

DEPARTMENT FOR CHILDREN AND FAMILIES

Expenditure	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Operating Expenditures:					
State General Fund	\$ 221,851,474	\$ 233,569,157	\$ 227,889,157	\$ 233,360,592	\$ 245,147,428
Other Funds	345,856,154	387,235,291	389,554,293	373,498,433	355,365,325
TOTAL	\$ 567,707,628	\$ 620,804,448	\$ 617,443,450	\$ 606,859,025	\$ 600,512,753
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GRAND TOTAL	\$ 567,707,628	\$ 620,804,448	\$ 617,443,450	\$ 606,859,025	\$ 600,512,753
Percentage Change:					
Operating Expenditures					
State General Fund	4.2 %	5.3 %	2.7 %	(0.1) %	7.6 %
All Funds	(3.1)	9.4	8.8	(2.2)	(2.7)
FTE Positions	2,251.5	2,163.9	2,163.9	2,024.9	2,024.9
Non-FTE Perm.Uncl.Pos.	278.5	445.5	445.5	434.5	431.5
TOTAL	2,530.0	2,609.4	2,609.4	2,459.4	2,456.4

AGENCY OVERVIEW

The Department for Children and Families (DCF) is a cabinet-level agency headed by a secretary appointed by the Governor. The mission of the agency is to protect children, promote healthy families, and encourage personal responsibility. The Department operates through four Divisions: Administration, Family Services, Supported Business, and Regional Offices.

MAJOR ISSUES FROM PRIOR YEARS

Deficit Reduction Act of 2005. The federal Deficit Reduction Act of 2005 (DRA), signed into law in February 2006, impacts numerous programs administered by the agency.

The law impacts numerous programs under the Social Security Act including those related to child welfare (Federal Title IV-B or Family Preservation, Parts I & II, and Federal Title IV-E or Foster Care). The most significant impact relates to the reversal of an earlier interpretation that allowed states to claim Title IV-E for administrative costs for otherwise IV-E eligible children placed in unlicensed foster homes. The law limits the Title IV-E administrative costs states can claim for children placed with an unlicensed or unapproved relative to only children that meet other restrictive criteria. The 2007 Legislature added \$8.1 million from the State General Fund in FY 2007 to replace federal funds denied by the federal Centers for Medicare and Medicaid Services for mental health services for children in the child welfare system.

The Act contains several provisions which impact Child Support Enforcement (CSE) funding. The largest impact is a change which prohibits states from using federal CSE incentive earnings as state matching funds, effective October 1, 2007. Also during FY 2008, CSE will be required to implement a mandatory annual fee on collections for families who have never been on public assistance and pay 66 percent of it to the federal government. Starting October 1, 2006, the federal match rate for genetic testing was reduced from 90 percent to 66 percent. The 2007 Legislature added \$6.4 million, including \$2.2 million from the State General Fund, to replace federal child support enforcement funds lost due to the Deficit Reduction Act of 2005.

The reauthorization of the Temporary Assistance to Needy Families (TANF) program was also included in the DRA. The bill provides for level funding of the block grant through September 30, 2010, therefore Kansas' block grant will continue to be \$101.9 million. However, the bill creates stricter work requirements for states by eliminating state flexibility in defining work activities, requiring verification through source documents of actual hours of work participation, and recalibrating the caseload reduction credit which will raise the Kansas work participation requirement from 39 percent to an estimated 45 percent. The agency indicates that these changes will make it extremely difficult to meet the TANF work participation rates and have a significant impact on the workload of DCF staff. Failing to meet the TANF work participation requirement will result in a penalty, based on the severity of under-performance, to reduce the state's block grant followed by the state's requirement to replace this loss with state funds in the ensuing year.

Level V and VI/Private Residential Treatment Facilities (PRTFs). The services provided in Level V and VI residential settings were part of a range of service options for youth in Kansas needing specialized mental health or behavioral health supports. Starting in the spring of 2004 the federal Centers for Medicare and Medicaid Services (CMS) notified SRS that substantial portions of the current Medicaid State Plan governing a variety of services were considered out of compliance with practice standards. One of the key issues CMS was concerned about related to services provided in Level V and VI settings, most of which are classified as Institutes for Mental Disease (IMDs) under federal regulations but were differently classified by Kansas. For youth under the age of 22, the only Medicaid service available to youth residing in IMDs is inpatient psychiatric services for Under Age 21. Facilities providing this service must have accreditation, and the payment rate must be all-inclusive, providing all services (including physical health care) necessary for the residents. The agency reports that it, in connection with other stakeholders considered a number of ways to provide resolution to the issue. The agency reports that the group of stakeholders convened to discuss options concluded that the only functional option was to acknowledge that they are primarily IMDs, and to assist them in preparing to deliver services within that structure. At the end of June 2006, SRS and the Medicaid State Agency submitted proposals to implement extensive amendments to the current state plan (discussed below) including the addition of private Psychiatric Residential Treatment Facilities (PRTF) services to address the IMD issues associated with youth psychiatric residential services. Under the revised state plan, the only residential facilities for children experiencing behavioral and emotional problems that will be reimbursed by Medicaid are PRTFs. The agency requested \$9.2 million, including \$7.5 million from the State General Fund, in both FY 2008 and FY 2009 to reimburse child welfare contractors for the increased costs of providing services for those children for which PRTFs are not the appropriate placements.

Child Care Assistance. The 2007 Legislature added \$2.6 million from federal funds to address increased child care assistance caseloads in FY 2007. In addition, \$7.6 million in federal funding was added for FY 2008 caseloads.

The 2008 Legislature added \$2.5 million, all from the State General Fund, in FY 2009 for child care caseload increases.

Grandparents as Caregivers. The 2006 Legislature passed SB 62 which created the state-funded Grandparents as Caregivers program, effective January 1, 2007. A grandparent or other qualifying relative is eligible to participate in the program if he or she is at least 50 years old; has custody of a grandchild through state placement, legal guardianship or other legal means, has an annual income of less than 130 percent of the federal poverty level, and the parent or parents of the child, do not reside with them. Subject to appropriations, program participants will receive \$200 per grandchild per month not to exceed a total of \$600 per month.

Early Head Start Program. The 2007 Legislature added \$1.6 million, all from the Children's Initiative Fund, to expand the Early Head Start program.

Pre-K Pilot. The 2007 Legislature added \$3.0 million, all from the Children's Initiatives Fund, in FY 2008 to expand the Pre-K pilot program.

