

Department for Children and Families

Expenditure	Actual FY 2015	Approved FY 2016	Approved FY 2017
All Funds:			
State Operations	\$ 212,729,364	\$ 235,271,552	\$ 221,376,447
Aid to Local Units	-	-	-
Other Assistance	355,005,611	378,417,324	366,136,504
<i>Subtotal - Operating</i>	<u>\$ 567,734,975</u>	<u>\$ 613,688,876</u>	<u>\$ 587,512,951</u>
Capital Improvements	254,230	-	-
TOTAL	<u><u>\$ 567,989,205</u></u>	<u><u>\$ 613,688,876</u></u>	<u><u>\$ 587,512,951</u></u>
State General Fund:			
State Operations	\$ 92,377,665	\$ 95,599,834	\$ 94,948,013
Aid to Local Units	-	-	-
Other Assistance	129,473,824	126,648,382	138,771,457
<i>Subtotal - Operating</i>	<u>\$ 221,851,489</u>	<u>\$ 222,248,216</u>	<u>\$ 233,719,470</u>
Capital Improvements	161,159	-	-
TOTAL	<u><u>\$ 222,012,648</u></u>	<u><u>\$ 222,248,216</u></u>	<u><u>\$ 233,719,470</u></u>
Percent Change:			
Operating Expenditures			
All Funds	4.2 %	8.1 %	(4.3)%
State General Fund	(3.1)	0.2	5.2
FTE Positions	2,251.5	2,163.9	2,024.9
Non-FTE Unclass. Perm. Pos.	<u>278.5</u>	<u>445.5</u>	<u>431.5</u>
TOTAL	<u><u>2,530.0</u></u>	<u><u>2,609.4</u></u>	<u><u>2,456.4</u></u>

The approved budget for the Department for Children and Families (DCF) in FY 2016 is \$613.7 million, including \$222.2 million from the State General Fund and \$20.8 million from the Children's Initiatives Fund (CIF). The approved amount is an all funds increase of \$45.7 million, or 8.1 percent, and a State General Fund increase of \$235,568, or 0.2 percent, above the FY 2015 actual expenditures. The all funds increase is primarily due to federal funding changes and increase to Human Services Consensus caseloads.

The budget includes a reduction of \$503,286, as the result of the Governor's July 30, 2015, State General Fund allotment authorized under 2015 Senate Sub. for HB 2135, associated with a reduction in Kansas Eligibility and Enforcement System (KEES) maintenance costs and a partial lapse of reappropriations. It also included a reduction of \$2.2 million, as the result of the Governor's November 6, 2015 State General Fund allotment and the authority given under 2015 Senate Sub. for HB 2135, associated with a reduction in expenditures for the Kansas Eligibility and Enforcement System (KEES) system. The Governor's special allotment authority was used in July 2015 to transfer the released CIF encumbrance associated with the Lexia reading program totaling \$2,841,714 to the State General Fund. The Governor's special allotment authority was utilized in November 6, 2015 to transfer \$9.0 million in released CIF encumbrances associated with the Early Childhood Block Grant.

The approved budget includes additional federal funds for the Low Income Energy Assistance Program and additional funding for KEES which had been anticipated to be completed prior to FY 2016. Also included is the addition of \$1.1 million, all from federal funds, to increase the reimbursement rate for child care services effective January 1, 2016.

The FY 2016 approved budget includes 2,163.9 FTE positions, a decrease of 87.6 FTE positions, below the FY 2015 actual number and 445.5 non-FTE unclassified positions, an increase of 167.0 non-FTE unclassified positions above the FY 2015 actual number. This amount includes switching 99.0 FTE positions to non-FTE positions. In addition, the revised estimate includes the addition of 138.0 FTE positions associated with Medicaid eligibility determination which were required until January 2016.

The FY 2017 approved budget for the Department for Children and Families is \$587.5 million, including \$233.7 million from the State General Fund and \$7.1 million from the CIF. The approved amount is an all funds decrease of \$26.2 million, or 4.3 percent, and a State General Fund increase of \$11.5 million, or 5.2 percent, from the FY 2016 approved amount. The majority of the adjustment is attributable to a reduction in federal funds and the transfer of the majority of CIF moneys to the Department of Education.

