

Department of Economic Security
Children, Youth and Families

A.R.S. § 41-1954

JLBC Analyst: Stefan Shepherd

	FY 2002 Actual	FY 2003 Estimate	FY 2004 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,188.4	1,113.9	1,113.9 ^{1/}
Personal Services	30,215,400	34,311,000	34,620,700
Employee Related Expenditures	7,073,100	8,306,600	8,940,800
Professional and Outside Services	1,101,000	259,000	259,000
Travel - In State	1,763,600	1,303,800	1,303,800
Other Operating Expenditures	3,218,800	2,930,600	2,804,200
Equipment	406,500	0	0
OPERATING SUBTOTAL	43,778,400	47,111,000	47,928,500^{2/3/}
SPECIAL LINE ITEMS			
Adoption Services	21,083,600	20,257,200	20,257,200
Children Services	40,870,700	28,295,200	33,295,200
High Risk Infant Services	257,800	0	0
Intensive Family Services	2,729,100	1,985,600	1,985,600
Healthy Families	0	250,000	5,034,200
Family Builders Program	6,063,400	6,200,000	5,200,000 ^{3/}
CPS Appeals	482,900	618,800	623,400
Child Abuse Prevention	29,300	814,800	815,700
Comprehensive Medical & Dental Program	1,842,900	2,057,000	2,057,000
Attorney General Legal Services	4,572,800	4,332,000	4,170,200
TANF Deposit to SSBG	31,063,000	36,398,200	25,259,700 ^{4/}
TANF Deposit to the Joint Substance Abuse Treatment Fund	333,300	333,300	2,000,000
Homeless Youth Intervention	367,300	400,000	400,000
Permanent Guardianship Subsidy	984,800	983,300	983,300
CPS Expedited Substance Abuse Treatment Fund Deposit	6,400	224,500	224,500
PROGRAM TOTAL	154,465,700	150,260,900	150,234,500^{5/}
FUND SOURCES			
General Fund	90,403,900	68,878,900	68,737,000
<u>Other Appropriated Funds</u>			
Child Abuse Prevention Fund	29,300	1,064,800	1,565,700
Children and Family Services Training Program Fund	140,300	209,600	209,600
Federal TANF Block Grant	63,892,200	80,107,600	79,722,200
SUBTOTAL - Other Appropriated Funds	64,061,800	81,382,000	81,497,500
PROGRAM TOTAL	154,465,700	150,260,900	150,234,500

^{1/} Includes 96.3 GF and 1.3 OF FTE Positions funded from Special Line Items in FY 2004.

^{2/} The Department of Economic Security shall provide training to any new Child Protective Services full-time equivalent positions before assigning to any of these employees any client caseload duties. (General Appropriation Act footnote)

^{3/} It is the intent of the Legislature that the Department of Economic Security shall use the funding in the Division of Children, Youth and Families, including the operating lump sum appropriation and the Family Builders Program appropriation, to achieve a 100% response rate. (General Appropriation Act footnote)

^{4/} It is the intent of the Legislature that the \$25,259,700 appropriated from the Federal Temporary Assistance for Needy Families Block Grant to the Social Services Block Grant for deposit into the Temporary Assistance for Needy Families Deposit to Social Services Block Grant Special Line Item be allocated to the Children Services program. (General Appropriation Act footnote)

^{5/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Program.

COST CENTER DESCRIPTION — *The program provides staff resources, such as Child Protective Services (CPS) workers, an array of contracted services for abused, neglected or abandoned children, and medical and dental care for foster children.*