Child Protective Services. The 2008 Legislature appropriated \$9.0 million from the State General Fund in FY 2008 and \$6.0 million from the State General Fund in FY 2009 for improved intake and assessment for Child Protective Services.

Disaster Funding. The 2008 Legislature appropriated \$2.2 million from federal disaster funding in FY 2008 to provide emergency and on-going mental health services to victims of the Greensburg tornado and the Southeast Kansas flooding.

Childhood Block Grant. The 2008 Legislature appropriated \$11.1 million, all from the Children's Initiatives Fund, for a new early childhood block grant to be administered by the Children's Cabinet in FY 2009.

The **2009 Legislature** passed SB 134, which limits the court's jurisdiction over a child in need of care to the child's 18th birthday or June 1 of the school year during which the child turns 18 if the child is still in high school, unless there is no court-approved transition plan. If there is no court approved transition plan, the court retains jurisdiction over the child until a transition plan is approved by the court or until the child's 21st birthday. The bill amends prior law to authorize the Department of Social and Rehabilitation Services obtain custody of a child 15 years or younger, a 16- or 17-year-old child if the child has no identifiable parental or family resources, or a 16- or 17-year-old child if the child shows signs of physical, mental, emotional, or sexual abuse.

The **2009 Legislature** approved savings of \$1.7 million, including \$1.5 million from the State General Fund, in FY 2010 as a result of changing custody policy for children in need of care, to release the children from the custody of the state at age 18 instead of 21. In addition, the 2009 Legislature approved savings of \$3.1 million, including \$2.8 million from the State General Fund, in FY 2010 as a result of changing the youth custody policy so that youth age 16 or older will only be placed in the custody of the state for reasons of maltreatment.

The **2009 Legislature** reduced FY 2009 appropriations by \$11.5 million, including \$5.2 million from the State General Fund, for a 1.25 percent across the board reduction, excluding human services consensus caseloads.

The **2009 Legislature** also added \$27.3 million, all from federal funds, in FY 2009 to reflect increased funding received for the Low Income Energy Assistance Program (LIEAP) and reduced the consolidated grants to the Community Mental Health Centers by \$1.8 million, all from the State General Fund in FY 2009. In addition, the Legislature reduced salaries and wages in FY 2009 by \$3.9 million, including \$1.9 million from the State General Fund, below the FY 2009 approved amount.

The **2009 Legislature** approved savings of \$15.1 million, including \$14.1 million from the State General Fund, in FY 2010 from renegotiating the foster care contract.

The **2009 Legislature** added \$520,000, all from the State General Fund, in FY 2010 to maintain partial funding for the Funeral Assistance program, to allow payments of up to \$545 per funeral.

The **2009 Legislature** added funding of \$487,500, all from the State General Fund, in FY 2010 for the contract with Kansas Legal Services which was transferred from the Kansas Health Policy Authority. In addition, the Legislature included language directing that expenditures of \$50,000 would be made in FY 2010 from the Children's Initiatives Fund to provide training for the early diagnosis of autism.

The **2010 Legislature** added \$2.0 million from all funding sources, and deleted \$16.6 million from the State General Fund, for human services consensus caseload estimates in FY 2010.

The **2010 Legislature** approved the policy limiting General Assistance eligibility to 12 months from the current 18 months of eligibility. This limitation was estimated to result in savings of \$592,696, including \$381,122 from the State General Fund. It was estimated that this policy change would result in approximately 494 individuals losing eligibility in FY 2011. In addition, the 2010 Legislature approved the policy limiting MediKan Mental Health Assistance eligibility to 12 months from 18 months of eligibility. This limitation was estimated to result in savings of \$820,587, all from the State General Fund. It is estimated that this policy change would result in approximately 190 individuals losing eligibility in FY 2011. In addition, the 2010 Legislature deleted \$519,900, all from the State General Fund, to eliminate the funeral assistance program for FY 2011, leaving \$100 in this program for FY 2011.

The **2010 Legislature** deleted \$4.1 million, including \$1.8 million from the State General Fund, or 2.5 percent, for a salary and wages reduction for FY 2011.

The **2010 Legislature** added language directing the agency to contract with Kansas Legal Services for disability determination case management and legal representation for FY 2011.

In addition, the **2010 Legislature** deleted \$500,000, all from the State General Fund, to reduce funding for administration for FY 2011.

The **2010 Legislature** deleted \$3.6 million from all funding sources, and added \$2.6 million from the State General Fund, for human services consensus caseload estimates for FY 2011.

By the end of FY 2010, the Rehabilitation Center for the Blind and Visually Impaired was closed by the agency. Individuals previously served at the facility are now being served in the community.

The **2011 Legislature** deleted \$9.9 million, all from the State General Fund, for FY 2012 to reflect a 5.0 percent reduction in State General Fund expenditures excluding human services consensus caseload programs. In addition, the Legislature deleted \$1.0 million, all from the State General Fund, for FY 2012 to reduce Administration program expenditures.

The **2011 Legislature** also deleted \$1.0 million, all from the State General Fund, from the Adoption Support program for FY 2012, and added the same amount from federal funds. The Legislature deleted \$3,197,688, including \$2,827,606 from the State General Fund, for FY

2012 to maintain foster care contract rates at the FY 2011 level. In addition, the Legislature deleted \$3.1 million, all from the Child Care Development Federal Fund, for FY 2012 for the child care assistance program leaving \$71.6 million in the program.

The **2011 Legislature** added \$180,900 from the Children's Initiatives Fund and deleted the same amount from federal funds for FY 2012 for the child care assistance program.

The bill added \$10,202,779, including \$69,100 from the Children's Initiatives Fund for FY 2012 for the Early Head Start program. In addition, the Legislature included language requiring that funding for the Early Head Start program be expended for that purpose.

The **2012 Legislature** approved FY 2012 expenditures of \$1.6 billion, including \$626.6 million from the State General Fund, for the Department of Social and Rehabilitation Services. The approved amount includes adjustments to fund the Human Services Consensus Caseload estimates. For FY 2013, the Legislature approved expenditures of \$613.8 million, including \$234.0 million from the State General Fund, for the Department of Social and Rehabilitation Services. The FY 2013 approved amount is a decrease of \$956.5 million, or 60.8 percent, below the FY 2012 approved amount, from all funding sources. The FY 2013 State General Fund approved amount is a decrease of \$392.6 million, or 62.7 percent, below the FY 2012 approved amount.

