

**DEPARTMENT OF ECONOMIC SECURITY -  
CHILDREN, YOUTH AND FAMILIES**

**A.R.S. § 41-1951**

<b>General Fund and Other Appropriated Funds</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Estimate</b>	<b>FY 2000 Approved</b>	<b>FY 2001 Approved</b>
FTE Positions	783.4	875.3	935.4 <sup>1/</sup>	946.4 <sup>1/</sup>
Personal Services	22,333,500	25,864,300	27,395,900	28,203,400
Employee Related Expenditures	4,965,900	5,580,300	5,814,600	6,128,300
Professional and Outside Services	502,200	448,000	448,000	448,000
Travel - In State	1,408,700	1,112,700	1,278,500	1,338,400
Other Operating Expenditures	1,745,600	2,527,400	2,596,300	2,669,200
Equipment	400,600	118,100	347,000	245,700
<b>Operating Subtotal</b>	<b>31,356,500</b>	<b>35,650,800</b>	<b>37,880,300</b>	<b>39,033,000</b>
Adoption Services	12,288,200	15,345,500	17,200,100	18,207,200
Children Services	59,225,800	61,146,000	43,009,100	45,638,900
High Risk Infant Services	466,600	686,300	686,300	686,300
Intensive Family Services	2,352,200	2,435,600	2,435,600	2,435,600
Child Severance Project	483,600	146,500	146,500	146,500
Videotaping	58,900	110,800	111,300	113,700
Healthy Families	2,831,200	3,000,000	4,000,000	5,000,000
CPS Incentive Pay Program	205,500	240,000	240,000 <sup>2/</sup>	240,000 <sup>2/</sup>
Family Builders Pilot Program	1,673,300	6,578,600	7,996,100	7,999,000
CPS Appeals	0	872,900	587,100	591,300
Child Abuse Prevention	603,900	810,500	810,300	811,400
Comprehensive Medical & Dental Program	1,816,400	2,794,900	2,794,900	2,794,900
Attorney General Legal Services	0	3,532,600	4,180,300	4,259,700
TANF Deposit to SSBG	0	22,639,800 <sup>3/</sup>	23,560,000 <sup>4/</sup>	15,018,900 <sup>5/</sup>
CPS Expedited Substance Abuse Treatment Fund Deposit	0	224,500	224,500	224,500
<b>Total</b>	<b>113,362,100</b>	<b>156,215,300</b>	<b>145,862,400</b>	<b>143,200,900</b>
<b>Additional Appropriations -</b>				
Permanent Guardianship; Subsidy, Ch. 251	0	0	105,000	124,000
Assistance Services Programs; Appropriation, Ch. 328	0	0	400,000	400,000
Expedited Adoption, Ch. 347	0	0	0	300,000
<b>Total Appropriations</b>	<b>113,362,100</b>	<b>156,215,300</b>	<b>146,367,400<sup>6/</sup></b>	<b>144,024,900<sup>6/</sup></b>
<b>Fund Summary</b>				
General Fund	103,802,900	121,396,700	109,641,800	115,713,200
Federal Temporary Assistance for Needy Families Block Grant	8,884,500	33,852,100 <sup>3/</sup>	35,509,300 <sup>4/</sup>	27,094,300 <sup>5/</sup>
Child Abuse Prevention Fund	603,900	810,500	1,060,300	1,061,400
Children and Family Services Training Program Fund	70,800	156,000	156,000	156,000
<b>Total Appropriations</b>	<b>113,362,100</b>	<b>156,215,300</b>	<b>146,367,400</b>	<b>144,024,900</b>

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**Program 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. In addition, training resources are provided for CPS investigators, case managers and employees of child welfare agencies and community treatment programs.*

**Technical Issues** — The approved FY 2000 budget reflects a reduction of \$(75,000) General Fund (GF) to eliminate the one-time cost of an actuarial study authorized by Laws 1998, Chapter 276. The monies were for a contract for a comprehensive actuarial study, due January 31, 1999, to determine a flat fee amount for contractors that would provide family services which would be bundled together for streamlined delivery. The department reports that it has completed the study. A public hearing also must be held before determining a flat fee per contract. That meeting was held in May, 1999. The study is to be part of information reviewed by the Joint Legislative Study Committee on Streamlined Delivery of Integrated Family Services, which also was established by Chapter 276.