The approved budget includes the addition of \$4.2 million, all from federal funds, to increase the reimbursement rate for child care services, effective January 1, 2016. Also included in the approved budget is an increase of \$4.7 million for the Kansas Early Head Start program for FY 2017. As a part of the May 18, 2016, State General Fund Allotment for FY 2017 the Governor deleted \$8.4 million, including \$3.2 million from the State General Fund, for FY 2017. Also included was a reduction of \$1.0 million, all from the State General Fund, for information technology savings as authorized by 2015 House Sub. for SB 112 and 2016 House Sub. for SB 161.

The FY 2017 approved budget includes language giving the Children's Cabinet the authority to monitor and evaluate expenditures for the programs funded by the Children's Cabinet for FY 2017. Also included was language giving the Children's Cabinet the authority to decide on appropriate agency placement of all CIF programs (with the exception of tiny-K Infants and Toddlers Program which is to remain at the Department of Health and Environment) including the Cabinet itself. Further, language was included that the Children's Cabinet would make recommendations regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017. The Children's Cabinet opted to change administrative oversight from the Department for Children and Families to the Department of Education for FY 2017 based on authority in 2016 House Sub. for SB 161 and 2016 House Sub. for SB 249. Associated with this shift, the approved budget includes a reduction of \$46.1 million, all from special revenue funds, and 3.0 non-FTE positions.

The FY 2017 approved budget includes 2,024.9 FTE positions, a decrease of 139.0 FTE positions, below the FY 2016 approved number and 431.5 non-FTE unclassified positions, a decrease of 14.0 non-FTE unclassified positions below the FY 2016 approved number. The reduction of 138.0 FTE positions was associated with Medicaid eligibility determination which were required until January 2016.

2016 House Sub. for SB 402 makes changes pertaining to eligibility for public assistance. Among other things, the bill made changes to the Temporary Assistance for Needy Families (TANF) and other related public assistance programs. The bill reduced the TANF benefit limit from 36 calendar months to 24 calendar months, with the possibility of a hardship extension allowing receipt of TANF benefits until the 36-month lifetime limit is reached (the current lifetime limit is 48 months); reduced from 42 months to 18 months the TANF cash assistance lifetime limit for a recipient of a TANF diversion payment; changed work participation requirements and exemptions for recipients of TANF, non-TANF child care, and food assistance (Supplemental Nutrition Assistance Program [SNAP]); made TANF and Child Care Subsidy Program recipients ineligible for assistance for failure to cooperate with fraud investigations; required verification of all adults in the assistance household; and required monthly reporting of persons with lottery winnings in excess of \$5,000 to determine any recipient's continued eligibility for public assistance as a result of such winnings.