Executive Reorganization Order No. 41 renamed the Department of Social and Rehabilitation Services the Department for Children and Families. In addition, the ERO renamed the Department on Aging the Department for Aging and Disability Services. The ERO transferred the Division of Behavioral Health Services, including all home and community based services and mental health services, from the Department for Social and Rehabilitation Services to the Department on Aging. The Legislature added \$7.6 million, all from the Children's Initiatives Fund, for total FY 2013 Children's Initiatives Fund expenditures of \$26.7 million. In addition, the Legislature added \$2.6 million, including \$2.3 million from the State General Fund, to restore reductions to the foster care rates.

The **2013 Legislature** deleted \$3.5 million, including \$1.7 million from the State General Fund, in FY 2013 for the Temporary Assistance to Families program to reflect a reduction in beneficiaries associated with implementation of program policy changes and decreasing unemployment. In addition, the Legislature deleted \$5.8 million, including \$2.4 million from the State General Fund, for FY 2014 and deleted \$5.2 million, all from federal funds, for FY 2015 for the same program. In addition, the Legislature deleted \$7.9 million, including \$4.8 million from the State General Fund, for FY 2014 in anticipated savings from the implementation of a policy requiring a 30-hour work week to qualify for child care assistance.

The **2014 Legislature** deleted \$1.0 million, all from the Children's Initiatives Fund, from the Kansas Reads to Succeed Program to be expended by Lexia in FY 2014 and transferred the funding to the State General Fund. In addition, the Legislature deleted \$1.8 million from the State General Fund reappropriation from FY 2013 to FY 2014 and deleted \$1.5 million from the State General reappropriation from FY 2013 to FY 2015.

The **2014 Legislature** also added \$9.2 million, all from the Temporary Assistance for Needy Families fund for the Reading Roadmap Initiative in both FY 2014 and FY 2015. The 2014 Legislature also added \$1.8 million from all funding sources and deleted \$5.2 million from the State General Fund, for Human Services consensus caseload estimates in FY 2014 and added \$7.9 million, including \$5.3 million from the State General Fund, for FY 2015.

The **2015 Legislature** added \$2.5 million, including \$51,000 from the State General Fund, and deleted 115.0 FTE positions for FY 2016 and added \$888,791 from all funding

sources, including a reduction of \$799,000 from the State General Fund, and deleted 115.0 FTE positions for FY 2017 to implement the provisions of ERO No. 43 which transfers the Medicaid eligibility determination program to the Department of Health and Environment and which transfers the foster care licensing program to the Department for Children and Families.

In addition, the **2015 Legislature** added \$375,000 for expenditures associated with the agency's relocation to a new office location for FY 2016 and included language directing the Secretary to sell property located in Neosho County for FY 2016. The Legislature also added \$6.3 million, all from federal funds, for FY 2016 and FY 2017 for a new Supplemental Nutrition Assistance Program Employment and Training Pilot program.

The **2015 Legislature** also deleted \$731,268 from all funding sources, including the addition of \$319,767 from the State General Fund, for FY 2016 and deleted \$301,222 from all funding sources, including the addition of \$355,460 from the State General Fund, for FY 2017 to implement the provisions of 2015 Senate Sub. for HB 2258, related to changes to the Child Care, Temporary Assistance for Needy Families and food assistance programs.

The **2015 Legislature** also eliminated the Kansas Reads to Succeed Program which was previously funded at \$6.0 million from the Children's Initiatives Fund starting in FY 2016 and deleted \$16.8 million, including \$8.0 million from the State General Fund, for FY 2016 and deleted \$14.3 million, including \$8.0 million from the State General Fund, for FY 2017, for a 4.0 reduction in operations.

BUDGET SUMMARY AND KEY POINTS

FY 2016 – Current Year. The **agency** submits a revised estimate totaling \$620.8 million, including \$233.6 million from the State General Fund. The revised estimate is an increase of \$19.7 million, or 3.3 percent, above the amount approved by the 2015 Legislature. The agency's budget was submitted prior to the November allotment, so the agency's revised budget estimates do not incorporate the second allotment. The agency's revised estimate includes a reduction of \$232,935, all from the State General Fund, to be transferred to the Kansas Department for Aging and Disability Services. Of this amount, \$177,090 is for additional information technology staff and \$55,845 is for the Cisco SmartNet Agreement. In addition, the agency recommends lapsing \$612 in State General Fund appropriations. The agency's revised estimate also includes the addition of \$10.2 million for the Low Income Energy Assistance Program and the addition of \$11.3 million for the Kansas Eligibility and Enforcement System (KEES) which had been anticipated to be completed prior to FY 2016. These increases were partially offset by decreases in child care assistance caseloads and the Supplemental Nutrition Assistance Program education and nutrition program.

The agency's revised estimate includes 2,163.9 FTE positions and 445.5 non-FTE positions, an increase of 27.4 FTE positions and 185.0 non-FTE positions above the number approved by 2015 Legislature. The revised estimate 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. Additional non-FTE positions were added to a variety of programs, including the Supplemental Nutrition Assistance Program Education and Training Program, Vocational Rehabilitation Program services, and the Kansas Eligibility and Enforcement Program.

The **Governor** recommends FY 2016 expenditures totaling \$617.4 million, including \$227.9 million from the State General Fund. The recommendation is a decrease of \$3.4 million,

or 0.1 percent, below the agency's request. The recommendation includes the addition of \$6.8 million for Human Services Consensus Caseload, this includes a reduction of \$3.5 million from the State General Fund. Also included in the recommendation 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 Governor's July 30, 2015 State General Fund allotment included a reduction of \$503,286. Of this amount, \$500,000 was associated with a reduction in Kansas Eligibility and Enforcement System (KEES) maintenance costs and \$3,286 was a partial lapse of the FY 2015 reappropriations into FY 2016. The Governor's special allotment authority was used in July 2015 to transfer the released Children's Initiatives Fund encumbrance associated with the Lexia reading program totaling \$2,841,714 to the State General Fund.

The Governor's November 2015 State General Fund allotment included a reduction of \$2.2 million, which was associated with a reduction in expenditures for the KEES system. The Governor's special allotment authority was utilized in November 2015 to transfer \$9.0 million in released Children's Initiatives Fund encumbrances associated with the Early Childhood Block Grant.