**Model Court** — Laws 1998, Chapter 276 made changes to the judicial hearing process in order to move children out of foster care faster. The new law requires a preliminary protective hearing process that was studied in a pilot project in Pima County called the Model Court Project. The hearings must be held within 5 to 7 working days after the child is taken into custody. The Model Court process also reduced the custody determination process by requiring interested parties to meet before a preliminary protective hearing to see if agreement can be reached on placement and care of a child. To address the need for additional staffing for the expedited process, the approved budget reflects an increase of \$1,448,000 GF for 28 new FTE Positions in FY 2000. Of the 28 positions, 18 are new CPS workers funded in the operating budget at

\$821,600 GF in FY 2000. In FY 2001, this amount is reduced by \$(101,300) to eliminate funds for one-time equipment.

The remaining 10 FTE Positions are new Attorney General positions funded in the Attorney General Legal Services Special Line Item at \$626,400 GF in FY 2000, including one-time equipment costs of \$50,000. The monies are in addition to \$193,700 GF that was appropriated by Laws 1998, Chapter 276 to the Office of the Attorney General for Model Court. Beginning in FY 2000, the \$193,700 GF and 3 FTE Positions are appropriated directly to the Department of Economic Security (DES). (*See the Attorney General Legal Services Special Line Item in this cost center for further details.*)

The overall increase for Model Court totals \$1,641,700 GF and 31 FTE Positions for FY 2000. For FY 2001, the FY 2000 amount is reduced by \$(151,300) due to eliminating expenditures for one-time equipment.

**CPS Investigations Caseload Growth** — The approved FY 2000 budget includes an increase of \$603,100 GF and 11 FTE Positions in the operating budget for annual caseload growth of 3% related to investigating reports of abuse and neglect. The approved FY 2001 amount includes a further increase of \$457,800 GF for 11 additional FTE Positions because of continued growth at the rate of 3% for reports of abuse and neglect. The increase in staff will allow the agency to maintain its investigative response rate of 100%. The response rate

1/ Includes 96.3 FTE Positions funded from Special Line Items in FY 2000 and FY 2001.

2/ The \$240,000 appropriated in FY 2000 and FY 2001 for the Child Protective Services Incentive Pay Program Special Line Item shall be used for Personal Services and Employee Related Expenditures to implement a performance based incentives pilot program for eligible child protective services workers in accordance with Laws 1995, Chapter 43. (General Appropriation Act footnote)

3/ Of the \$22,639,800 appropriated from the federal Temporary Assistance for Needy Families Block Grant to the Social Services Block Grant, \$4,560,700 is allocated for use in the Children Services program in FY 1999 and \$3,990,100 is allocated for use in restoring federal reductions in state and local planned programs in FY 1999. The balance of \$14,089,000 is allocated for use to the Children Services program in FY 2000 and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations, until June 30, 2000. The \$14,089,000 may be expended during FY 1999 on review of the Joint Legislative Budget Committee. The \$3,990,100 allocated for use in restoring federal reductions shall be spent by the Department of Economic Security in a manner that ensures that state planned and locally planned providers receive the same amount that they would have received if the federal government had not imposed the cut. (General Appropriation Act footnote, as added by Laws 1999, Chapter 6, 1<sup>st</sup> Special Session.)