PERFORMANCE MEASURES	FY 2002	FY 2002	FY 2003	FY 2004
	Appropriation	Actual	Appropriation	Appropriation
• % of newly hired CPS specialists completing training within 7 months of hire	93	100	100	100
• % of children in out-of-home care who exit the child welfare system who achieve permanent placement through reunification, adoption or legal guardianship	36	34	37	37
• % of children in out-of-home care who have not returned to their families or been placed in another type of permanent placement for more than 24 consecutive months since they were removed from their homes	30	33	29	33
• Number of children with finalized adoption	1,110	893	1,288	909
• % of CPS reports responded to by CPS staff	74	80	74	80
• % of CPS reports responded to by Family Builders	26	20	26	20
• Substantiated reports of child maltreatment	4,589	3,576	4,589	4,882
• Average % rate at which CPS reports are substantiated	20.1	16.1	20.1	16.5
• % of CPS original dependencies cases where court denied or dismissed	3	3	3	3
• % of Office of Administrative Hearings where CPS case findings are affirmed	86	86	89	90
• % of CPS complaints reviewed by the Office of the Ombudsman-Citizens Aide where allegations are reported as valid by the Ombudsman	14	16	14	14
• % of calls to the Family Advocate that relate to CPS complaints	4	88	4	88
• % of CPS cases where the Family Advocate is involved and is successful in facilitating a solution	85	90	90	90
• % of CPS cases where most or all of the Foster Care Review Board recommendations are agreed on before court action as reported by the Board	85	NA	85	85
• Average % of time spent on administrative paperwork as reported by CPS workers in an annual survey				
District 1	Baseline	6	Baseline minus 5%	5
District 2	Baseline	5	Baseline minus 5%	4
District 3	Baseline	5	Baseline minus 5%	4
District 4	Baseline	1	Baseline minus 5%	1
District 5	Baseline	1	Baseline minus 5%	1
District 6	Baseline	1	Baseline minus 5%	1

Comments: The agency did not submit information for any measure labeled as “NA.” DES reports that changing how it screens Family Advocate calls led to the higher percentage of CPS complaints.

Technical Adjustments — The FY 2004 approved amount includes technical adjustments for Employee Related Expenditures, Other Fund health and dental insurance changes, and Other Fund retirement changes. *(Please see the General Provisions section at the end of this Appropriations Report for further details on these changes.)*

The approved amount includes a General Fund increase of \$63,300 above FY 2003 and a Federal Temporary

Assistance for Needy Families (TANF) Block Grant decrease of \$(700) below FY 2003 for technical realignments in the department. *(Please see the Summary section for further details.)*

Special Line Items

Adoption Services — The approved amount, \$15,071,100 General Fund (GF) and \$5,186,100 TANF, is unchanged from FY 2003. The monies are used to subsidize the

adoption of children who otherwise would entail high financial risks to prospective parents because of physical, mental, or emotional disorders or who, because of age, sibling relationship or racial or ethnic background, would be otherwise difficult to place in adoption. The funding provides for ongoing maintenance and/or payment for special services depending on each eligible child's needs.

Children Services — The Children Services program provides in-home and out-of-home services to ensure the well being of children who are abused and neglected. This Special Line Item displays only a portion of the monies for the Children Services program. The remaining funds are displayed in the TANF Deposit to the Social Services Block Grant (SSBG) Special Line Item described later in this cost center.

The approved amount includes a TANF increase of \$5,000,000 above FY 2003. *Table 1* below summarizes funding from all sources, including monies reflected in the TANF Deposit to SSBG Special Line Item.

<u>Funding Source</u>	<u>FY 2003</u>	<u>FY 2004</u>
<i>Children Services</i>		
General Fund	18,120,900	17,370,900
Child Abuse Prevention Fund	0	750,000
Federal TANF	<u>10,174,300</u>	<u>15,174,300</u>
Subtotal	28,295,200	33,295,200
<i>Federal TANF to SSBG</i>	36,398,200	25,259,700
<i>Non-Appropriated Funds</i>		
Federal Funds	34,779,700	34,779,700
Other Non-Appropriated Funds	<u>890,000</u>	<u>890,000</u>
Subtotal	<u>35,669,700</u>	<u>35,669,700</u>
TOTAL	100,363,100	94,224,600

Elsewhere in the DES budget, the Governor line item vetoed \$15,913,500 of lump sum reductions. The Governor's intent was to increase the appropriation by a corresponding amount. The Governor has indicated a desire to spend \$12,913,500 of these monies in this program. This Appropriations Report has incorporated a reference to the veto without making an assessment of its legality. As of this writing, there is pending litigation concerning the legality of this particular veto. *(Please see Summary for details.)*

High Risk Infant Services — This line item funds counselors/parent aides who provide in-home services, including parent education. Funding for this line item was eliminated in FY 2003.

Intensive Family Services — The approved amount, \$1,985,600 GF, is unchanged from FY 2003. The program provides intensive, time-limited services to families whose children are at imminent risk of out-of-home placement due to abuse, neglect, or dependency. Cost per family is projected to be \$3,247 for 612 families.

Healthy Families — The approved amount, \$5,034,200 TANF, includes a TANF increase of \$5,034,200 and a Child Abuse Prevention Fund (CAPF) decrease of \$(250,000) from FY 2003. The TANF increase replaces non-appropriated Tobacco Settlement monies that ran out due to Proposition 204 caseload growth. The Healthy Families program provides services to children under 5 years of age and members of their families and is designed to prevent child abuse or neglect and promote child development and wellness.