FY 2017 – Budget Year. The **agency** submits a revised estimate for FY 2017 of \$606.9 million, including \$233.4 million from the State General Fund. The estimate is a decrease of \$12.3 million, including \$1.4 million from the State General Fund. The agency's revised estimate includes a reduction of \$232,935, all from the State General Fund, to be transferred to the Kansas Department for Aging and Disability Services. Of this amount, \$177,090 for additional information technology staff and \$55,845 for the Cisco SmartNet Agreement. The agency's revised estimate also includes \$2.0 million, including \$1.6 million from the State General Fund, for the supplemental funding request for social worker recruitment and retention.

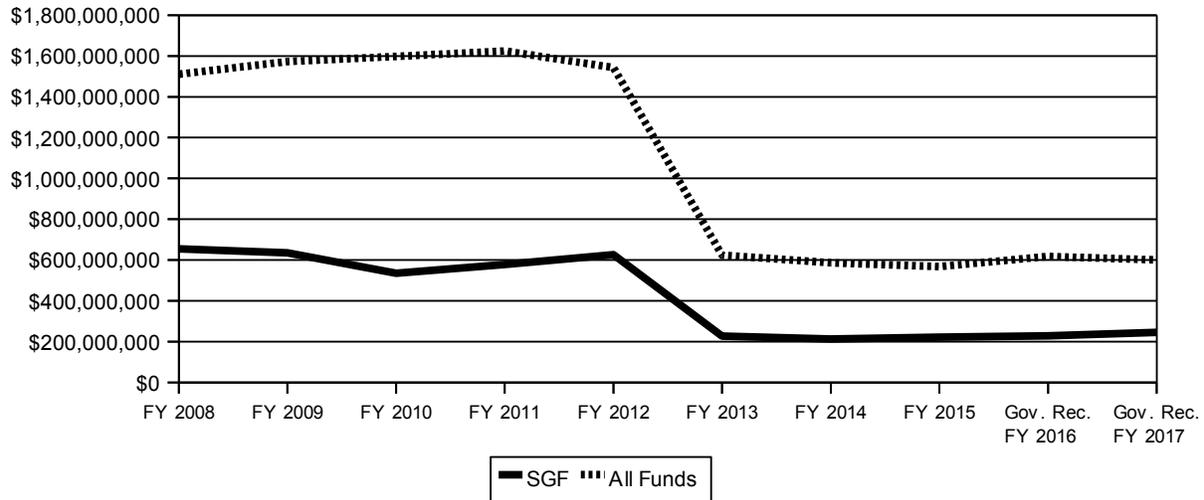
The agency's revised estimate includes 2,024.9 FTE positions and 434.5 non-FTE positions, a decrease of 111.6 FTE positions and 174.0 non-FTE positions above the number approved by 2015 Legislature. The revised estimate includes switching 99.0 FTE positions to non-FTE positions. Additional non-FTE positions were added to a variety of programs, including the Supplemental Nutrition Assistance Program Education and Training Program, Vocational rehabilitation program services, and the Kansas Eligibility and Enforcement Program.

The **Governor** recommends FY 2017 expenditures totaling \$600.5 million, including \$245.1 million from the State General Fund. The Governor's recommendation is a decrease of \$6.3 million, or 1.0 percent below the agency's revised estimate. The Governor does not recommend the agency's supplemental request for social worker recruitment and retention. In addition, the Governor's recommendation includes the addition of \$6.7 million, including \$6.2 million from the State General Fund, for the Human Services Consensus Caseloads estimates. Also included in the recommendation is the addition of \$4.2 million, all from federal funds, to increase the reimbursement rate for child care services, effective January 1, 2016.

The Governor's recommendation also includes moving oversight of the Children's Cabinet to the Department of Education. The Governor's recommendation for FY 2017 is an increase of \$4.7 million, and the replacement of \$6.8 million in funding from the federal Child Care and Development Block Grant with funding from the federal Temporary Assistance for Needy Families Fund.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2008 – FY 2017



OPERATING EXPENDITURES FY 2008 – FY 2017

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2008	\$ 654,514,707	18.5 %	\$ 1,510,979,670	10.3 %	3,668.6
2009	635,388,806	(2.9)	1,572,868,617	4.1	3,667.5
2010	535,190,917	(15.8)	1,597,760,010	1.6	3,669.1
2011	577,729,487	7.9	1,624,463,159	1.7	3,119.1
2012	626,281,632	8.4	1,543,230,935	(5.0)	3,119.1
2013	226,445,057	(63.8)	623,314,830	(59.6)	2,739.8
2014	212,957,715	(6.0)	585,957,793	(6.0)	2,647.3
2015	221,851,474	4.2	567,707,628	(3.1)	2,251.5
2016 Gov. Rec.	227,889,157	2.7	617,443,450	8.8	2,163.9
2017 Gov. Rec.	245,147,428	7.6	600,512,753	(2.7)	2,024.9
Ten-Year Change					
Dollars/Percent	\$ (409,367,279)	(62.5)%	\$ (910,466,917)	(60.3)%	(1,643.7)

The significant decrease between FY 2012 and FY 2013 is attributable to the implementation of ERO No. 41 transferring Disability and Behavioral Health Services (DBHS) to the Department for Aging and Disability Services.