4/ Of the \$23,560,000 appropriated from the federal Temporary Assistance for Needy Families Block Grant to the Social Services Block Grant in FY 2000, \$8,861,000 is allocated for use to the Children Services program in FY 2000 and \$4,186,600 is allocated for use in restoring federal reductions in state and local planned programs in FY 2000. The balance of \$10,512,400 is allocated for use to the Children Services program in FY 2001 and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations, until June 30, 2001. The \$4,186,600 allocated for use in restoring federal reductions shall be expended by the Department of Economic Security in a manner that minimizes the overall reductions in funding to state planned and locally planned providers. (General Appropriation Act footnote)

5/ Of the \$15,018,900 appropriated from the federal Temporary Assistance for Needy Families Block Grant to the Social Services Block Grant in FY 2001, \$12,437,600 is allocated for use to the Children Services program in FY 2001 and \$2,581,300 is allocated for use in restoring federal reductions in state and local planned programs in FY 2001. The \$2,581,300 allocated for use in restoring federal reductions shall be expended by the Department of Economic Security in a manner that minimizes the overall reductions in funding to state planned and locally planned providers. (General Appropriation Act footnote)

6/ General Appropriation Act funds are appropriated as an Operating Lump Sum, with Special Line Items for the Program.

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was 84.4% in FY 1997 and 91.4% in FY 1998. A rate of 100% is anticipated for FY 1999 primarily because of shifting investigations for lower priority cases to the Family Builders program established by the 1997 Legislature.

The monies are in addition to funds first added by Laws 1998, Chapter 276. The appropriation of \$712,800 GF for hiring additional Human Service employees in order to establish a ratio of 1 for every 5 CPS workers in FY 1999 is continued in FY 2000 and FY 2001. The agency reports hiring 20.8 FTE Positions to relieve CPS workers from routine tasks that do not require their expertise. The monies and 20.8 FTE Positions are reflected in the operating budget.

**Financing Shift from GF to Child Abuse Prevention Fund** — The approved budget reflects an increase of \$500,000 from the Child Abuse Prevention Fund to offset GF expenditures over a 2-year period. For FY 2000, this results in a decrease of \$(250,000) from the GF and an increase of \$250,000 from the Child Abuse Prevention Fund. For FY 2001, the same amount is continued, resulting in no net change between the 2 fiscal years.

Monies in the fund are from a portion of various court fees and a surcharge on the issuance of death certificates. Monies also come from a check-off contribution on Arizona tax forms. The monies are used to provide financial assistance to community treatment programs for the benefit of abused children and their parents or guardians. The approved offset in GF expenditures is reflected in the Children Services Special Line Item. The FY 1998 ending fund balance for the fund was \$926,200.

**Adoption Services** — The approved FY 2000 amount includes an increase of \$1,854,600 GF to provide for anticipated growth in expenditures reflected in the Adoption Services Special Line Item. The FY 2001 amount includes an additional increase of \$1,007,100 GF for continued anticipated growth. The monies displayed in this Special Line Item are all from the General Fund. 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. The approved amount will fund services estimated at 3,939 children in FY 2000 and 4,276 children in FY 2001. The approved amount is based upon an average annual cost per child of \$6,772 and Title IV-E non-appropriated Federal Funds of \$9,472,300 in FY 2000 and \$10,750,000 in FY 2001. The average monthly payment per adoption in state funds is estimated at \$364 in FY 2000 and \$355 in FY 2001. In addition to the above

amounts, Laws 1999 Chapter 347 appropriated an additional \$300,000 GF in FY 2001 for adoption. (*See Additional Appropriations in this narrative for more information.*)

**Children Services** — The appropriation displayed in this Special Line Item is the result of several adjustments, including funding shifts that create GF savings by making use of available Federal Funds. The result is that GF expenditures are reduced by \$(18,386,900), but the reduction is more than offset by other appropriated and non-appropriated funds. The following table shows a breakdown of funding sources for FY 1999, FY 2000, and FY 2001.