Family Builders Program — The approved amount, \$5,200,000 TANF, includes a decrease of \$(1,000,000) below FY 2003. Through the Family Builders Program, community based providers offer assessment, preservation, and support services to families of children who, after initial assessment by Child Protective Service workers, are determined not to be in immediate danger (Priority 3 and 4 cases).

CPS Appeals — The approved amount, \$623,400 GF, is unchanged from FY 2003 except for technical adjustments. The line item includes 10.5 FTE Positions. The line item funds a process for individuals accused of alleged child abuse or neglect to challenge the department's substantiated findings.

Child Abuse Prevention — The approved amount, \$815,700 CAPF, is unchanged from FY 2003 except for technical adjustments. The line item includes 1 FTE Position. The program provides financial assistance to community treatment programs benefiting abused children and their parents or guardians.

Comprehensive Medical & Dental Program (CMDP) — The approved amount, \$2,057,000 GF, is unchanged from FY 2003. The program provides full coverage of the medical and dental expenses of foster children under the jurisdiction of DES, Juvenile Probation Offices, and the State Department of Corrections.

CMDP Funding	
<u>Source</u>	<u>Amount</u>
General Fund	\$ 2,057,000
Reimbursement from AHCCCS	<u>8,518,500</u>
Total	<u>\$10,575,500</u>

Attorney General Legal Services — The approved amount, \$4,121,500 GF and \$48,700 TANF, is unchanged from FY 2003 except for technical adjustments. The monies fund 85.8 GF and 0.3 TANF FTE Positions. Monies are used to contract for Attorney General representation.

TANF Deposit to SSBG — The approved amount, \$25,259,700 TANF, includes a TANF decrease of \$(11,138,500) below FY 2003. This decrease is required because one-time TANF Block Grant monies available to

transfer to the Social Services Block Grant in FY 2003 are no longer available. The federal government caps the amount of TANF Block Grant monies that can be transferred to the SSBG at 10%. The decrease helps bring TANF revenues and expenditures into balance. Monies in the line item are deposited into the Federal SSBG; once deposited, the monies are spent on the Children Services program. (See Table 1 for additional details on Children Services funding.)

TANF Deposit to the Joint Substance Abuse Treatment Fund — The approved amount, \$2,000,000 TANF, includes a TANF increase of \$1,666,700 above FY 2003. The increase replaces non-lapsing monies originally appropriated by Laws 2000, Chapter 382. Chapter 382 appropriated \$10,000,000 in FY 2001. The monies are expected to be fully spent by the end of FY 2003.

Elsewhere in the DES budget, the Governor line item vetoed \$15,913,500 of lump sum reductions. The Governor's intent was to increase the appropriation by a corresponding amount. The Governor has indicated a desire to spend \$3,000,000 of monies added to DES' budget through her line item vetoes in this program. This Appropriations Report has incorporated a reference to the veto without making an assessment of its legality. As of this writing, there is pending litigation concerning the legality of this particular veto. (Please see Summary for details.)

The monies in this Special Line Item must be jointly administered by DES and the Department of Health Services (DHS) for substance abuse services. The funds pay for services for parents, guardians, or custodians whose substance abuse is a significant barrier to preserving the family. The monies also pay for services to recipients of TANF whose substance abuse is a significant barrier to maintaining or obtaining employment.

Homeless Youth Intervention — The approved amount, \$400,000 TANF, is unchanged from FY 2003. The program has 2 locations in the state for the purpose of helping homeless youth achieve self-sufficiency from services provided through collaborative partnerships with community and faith-based organizations.

Permanent Guardianship Subsidy — The approved amount, \$859,300 TANF and \$124,000 GF, is unchanged from FY 2003. The program provides a subsidy to encourage placement of foster care children in private homes under permanent guardianship status. The amount of the subsidy is not to exceed the amount of a maintenance payment that is used in the Adoption Subsidy program.

CPS Expedited Substance Abuse Treatment Fund Deposit — The approved amount, \$224,500 GF, is unchanged from FY 2003. Monies are deposited into a non-appropriated Child Protective Services Expedited

Substance Abuse Treatment Fund and used to provide expedited drug treatment to guardians and parents when a dependency case plan calls for such treatment.

[Click here to return to the Table of Contents](#)