Summary of Operating Budget FY 2015 - FY 2017

Department for Children and Families

	Actual 2015	Agency Estimate				Governor's Recommendation			
		Estimate FY 2016	Estimate FY 2017	Dollar Change from FY 16	Percent Change from FY 16	Rec. FY 2016	Rec. FY 2017	Dollar Change from FY 16	Percent Change from FY 16
By Program:									
Administration	\$ 10,544,238	\$ 14,834,087	\$ 15,050,150	\$ 216,063	1.5 %	\$ 14,834,087	\$ 15,050,150	\$ 216,063	1.5 %
Family Services	399,337,269	433,073,443	427,393,896	(5,679,547)	(1.3)	438,712,445	442,992,374	4,279,929	1.0
Support Business Areas	49,814,731	63,556,943	54,467,694	(9,089,249)	(14.3)	54,556,943	34,475,748	(20,081,195)	(36.8)
Regional Offices	108,011,390	109,339,975	109,947,285	607,310	0.6	109,339,975	107,994,481	(1,345,494)	(1.2)
TOTAL	\$ 567,707,628	\$ 620,804,448	\$ 606,859,025	\$ (13,945,423)	(2.2) %	\$ 617,443,450	\$ 600,512,753	\$ (16,930,697)	(2.7) %
By Major Object of Expenditure:									
Salaries and Wages	\$ 124,764,814	\$ 130,447,259	\$ 131,558,718	\$ 1,111,459	0.9 %	\$ 130,447,259	\$ 129,574,252	\$ (873,007)	(0.7) %
Contractual Services	85,433,860	102,942,695	98,488,951	(4,453,744)	(4.3)	102,942,695	97,129,652	(5,813,043)	(5.6)
Commodities	1,177,065	1,314,482	1,325,964	11,482	0.9	1,314,482	1,321,693	7,211	0.5
Capital Outlay	1,326,278	1,588,057	1,389,417	(198,640)	(12.5)	1,588,057	1,389,417	(198,640)	(12.5)
Debt Service	0	0	0	0	0.0	0	0	0	0.0
Subtotal - Operations	\$ 212,702,017	\$ 236,292,493	\$ 232,763,050	\$ (3,529,443)	(1.5) %	\$ 236,292,493	\$ 229,415,014	\$ (6,877,479)	(2.9) %
Aid to Local Units	0	0	0	0	0.0	0	0	0	0.0
Other Assistance	355,005,611	384,511,955	374,095,975	(10,415,980)	(2.7)	381,150,957	371,097,739	(10,053,218)	(2.6)
TOTAL	\$ 567,707,628	\$ 620,804,448	\$ 606,859,025	\$ (13,945,423)	(2.2) %	\$ 617,443,450	\$ 600,512,753	\$ (16,930,697)	(2.7) %
Financing:									
State General Fund	\$ 221,851,474	\$ 233,569,157	\$ 233,360,592	\$ (208,565)	(0.1) %	\$ 227,889,157	\$ 245,147,428	\$ 17,258,271	7.6 %
Children's Initiatives Fund	25,804,315	29,819,309	26,237,747	(3,581,562)	(12.0)	20,819,309	0	(20,819,309)	(100.0)
Social Welfare Fund	20,718,215	21,529,958	14,086,040	(7,443,918)	(34.6)	21,529,958	14,086,040	(7,443,918)	(34.6)
Child Care Development Block Grant	51,549,012	49,139,347	45,809,605	(3,329,742)	(6.8)	50,192,712	43,191,865	(7,000,847)	(13.9)
Foster Care Federal	8,733,456	9,068,979	21,335,922	12,266,943	135.3	19,881,365	21,783,490	1,902,125	9.6
Temp Assist for Families	76,959,698	82,240,972	79,102,823	(3,138,149)	(3.8)	81,694,223	90,585,257	8,891,034	10.9
Medical Assist Federal	9,424,700	4,657,260	30,506	(4,626,754)	(99.3)	4,657,260	30,506	(4,626,754)	(99.3)
All Other Funds	152,666,758	190,779,466	186,895,790	(3,883,676)	(2.0)	190,779,466	185,688,167	(5,091,299)	(2.7)
TOTAL	\$ 567,707,628	\$ 620,804,448	\$ 606,859,025	\$ (13,945,423)	(2.2) %	\$ 617,443,450	\$ 600,512,753	\$ (16,930,697)	(2.7) %

BUDGET OVERVIEW

A. FY 2016 – Current Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$234,302,092 for the Department for Children and Families in FY 2016. Several adjustments have subsequently been made to that amount. These adjustments change the current year approved amount without any legislative action required. For this agency, the following adjustments have been made:

- An increase of \$3,898, based on the reappropriation of FY 2015 funding which was not spent in FY 2015 and has shifted to FY 2016;
- A reduction of \$503,286, as the result of the Governor’s July 30, 2015 State General Fund allotment as the result of the authority given under 2015 Senate Sub. for HB 2135, which was associated with a reduction in Kansas Eligibility and Enforcement System (KEES) maintenance costs and a partial lapse of the reappropriations; and
- A reduction of \$2.2 million, as the result of the Governor’s November 2015 State General Fund allotment and the authority given under 2015 Senate Sub. for HB 2135, which was associated with a reduction in expenditures for the KEES system.

These adjustments change the FY 2016 approved State General Fund to \$231,602,704. That amount is reflected in the table below as the currently approved FY 2016 State General Fund amount. The Governor’s special allotment authority was used in July 2015 to transfer the released Children’s Initiatives Fund 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 2015 to transfer \$9.0 million in released Children’s Initiatives Fund encumbrances associated with the Early Childhood Block Grant.

The agency’s budget was submitted prior to the November allotment, so the agency’s revised budget estimates do not incorporate the second allotment.

	CHANGE FROM APPROVED BUDGET				
	Legislative Approved FY 2016	Agency Estimate FY 2016	Agency Change from Approved	Governor Rec. FY 2016	Governor Change from Approved
State General Fund	\$ 231,602,704	\$ 233,569,157	\$ 1,966,453	\$ 227,889,157	\$ (3,713,547)
All Other Funds	369,528,672	387,235,291	17,706,619	389,554,293	20,025,621
TOTAL	\$ 601,131,376	\$ 620,804,448	\$ 19,673,072	\$ 617,443,450	\$ 16,312,074
FTE Positions	2,136.5	2,163.9	27.4	2,163.9	27.4

The **agency** submits a revised estimate totaling \$620.8 million, including \$233.6 million from the State General Fund. The revised estimate is an increase of \$19.7 million, or 3.3 percent, above the amount approved by the 2015 Legislature. The agency's budget was submitted prior to the November allotment, so the agency's revised budget estimates do not incorporate the second allotment. The agency's revised estimate includes a reduction of \$232,935, all from the State General Fund, to be transferred to the Kansas Department for Aging and Disability Services. Of this amount, \$177,090 is for additional information technology staff and \$55,845 is for the Cisco SmartNet Agreement. In addition, the agency recommends lapsing \$612 in State General Fund appropriations. The agency's revised estimate also includes the addition of \$10.2 million for the Low Income Energy Assistance Program and the addition of \$11.3 million for the Kansas Eligibility and Enforcement System (KEES) which had been anticipated to be completed prior to FY 2016. These increases were partially offset by decreases in child care assistance caseloads and the Supplemental Nutrition Assistance Program education and nutrition program.

The agency's revised estimate includes 2,163.9 FTE positions and 445.5 non-FTE positions, an increase of 27.4 FTE positions and 185.0 non-FTE positions above the number approved by 2015 Legislature. The revised estimate 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. Additional non-FTE positions were added to a variety of programs, including the Supplemental Nutrition Assistance Program Education and Training Program, Vocational Rehabilitation Program services, and the Kansas Eligibility and Enforcement Program.