<b>Funding Source</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
General Fund	\$54,861,200	\$36,474,300	\$39,104,100
Federal TANF	6,284,800	6,284,800	6,284,800
Federal TANF to SSBG	4,560,700	22,950,000	22,950,000
Other Appropriated Funds	0	250,000	250,000
Non-Appropriated Federal	27,508,600	34,524,500	35,790,600
Other Non-Appropriated	<u>890,000</u>	<u>890,000</u>	<u>890,000</u>
Total	<u>\$94,105,300</u>	<u>\$101,373,600</u>	<u>\$105,269,500</u>

The amount for FY 2000 is an increase of \$7,268,300 from FY 1999 when all funding sources are considered. However, this increase is not displayed in the appropriation for the Children Services Special Line Item because part of the funding for Children Services is displayed in the new Temporary Assistance for Needy Families Block Grant (TANF) to Social Services Block Grant (SSBG) Special Line Item discussed later in this cost center. The following adjustments are included in the FY 2000 appropriation:

- Adds \$22,950,000 from monies transferred from the federal TANF to the federal SSBG and reduces GF by the same amount for no net change in expenditures. (*See the TANF Deposit to SSBG Special Line Item in this cost center for further details.*);
- Adds \$9,832,700 GF to fund caseload growth reported in a shortfall for FY 1999 discussed below;
- Adds \$200,000 GF to increase from \$100,000 to \$300,000 GF funding first authorized by Laws 1997, Chapter 225 for community and neighborhood based recruitment of adoptive homes for special needs children in foster care;
- Adds \$250,000 from the Child Abuse Prevention Fund and reduces GF by the same amount for no change in funding. (*See Financing Shift from GF to Child Abuse*

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*Prevention Fund discussed earlier in this cost center for further details.); and*

- Adds \$5,219,600 from the non-appropriated federal SSBG and reduces GF expenditures by the same amount for no net change in expenditures. The non-appropriated SSBG funds are monies that have been budgeted in the Division of Employment and Rehabilitation Services (DERS) for child care. The approved budget uses TANF monies for the child care expenditures in DERS, which frees up the SSBG funds for use in this cost center. (*See the DERS cost center for further details.*)

For FY 2001, funding is the same except that total funding increases by \$3,895,900 due to anticipated caseload growth. The increase consists of \$2,629,800 GF and \$1,266,100 federal non-appropriated dollars.

The appropriation funds a range of contracted services to ensure the well being of children who are abused or neglected. These contracted services consist of: (1) in-home services for resolving family problems through the use of counseling, day support and parent aides while the child remains in the home; (2) out-of-home services (foster care), which require removal of the child from the home and his/her placement in family foster care or other residential setting; and (3) child protective services, which provide support services, such as assessments and transportation, related to removing abused children from the home. In addition to the above contracted services, the department has set aside \$200,000 GF of its approved budget for community-based services to homeless and runaway youth and their families.

For FY 1999, a supplemental appropriation provided additional funding of \$13,124,000 to cover a projected shortfall because of caseload increases that include FY 1998. The appropriation comes from an internal reallocation of already appropriated monies. The reallocated funding sources consist of the following:

- \$2,277,900 GF in Laws 1997, Chapter 3, 2<sup>nd</sup> Special Session that was appropriated to start the Family Builders Pilot program, but are not needed. These monies are lapsed by Laws 1999, Chapter 6, 1<sup>st</sup> Special Session and reappropriated for FY 1999;
- \$1,020,600 from the FY 1999 appropriation that were to be spent for the Family Builders program in FY 1999, but are not needed. (*See the Family Builders Pilot Program Special Line Item in this cost center for further details.*);
- \$5,264,800 from non-appropriated SSBG that were to be spent on Day Care Subsidy for children, but not needed because of surpluses; and

- \$4,560,700 from TANF monies that were to be spent in FY 1999 for other programs, but are not needed. These monies are a portion of the funds that are being transferred from TANF to SSBG. (*See the TANF Deposit to SSBG Special Line Item in this cost center for further details.*)

**High Risk Infant Services** — The approved FY 2000 amount of \$686,300 GF reflects no change from FY 1999. This amount is continued in FY 2001. The program will serve a total of 448 families whose children are exposed to substance abuse. The cost per family is estimated to be \$1,532. Contracted counselors/parent aides provide in-home services, including parent education. Services per family will be limited to 6 months. The contracted counselors/parent aides also work closely with the Department of Health Services and county public health nurses, who provide medical services for the children and behavioral services and substance abuse treatment for the parents. An underlying assumption of this program is that these children are being kept out of the more costly out-of-home (foster care) program, thereby, lowering the demand for additional out-of-home services funding.