Department for Children and Families

Agency Estimate/Request	FY 2016			FY 2017		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate/Request	\$ 233,569,157	\$ 620,804,448	2,163.9	\$ 233,360,592	\$ 606,859,025	2,024.9
Governor's Changes:						
1. Fall Human Services Caseloads	\$ (3,480,000)	\$ 6,785,637	-	\$ 6,229,000	\$ 6,716,218	-
2. Early Childhood Block Grant	-	(9,000,000)	-	-	-	-
3. Child Care Rate Adjustment	-	1,053,365	-	-	4,213,460	-
4. Not Fund Supplemental Request	-	-	-	(1,630,200)	(1,952,804)	-
5. Move Children's Cabinet to KSDE	-	-	-	-	(19,991,946)	-
6. Shift CIF funding to SGF	-	-	-	7,188,036	-	-
7. Restructure KS Early Headstart	-	-	-	-	4,668,800	-
8. November 6, 2015 Allotment	(2,200,000)	(2,200,000)	-	-	-	-
9. GBA No. 1, Item 4 PAT criteria	-	-	-	-	-	-
10. GBA No. 1, Item 9 Caseloads	(4,620,000)	(2,733,633)	-	(1,534,000)	(4,880,034)	-
11. GBA No. 1, Item 17 Social Worker Pay Increase	-	-	-	902,000	1,064,000	-
12. Governor's May 18, 2016 Allotment	-	-	-	(3,225,999)	(8,370,522)	-
13. IT Savings Lapse	(1,020,941)	(1,020,941)	-	-	-	-
Total Governor's Recommendation	\$ 222,248,216	\$ 613,688,876	2,163.9	\$ 241,289,429	\$ 588,326,197	2,024.9
Change from Agency Est.	\$ (11,320,941)	\$ (7,115,572)	-	\$ 7,928,837	\$ (18,532,828)	-
Percent Change from Agency Est.	(4.8)%	(1.1)%	-%	3.4 %	(3.1)%	-%
Legislative Action:						
14. Children's Cabinet Language	\$ -	\$ -	-	\$ -	\$ -	-
15. Delete CIF Funding for Programs	-	-	-	(7,188,036)	(7,188,036)	-
16. Children's Cabinet TANF Funding	-	-	-	-	7,237,635	-
17. Children's Cabinet CIF Funding	-	-	-	-	42,000,000	-
18. Restore Children's Cabinet to DCF	-	-	-	-	942,235	-
19. Transfer KEY Funds to CIF	-	-	-	-	-	-
20. KPERS Death and Disability Reduction	-	-	-	(381,923)	(733,619)	-
21. Chanute Property Sale Language	-	-	-	-	-	-
22. CIF Disbursement Language	-	-	-	-	-	-
23. Children's Cabinet Administrative Change to KSDE	-	-	-	-	(46,078,752)	-
24. CIF Grants Reduction	-	-	-	-	(4,100,000)	-
25. CIF Funding for Programs	-	-	-	-	7,107,291	-
TOTAL APPROVED	\$ 222,248,216	\$ 613,688,876	2,163.9	\$ 233,719,470	\$ 587,512,951	2,024.9
Change from Gov. Rec.	\$ -	\$ -	-	\$ (7,569,959)	\$ (813,246)	-
Percent Change from Gov. Rec.	-%	-%	-%	(3.1)%	(0.1)%	-%
Change from Agency Est.	\$ (11,320,941)	\$ (7,115,572)	-	\$ 358,878	\$ (19,346,074)	-
Percent Change from Agency Est.	(4.8)%	(1.1)%	-%	0.2 %	(3.2)%	-%

1. The Governor added \$6.8 million for Human Services Consensus Caseload, including a reduction of \$3.5 million from the State General Fund in FY 2016. The Governor added \$6.7 million, including \$6.2 million from the State General Fund, for Human Services consensus caseloads for FY 2017.
2. The Governor deleted \$9.0 million, all from the Children's Initiatives Fund, from the Early Childhood Block Grant, in FY 2016. The Governor's special allotment authority under 2015 Session HB 2135 was utilized in November 2015 to transfer \$9.0 million in released Children's Initiatives Fund encumbrances associated with the Early Childhood Block Grant to the State General Fund.
3. The Governor added \$1.1 million, all from federal funds, for FY 2016 and \$4.2 million, all from federal funds, for FY 2017, to increase the reimbursement rate for child care services, effective January 1, 2016.
4. The Governor did not recommend funding for the agency's supplemental request \$2.0 million, including \$1.6 million from the State General Fund, for social worker recruitment and retention.