The **Governor** recommends FY 2016 expenditures totaling \$617.4 million, including \$227.9 million from the State General Fund. The recommendation is a decrease of \$3.4 million, or 0.1 percent, below the agency's request. The recommendation includes the addition of \$6.8 million for Human Services Consensus Caseload, this includes a reduction of \$3.5 million from the State General Fund. Also included in the recommendation is the addition of \$1.1 million, all from federal funds, to increase the reimbursement rate for child care services, effective January 1, 2016.

Governor's Allotments

The 2015 Legislature, through the enactment of Senate Sub. for HB 2135, authorized the Director of the Division of the Budget to lapse appropriations or transfer funding from special revenue funds to the State General Fund (SGF), up to a total of \$100.0 million, at any time during FY 2016 if the Director determines the unencumbered ending balance of the SGF for FY 2016 will be less than \$100.0 million. This authority does not apply to appropriations for the Judicial Branch, Legislative Branch agencies, debt service, employer contributions to the Kansas Public Employees Retirement System (KPERs), the Department of Education (except the agency's operating expenditures account), or demand transfers to the school district capital improvements fund. On July 30, 2015, the Director announced various SGF lapses and transfers totaling \$60.7 million of which \$17.7 million require legislative approval.

On November 6, 2015, the Consensus Revenue Estimating Group met to revise the SGF Revenue Estimate for FY 2016. The estimate was decreased by \$159.1 million, for FY 2016. Excluding Governor recommended legislative adjustments, the ending balance for FY 2016 was estimated to require \$135.9 million in adjustments to achieve a zero ending balance. This estimate assumes that human services caseloads are funded at the recommended level and school finance KPERs contributions are reduced to reflect current estimates. As a result, on November 6, 2015 the Director exercised his authority under Senate Sub. for HB 2135 to make

an additional \$56.9 million in revenue adjustments. The Governor further made \$52.6 million in expenditure reductions under the Governor's allotment authority. Finally, the Governor recommended the Legislature make an additional \$14.3 million in revenue adjustments.

Between the July and November adjustments, the Governor has reduced expenditures by a total of \$73.2 million, made \$79.4 million in revenue adjustments, and recommended the Legislature enact an additional \$32.0 million through the allotment authority and authority under 2015 Senate Sub. for HB 2135 or the special allotment statute. These adjustments, including the recommended Legislative adjustments, would result in a State General Fund ending balance of approximately \$5.6 million in FY 2016. This estimate excludes monthly SGF receipts subsequent to the November 6, 2015 consensus revenue estimate and any further adjustments made within the FY 2016 Governor's Budget Recommendation. The impact of these adjustments on this agency is described below.

GOVERNOR'S ALLOTMENTS			
Allotment	SGF	All Funds	FTE
July Special Allotment			
KEES Maintenance	\$ (500,000)	\$ (500,000)	0.0
Reappropriation Lapse	(3,286)	(3,286)	
November Allotment			
KEES Expenditures	\$ (2,200,000)	\$ (2,200,000)	0.0
TOTAL	<u>\$ (2,703,286)</u>	<u>\$ (2,703,286)</u>	<u>0.0</u>

July Allotment. The Governor's July 30, 2015 State General Fund allotment included a reduction of \$503,286. Of this amount, \$500,000 was associated with a reduction in Kansas Eligibility and Enforcement System (KEES) maintenance costs and \$3,286 was a partial lapse of the FY 2015 reappropriations into FY 2016. The Governor's special allotment authority was used in July 2015 to transfer the released Children's Initiatives Fund encumbrance associated with the Lexia reading program totaling \$2,841,714 to the State General Fund.

November Allotment. The Governor's November 2015 State General Fund allotment included a reduction of \$2.2 million, which was associated with a reduction in expenditures for the KEES system. The Governor's special allotment authority was utilized in November 2015 to transfer \$9.0 million in released Children's Initiatives Fund encumbrances associated with the Early Childhood Block Grant.

B. FY 2017 – Budget Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$231,963,327 for the Department for Children and Families in FY 2017.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2017	Agency Estimate FY 2017	Agency Change from Approved	Governor Rec. FY 2017	Governor Change from Approved
State General Fund	\$ 231,963,327	\$ 233,360,592	\$ 1,397,265	\$ 245,147,428	\$ 13,184,101
All Other Funds	387,198,709	373,498,433	(13,700,276)	355,365,325	(31,833,384)
TOTAL	\$ 619,162,036	\$ 606,859,025	\$ (12,303,011)	\$ 600,512,753	\$ (18,649,283)
FTE Positions	2,136.5	2,024.9	(111.6)	2,024.9	(111.6)

The **agency** submits a revised estimate for FY 2017 of \$606.9 million, including \$233.4 million from the State General Fund. The estimate is a decrease of \$12.3 million, including \$1.4 million from the State General Fund. The agency's revised estimate includes a reduction of \$232,935, all from the State General Fund, to be transferred to the Kansas Department for Aging and Disability Services. Of this amount, \$177,090 is for additional information technology staff and \$55,845 is for the Cisco SmartNet Agreement. The agency's revised estimate also includes \$2.0 million, including \$1.6 million from the State General Fund, for the supplemental funding request for social worker recruitment and retention.

The agency's revised estimate includes 2,024.9 FTE positions and 434.5 non-FTE positions, a decrease of 111.6 FTE positions and 174.0 non-FTE positions above the number approved by 2015 Legislature. The revised estimate includes switching 99.0 FTE positions to non-FTE positions. Additional non-FTE positions were added to a variety of programs, including the Supplemental Nutrition Assistance Program Education and Training Program, Vocational Rehabilitation Program services, and the Kansas Eligibility and Enforcement Program.

The **Governor** recommends FY 2017 expenditures totaling \$600.5 million, including \$245.1 million from the State General Fund. The Governor's recommendation is a decrease of \$6.3 million, or 1.0 percent below the agency's revised estimate. The Governor does not recommend the agency's supplemental request for social worker recruitment and retention. In addition, the Governor's recommendation includes the addition of \$6.7 million, including \$6.2 million from the State General Fund, for the Human Services Consensus Caseloads estimates. Also included in the recommendation is the addition of \$4.2 million, all from federal funds, to increase the reimbursement rate for child care services, effective January 1, 2016.