**Intensive Family Services** — The approved FY 2000 amount of \$2,435,600 GF reflects no change from FY 1999. This amount is continued in FY 2001. The program provides services to 750 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. A team consists of 1 Parent Aide, 1 Counselor, and 1 Coordinator. A team will respond within 24 hours to the child abuse report and to family emergencies, as well as provide services to the family within its home. The services are intensive, time-limited (6 to 8 weeks), and geared toward keeping children in the home. The program emphasizes in-home crisis intervention and parent education. An underlying assumption of this program is that these children are being kept out of the more costly out-of-home (foster care) program, thereby lowering the demand for additional out-of-home services funding.

**Child Severance Project** — The approved FY 2000 amount of \$146,500 reflects no change from FY 1999. This amount is continued in FY 2001. Based upon Laws 1986, Chapter 205, this project is designed to expedite the procedures for making a child eligible for adoption after the original parent-child relationship has been severed. DES may use the funds to contract for social services incurred in expediting severance and adoption. The program will receive another \$148,200 each fiscal year in non-appropriated Federal Funds. The approved amount will provide for the completion of an estimated 494 social studies per year at an approximate \$596.98 cost per study.

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**Videotaping** — The approved amount of \$111,300 GF in FY 2000 and \$113,700 GF in FY 2001 provides for 2 FTE Positions to videotape investigative interviews of child sex abuse victims. To lessen the number of such interviews, the department is to coordinate all such interviews with law enforcement officials and the county attorneys' office.

**Healthy Families** — The approved FY 2000 budget reflects for the first time funding for this program through the General Appropriation Act. Laws 1998, Chapter 295 appropriated \$3,000,000 GF in FY 1999 and established permanently within DES the Healthy Families Program. The legislation eliminated the pilot status of the program for which funding had been provided outside the General Appropriation Act since FY 1995.

This 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. Services include parenting skills training, counseling, nutrition and preventative health care education, developmental and health assessments, and community resources information for such items as immunization, school readiness programs, social, employment and other assistance programs. In FY 1998, a total of 1,374 families were served at a cost of \$2,783 per family, including in-kind match monies of \$992,600.

The approved FY 2000 budget reflects funding at \$4,000,000 GF, an increase of \$1,000,000 from FY 1999. The approved FY 2001 amount includes a further increase of \$1,000,000 GF, for total funding of \$5,000,000.

**CPS Incentive Pay Program** — The approved amount of \$240,000 GF reflects no change from FY 1999. This amount is continued in FY 2001. The monies are used for a performance based incentives pilot program for eligible CPS I, II, and III workers. The program is required to be established in accordance with Laws 1995, Chapter 43.

**Family Builders Pilot Program** — Laws 1997, Chapter 223, established this pilot program. DES was required to establish this program by January 1, 1998 in at least 2 locations. Through this program, community-based providers offer preservation and support services to families of children whom, after initial assessment by CPS workers, are determined not to be in immediate danger (Priority 4 cases). The Office of the Auditor General is required to prepare an outcome evaluation report by January 1, 2000.

All funding for this program is from the General Fund. The approved amounts include \$7,996,100 in FY 2000 and \$7,999,000 in FY 2001. The program is staffed by 3 FTE Positions.

For FY 1999, approved GF funding was reduced by \$(1,428,700) in Laws 1999, Chapter 6, 1<sup>st</sup> Special Session and reallocated within the agency to cover shortfalls in other programs. The implementation of the program has been slower than originally anticipated. In addition, funding for the program was for 100% of Priority 4 cases in Maricopa and Pima counties. However, because of the policy change made by the agency, only 64% of the Priority 4 cases have been referred to Family Builders. The agency has now begun to refer Priority 3 cases to Family Builders. Priority 3 cases are those where there may be emotional abuse, but the threat of physical or sexual abuse is not ranked serious.