5. The Governor recommended moving the oversight of the Children's Cabinet to the Department of Education and deleted \$20.0 million, from all funding sources, and 3.0 non-FTE positions associated with the Children's Cabinet to be transferred to the Department of Education for FY 2017.
6. The Governor deleted \$7.2 million, all from the Children's Initiatives Fund, and added the same amount from the State General Fund, to switch funding for child care services and family preservation services for FY 2017.
7. The Governor deleted \$6.8 million, all from the Child Care and Development Fund, for the Kansas Early Head Start Program and added \$11.5 million, all from the Temporary Assistance for Needy Families Fund, for the same program for FY 2017. The net result is an increase of \$4.7 million for Kansas Early Head Start for FY 2017.
8. The Governor's November 6, 2015 State General Fund allotment included a reduction of \$2.2 million, all from the State General Fund, which was associated with a reduction in expenditures for the Kansas Eligibility and Enforcement System (KEES).
9. The Legislature concurred with GBA No. 1, Item 4, and replaced the eligibility language for the Parents as Teachers Program from income based to risk based criteria for FY 2017.
10. The Legislature concurred with GBA No. 1, Item 9, and added \$7.4 million from special revenue funds and deleted \$4.6 million from the State General Fund to fully fund Human Services consensus caseload estimates in FY 2016. The Legislature concurred with GBA No. 1, Item 9, and deleted \$4.9 million, including \$1.5 million from the State General Fund, to fully fund the Human Services consensus caseload estimates for FY 2017.
11. The Legislature concurred with GBA No. 1, Item 17, and added \$1.1 million, including \$0.9 million from the State General Fund, for salary increases for social workers and social worker supervisors for FY 2017.
12. The Governor deleted \$8.4 million, including \$3.2 million from the State General Fund, for FY 2017 as a part of the Governor's May 18, 2016 State General Fund Allotment for FY 2017.
13. The Governor deleted \$1.0 million, all from the State General Fund, for information technology savings as authorized by 2015 House Sub. for SB 112 and 2016 House Sub. for SB 161.
14. The Legislature added language giving the Children's Cabinet the authority to monitor and evaluate expenditures for the programs funded by the Children's Cabinet for FY 2017. The Legislature also added language giving the Children's Cabinet the authority to decide on appropriate agency placement of all Children's Initiatives Fund programs (with the exception of tiny-K Infants and Toddlers Program which is to remain at the Department of Health and Environment) including the Cabinet itself.
15. The Legislature deleted \$2.2 million, all from the State General Fund, for family preservation services for FY 2017 and deleted \$5.0 million, all from the State General Fund, for child care services for FY 2017. These programs historically received an appropriation from the Children's Initiatives Fund. The Legislature directed that funding from the Children's Initiatives Fund now be recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.
16. The Legislature added \$7.2 million, all from the federal Temporary Assistance for Needy Families Fund, to the Children's Cabinet to be expended on a means tested program that meets the eligibility requirements of the federal block grant for FY 2017.
17. The Legislature added \$42.0 million, all from the Children's Initiatives Fund, to the Children's Cabinet to be expended for early childhood programs, tobacco cessation, and other related programs for FY 2017. Additionally, the Legislature added language that the Children's Cabinet make recommendations regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.
18. The Legislature added \$942,235 from all funding sources, and 3.0 non-FTE positions, for the Children's Cabinet to remain at the Department for Children and Families until the Children's Cabinet made a determination of where it would be housed for administrative purposes for FY 2017.
19. The Legislature reduced the transfer from the Kansas Endowment for Youth Fund to the State General Fund by \$42.0 million for FY 2017. Further, the Legislature transferred \$42.0 million, all from the Kansas Endowment for Youth Fund, to the Children's Initiatives Fund for FY 2017.
20. The Legislature deleted \$733,619, including \$381,923 from the State General Fund, to eliminate the remaining three quarters of Death and Disability payments for FY 2017.

21. The Legislature added language directing the Secretary of Children and Families to sell property to the Neosho Memorial Regional Medical Center at a price agreed to by both parties for FY 2017.
22. The Legislature added language regarding the implementation of the Children's Cabinet dispersal of the Children's Initiatives Fund grants for FY 2017.
23. Deleted \$46.1 million, all from special revenue funds, and 3.0 non-FTE positions, associated with the Children's Cabinet opting to change administrative oversight from the Department for Children and Families to the Department of Education for FY 2017 based on authority in 2016 House Sub. for SB 161 and 2016 House Sub. for SB 249.
24. The Legislature deleted \$4.1 million, all from the Children's Initiatives Fund, for the CIF grants account for FY 2017 (2016 Special Session Sub. for HB 2001).
25. The Governor allocated a total of \$7.1 million, all from the Children's Initiatives Fund, for FY 2017 as authorized by 2016 House Sub. for SB 161 and 2016 House Sub. for SB 249 to fund: \$5,033,679 for child care services and \$2,073,612 for family preservation services.