The Governor's recommendation also includes moving oversight of the Children's Cabinet to the Department of Education. The Governor's recommendation for FY 2017 is an increase of \$4.7 million, and the replacement of \$6.8 million in funding from the federal Child Care and Development Block Grant with funding from the federal Temporary Assistance for Needy Families Fund.

Supplemental Detail

FY 2017 SUPPLEMENTALS						
Supplementals	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Social Worker Recruit & Retention	\$ 1,630,200	\$ 1,952,804	0.0	\$ 0	\$ 0	0.0
	0	0	0.0	0	0	0.0
TOTAL	\$ 1,630,200	\$ 1,952,804	0.0	\$ 0	\$ 0	0.0

The **agency** requests a supplemental request for \$2.0 million, including \$1.6 million from the State General Fund, for FY 2017 for social worker recruitment and retention. The agency requested the funding to provide a 5.0 percent raise to all those in the Social Worker Specialist classification effective July 1, 2016, if the individual agrees to change to the unclassified service. Funding was also requested to provide additional merit based pay for the Social Worker Supervisor classification, and provide additional training.

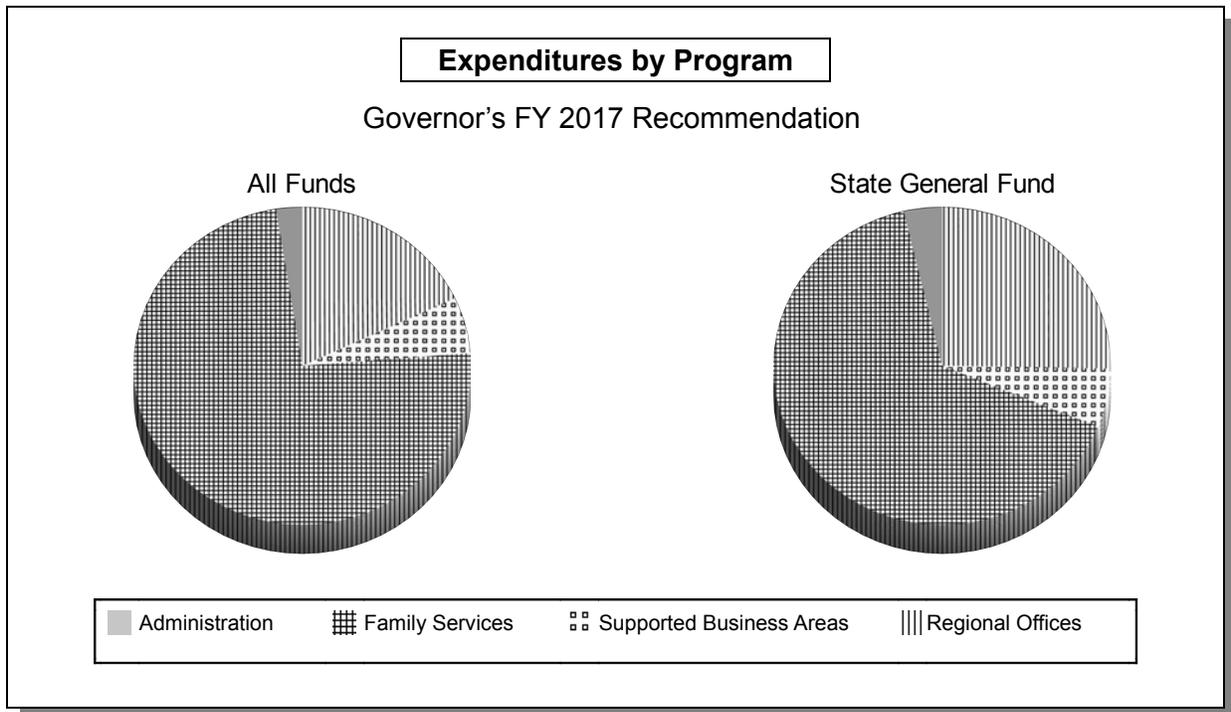
The **Governor** does not recommend the supplemental request.

Funding Sources

Funding Source	Agency Est. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	38.5 %	40.8 %
Children's Initiatives Fund	4.3	0.0
Social Welfare Fund	2.3	2.3
Child Care Development Block Grant Funds	7.5	7.2
Foster Care Funds	3.5	3.6
Temporary Assistance For Needy Families Federal	13.0	15.1
All Other Funds	30.9	31.0
TOTAL	100.0 %	100.0 %

Note: Details may not add to totals due to rounding.

PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2017	Percent of Total	Gov. Rec. SGF FY 2017	Percent of Total
Administration	\$ 15,050,150	2.5 %	\$ 9,022,320	3.7 %
Family Services	442,992,374	73.8	159,467,163	65.0
Supported Business Areas	34,475,748	5.7	14,692,657	6.0
Regional Offices	107,994,481	18.0	61,965,288	25.3
TOTAL	\$ 600,512,753	100.0 %	\$ 245,147,428	100.0 %

FTE POSITIONS BY PROGRAM FY 2015 – FY 2017

Program	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Administration	78.0	86.0	86.0	86.0	86.0
Family Services	279.3	267.3	267.3	271.3	271.3
Support Business Areas	167.8	127.2	127.2	119.2	119.2
Regional Offices	1,726.4	1,683.4	1,683.4	1,548.4	1,548.4
TOTAL	2,251.5	2,163.9	2,163.9	2,024.9	2,024.9

A. Administration

The mission of the Administration Division is to provide quality and cost effective services to staff, supervisors, and managers within DCF. This Division's services enable employees to do their work with adequate funding, facilities, equipment, technology, and other support to help ensure their work complies with federal requirements and state policies. Administration consists of two programs: Operations and Strategic Development.

Operations – consists of three sub-programs: Office of the Secretary, Legal and Audit Services, and Operations. The Operations program provides executive direction and operational activities for the entire agency including budget, legal and audit services. Also included in the program are Foster Care Licensing Services which licenses and regulates foster care facilities. These activities were transferred from the Department of Health and Environment effective July 1, 2015 pursuant to Executive Reorganization Order No. 43.

Strategic Development – provides consultation and infrastructure to support training the workforce in new business processes and for improved performance. The goal of the program is to centralize training to reduce replication and result in cost savings.