**CPS Appeals** — Funding in this Special Line Item consists of \$587,100 in FY 2000 and \$591,300 in FY 2001 from GF for 11 FTE Positions. The approved budget reflects, beginning in FY 2000, the following adjustments:

- Deletes \$(197,300) GF and (2) FTE Positions, which through an Interagency Service Agreement (ISA) have been for Administrative Judges in the Office of Administrative Hearings. Now the monies and FTE Positions will be appropriated directly to the Office of Administrative Hearings.
- Eliminates \$(76,200) GF in one-time expenditures for equipment and reductions in contract services; and
- Reallocates \$172,800 GF in existing monies that have been budgeted for Professional and Outside Services to pay for increasing the number of staff by 4 FTE Positions. The anticipated level of appeals is expected to increase from the original estimate of 6.6% to 13% of substantiated reports since the change in law became effective in January 1998.

**Child Abuse Prevention** — The approved budget of \$810,300 in FY 2000 and \$811,400 in FY 2001 from the Child Abuse Prevention Fund is for providing financial assistance to community treatment programs benefiting abused children and their parents or guardians. Federal law mandates that the state establish a child abuse prevention fund in accordance with federal guidelines in order to receive federal dollars. In addition to administrative costs of \$40,300 in FY 2000 and \$41,400 in FY 2001 for 1 FTE Position, monies are to be expended each fiscal year on the following programs: \$598,500 for Healthy Start; \$76,500 for Child Abuse Prevention; and \$95,000 for Regional Prevention Councils.

**Comprehensive Medical & Dental Program (CMDP)** — The approved FY 2000 amount of \$2,794,900 GF, unchanged from FY 1999, 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. The monies will fund

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medical and dental services in FY 2000 for an estimated 12,343 children, at an average annual cost of \$1,043.40 per child. The total estimated program is expected to cost \$12,878,700, which includes \$179,500 in Independent Profession Review Team fees. In addition to the GF funds of \$2,794,900 in FY 2000, the program will receive \$10,083,800 from Non-Appropriated sources. For FY 2001, funding from all sources totals \$13,941,800 to serve an estimated 13,590 children, at an average annual cost of \$1,025.89 per child. The following table shows funding sources for FY 2000 and FY 2001:

<b>Funding Source</b>	<b>FY 2000</b>	<b>FY 2001</b>
General Fund	\$ 2,794,900	\$ 2,794,900
Reimbursement from AHCCCS	8,751,600	9,698,100
Reimbursement from ALTC System	1,272,600	1,384,100
Third Party Liability Payments	<u>59,600</u>	<u>64,700</u>
Total	<u>\$12,878,700</u>	<u>\$13,941,800</u>

**Attorney General Legal Services** — The approved budget consists of several adjustments to the Attorney General Legal Services Special Line Item, including 5 adjustments which net to an increase of \$805,000 and 29.1 FTE Positions beginning in FY 2000. The 5 adjustments are listed below:

- Deletes \$(110,700) GF in the Special Line Item due to the elimination of one-time equipment cost and reduces expenditures for information technology services;
- Adds 15 FTE Positions that previously were appropriated to the Attorney General - Department of Law. There are no additional monies required in the DES budget to fund the 15 FTE Positions because they are already funded by DES though an ISA between the 2 agencies. Because the Attorney General's accounting system is unable to provide the detailed reporting level needed to draw down Federal Funds, most of the dollars appropriated for Attorney General legal services in DES have not been through ISAs.

The approved budget reflects the policy of discontinuing all remaining ISAs between the 2 agencies, as requested by both agencies. A total of 26 FTE Positions are transferred from the Attorney General to DES, but 11 FTE Positions are not reflected in DES's budget because they are funded from Non-Appropriated Fund sources;

- Transfers in \$95,600 GF and 1.1 FTE Positions to this cost center from the agency's Division of Administration as a technical correction.

