8.96	From/To PDS and APD, repurpose
21											
22	Total adjustments LFO Rec from CSL	(11,573,218)	-	(594,197)	(8,259,128)	-	-	(20,426,543)	77	79.96	
23											
24	TOTAL 2015-17 LFO Recommended Budget	470,861,862	-	22,838,433	449,789,894	-	-	943,490,189	2,598	2,550.30	
25											

**DEPARTMENT OF HUMAN SERVICES: CHILD WELFARE
HB 5026 WORK SESSION**

	GEN FUND	LOTTERY	OTHER	FEDERAL	NL Other Funds	NL Fed Funds	Total Funds	POS	FTE	Comments
26	\$ Change from 2013-15 Approved	41,754,895	-	(203,996)	(15,831,521)	-	-	25,719,378	117	147.48
27	% Change from 2013-15 Approved	9.73%		-0.89%	-3.40%			2.80%	4.72%	6.14%
28	\$ Change from 2015-17 CSL Estimate	(11,573,218)	-	(594,197)	(8,259,128)	-	-	(20,426,543)	77	79.96
29	% Change from 2015-17 CSL Estimate	-2.40%		-2.54%	-1.80%			-2.12%	3.05%	3.24%
30	% Change from 2015-17 Governor's Budget	740,953	-	(76,899)	4,451,237	-	-	5,115,291	48	58.21
31	% Change from 2015-17 Governor's Budget	0.16%		-0.34%	1.00%			0.55%	1.88%	2.34%

Legislatively Proposed 2015–17 Key Performance Measures

Agency: HUMAN SERVICES, DEPARTMENT of

Child Welfare

Mission: Assisting people to become independent, healthy and safe.

Current KPM #	Proposed KPM #	Legislatively Proposed KPMs	PGM	Agency Request	Most Current Result	Target 2016	Target 2017
7	7	ABSENCE OF REPEAT MALTREATMENT – The percentage of abused/neglected children who were not subsequently victimized within 6 months of prior victimization.	CW	Approved KPM	95.50	96.00	96.00
8		TIMELINESS and PERMANENCY OF REUNIFICATION OF CHILDREN.	CW	Proposed Delete KPM	144.70		
	8	TIMELY REUNIFICATION – The percentage of foster children exiting to reunification within 12 months of foster care entry.	CW	Proposed New KPM <i>replaces KPM #8</i>	66.00	70.60	75.20
9		TIMELINESS OF FOSTER CARE RELATED ADOPTIONS.	CW	Proposed Delete KPM	88.00		
	9	TIMELINESS OF ADOPTION ONCE LEGALLY FREE – Percent of legally free children adopted in less than 12 months.	CW	Proposed New KPM <i>replaces KPM #9</i>	42.60	48.20	53.70
NEW	19	CHILDREN SERVED BY CHILD WELFARE RESIDING IN PARENTAL HOME – The percent of children served in Child Welfare on an average daily basis (In Home and Foster Care) who were served while residing in their parent's home.	CW	Proposed New KPM	24.40	30.00	33.00

LFO Recommendation:

Approve the performance measures, including the new and replacement requests, with targets as shown.