- Adds \$193,700 GF that was appropriated by Laws 1998, Chapter 276 to the Office of the Attorney General. Beginning in FY 2000, these monies are appropriated directly to DES because all other monies for Attorney General legal assistance in child guardianship already reside in the DES budget. The monies fund 2 Attorney FTE Positions and 1 Clerical FTE Position, for a total of 3 FTE Positions.
- Adds \$626,400 GF for 10 new FTE positions discussed earlier in this analysis. *(See the Model Court issue in this cost center for additional details.)*

Funding in this Special Line Item consists of \$4,160,400 GF and \$19,900 TANF in FY 2000. For FY 2001, funding is slightly higher due to a salary increase approved by the 1999 Legislature and consists of \$4,238,600 GF and \$21,100 TANF. The monies fund 79 GF and 0.3 TANF FTE Positions.

**TANF Deposit to Social Services Block Grant (SSBG)**

— This Special Line Item was created by the 1999 Legislature to display monies transferred from a portion of the state's TANF Block Grant to the federal SSBG. The 1996 federal welfare reform legislation that created the TANF Block Grant allows states to transfer up to 10% of their yearly TANF grants to the SSBG. Recent federal legislation restricts the amount that states can transfer from the TANF Block Grant to the SSBG beginning in federal fiscal year 2001 to 4.25% of a state's yearly TANF Block Grant.

The purpose for transferring the monies, beginning in FY 1999, is to increase the flexibility for use of the monies to meet social service needs. The monies are used for the Children Services program. They also are used to offset a federal FY 1999 reduction to the state in SSBG monies and to partially offset proposed further reductions in SSBG monies in FY 2000 and FY 2001. *(See the Children Services Special Line Item in this cost center and the Federal Cut to the SSBG Grant in the Agency Summary section for further details.)*

Monies displayed in this Special Line Item are allocated for use in one or more fiscal years. *(See the footnotes shown at the beginning of this cost center or the Agency Summary section for tables that detail when and how the monies are to be expended.)*

**CPS Expedited Substance Abuse Treatment Fund Deposit**

— The approved budget continues in FY 2000 and FY 2001 a General Fund appropriation first authorized by Laws 1998, Chapter 276. The GF monies are for deposit into a new non-appropriated Child Protective Services Expedited Substance Abuse Treatment Fund. Funds are to be used to provide expedited drug treatment

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to guardians and parents when a dependency case plan calls for such treatment.

**Additional Appropriations: Permanent Guardianship Subsidy (Chapter 251)** — Appropriates from GF \$105,000 in FY 2000 and \$124,000 in FY 2001 for a new subsidy program designed to encourage foster care children to be placed 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. Funds to pay for the care of these foster care children are from a mix of state and federal Title IV-E monies. The federal Title IV-E monies can no longer be used to pay the cost of these children when they move out of foster care into this new subsidy program. A greater portion of GF funding is needed, which is reflected in this appropriation. The amount would be higher except that the legislation also allows for making use of federal TANF funds for the new program. The TANF funds, estimated at \$237,500 in FY 2000 and \$259,500 in FY 2001 from data provided by the agency, are to come from already existing resources.

**Assistance Services Programs; Appropriation (Chapter 328)** — Adds \$400,000 from TANF in each FY 2000 and FY 2001 for this division. The non-lapsing appropriation of \$400,000 in each fiscal year is for establishing a homeless youth intervention program by January 1, 2000 in 2 locations in the state for the purpose of helping the clients achieve self-sufficiency from services provided through collaborative partnerships with community and faith-based organizations. The department must provide an annual report on data outlined in the legislation about the program and the Auditor General must prepare an outcome evaluation report due November 15, 2001. The Auditor General's report is to include the extent to which goals and objectives of the program have been met, the number of youth that receive services, the demographic make-up of the population served by the program, and the average cost of the services provided.

**Expedited Adoption (Chapter 347)** — Appropriates \$300,000 GF in FY 2001, of which \$100,000 is for adoptive home recruitment and \$200,000 is for home placement services, including severance social studies, prospective adoptive parent training, and adoption transition services. The legislation also makes changes to adoption procedures to streamline the process.

As originally passed, the legislation required that any savings attributable to the expedited process in FY 2000 be transferred to FY 2001 for contracted adoption services. However, the Governor vetoed this portion of the bill. The Governor's veto also removed a requirement that the savings be reviewed by the Joint Legislative Budget Committee.