ADMINISTRATION					
SUMMARY OF EXPENDITURES FY 2015 – FY 2017					
Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 6,327,717	\$ 7,717,118	\$ 7,717,118	\$ 7,949,807	\$ 7,949,807
Contractual Services	3,840,948	6,552,137	6,552,137	6,533,611	6,533,611
Commodities	80,623	111,808	111,808	113,708	113,708
Capital Outlay	281,661	453,024	453,024	453,024	453,024
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 10,530,949</i>	<i>\$ 14,834,087</i>	<i>\$ 14,834,087</i>	<i>\$ 15,050,150</i>	<i>\$ 15,050,150</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	13,289	0	0	0	0
TOTAL	<u>\$ 10,544,238</u>	<u>\$ 14,834,087</u>	<u>\$ 14,834,087</u>	<u>\$ 15,050,150</u>	<u>\$ 15,050,150</u>
Financing:					
State General Fund	\$ 6,309,649	\$ 9,010,724	\$ 9,010,724	\$ 9,022,320	\$ 9,022,320
All Other Funds	4,234,589	5,823,363	5,823,363	6,027,830	6,027,830
TOTAL	<u>\$ 10,544,238</u>	<u>\$ 14,834,087</u>	<u>\$ 14,834,087</u>	<u>\$ 15,050,150</u>	<u>\$ 15,050,150</u>
FTE Positions	78.0	86.0	86.0	86.0	86.0
Non-FTE Uncl. Perm. Pos.	31.5	38.5	38.5	38.5	38.5
TOTAL	<u>109.5</u>	<u>124.5</u>	<u>124.5</u>	<u>124.5</u>	<u>124.5</u>

The **agency** submits a revised FY 2017 estimate of \$15.1 million, including \$9.0 million from the State General Fund for the Administration Program. The revised estimate is a decrease of \$3.3 million, or 17.9 percent, below the amount approved by the 2015 Legislature. The revised estimate is a State General Fund increase of \$346,380, or 4.0 percent, above the amount approved by the 2015 Legislature. The majority of the decrease is attributable to

increased salaries and wages shrinkage savings and a reduction of grants from the federal Temporary Assistance for Needy Families block grant which were moved to the Family Services Program.

These decreases are partially offset by increases in operating expenditures, including janitorial and security services for the Administration Building as well as increases associated with foster care licensing expenditures related to the transfer of responsibilities from the Department of Health and Environment.

The **Governor** concurs with the agency's revised estimate.

B. Family Services

Family Services include economic aid and employment services, and child welfare, such as foster care and adoption services. The Family Services Division is divided into four program sections: Child Support Enforcement, Economic and Employment Services, Rehabilitation Services, and Prevention and Protection Services. In addition, the program includes the Faith-based and Community Initiatives which collects information pertaining to community and faith-based non-profits who may enhance the services of the Department. The program includes a Mentoring Initiative and efforts to build community capacity to address poverty.

FAMILY SERVICES SUMMARY OF EXPENDITURES FY 2015 – FY 2017					
Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 18,338,555	\$ 21,537,622	\$ 21,537,622	\$ 23,583,446	\$ 23,583,446
Contractual Services	45,359,790	49,380,306	49,380,306	48,066,492	48,066,492
Commodities	199,374	303,566	303,566	301,685	301,685
Capital Outlay	223,509	419,628	419,628	341,988	341,988
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 64,121,228</i>	<i>\$ 71,641,122</i>	<i>\$ 71,641,122</i>	<i>\$ 72,293,611</i>	<i>\$ 72,293,611</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	335,216,041	361,432,321	367,071,323	355,100,285	370,698,763
TOTAL	<u>\$ 399,337,269</u>	<u>\$ 433,073,443</u>	<u>\$ 438,712,445</u>	<u>\$ 427,393,896</u>	<u>\$ 442,992,374</u>
Financing:					
State General Fund	\$ 139,895,690	\$ 148,523,937	\$ 142,843,937	\$ 146,050,127	\$ 159,467,163
All Other Funds	259,441,579	284,549,506	295,868,508	281,343,769	283,525,211
TOTAL	<u>\$ 399,337,269</u>	<u>\$ 433,073,443</u>	<u>\$ 438,712,445</u>	<u>\$ 427,393,896</u>	<u>\$ 442,992,374</u>
FTE Positions	279.3	267.3	267.3	271.3	271.3
Non-FTE Uncl. Perm. Pos.	45.0	123.0	123.0	135.0	135.0
TOTAL	<u>324.3</u>	<u>390.3</u>	<u>390.3</u>	<u>406.3</u>	<u>406.3</u>

The **agency** submits a revised estimate of \$427.4 million, including \$146.1 million from the State General Fund, for FY 2017 for the Family Services Program. The estimate is a decrease of \$7.0 million, or 1.6 percent, below the amount approved by the 2015 Legislature.

The majority of the decrease is attributable to decreases in estimated child care assistance caseloads, and expenditures for the Temporary Assistance for Needy Families education and training program, which began in FY 2015 and other Temporary Assistance for Needy Families funding reductions. The decreases are partially offset by increases in vocational rehabilitation services expenditures and increases in the adoption support services.

The **Governor** recommends FY 2017 expenditures totaling \$443.0 million, including \$159.5 million from the State General Fund. The recommendation is an increase of \$15.6 million, or 3.6 percent above the agency's revised estimate. The increase is attributable to increases for child care rate adjustments, funding for consensus caseloads estimates, and additional funding for the Early Headstart program.

Child Support Enforcement (CSE)

The U.S. Congress enacted the Child Support Enforcement program, Title IV-D of the Social Security Act, which requires each state to establish an effective statewide uniform child support program. Failure to meet federal requirements of child support enforcement can result in fiscal sanctions to both the Temporary Assistance for Needy Families (TANF) Block Grant and Child Support Enforcement (CSE) grants. The Child Support Enforcement program is a federal, state, county, and private operation that must satisfy numerous federal requirements. DCF is the designated Title IV-D child support enforcement agency for Kansas. Although a majority of persons served are receiving other DCF benefits, any custodial parent may ask for absent parent location and support enforcement services. Any non-custodial parent may apply to establish paternity or modify a support order as well.

During FY 2015, the CSE program collected \$198.2 million and estimates collections of \$198.7 million for FY 2016 and \$202.5 million for FY 2017. The federally mandated single receipting and disbursement operation for all child support payments, the Kansas Payment Center, has estimated operating costs of \$4.8 million in FY 2016. Of the collections, approximately \$1.3 million will be paid to the Office of Judicial Administration for child support services provided by the central staff and Clerks of the Court. The majority of expenditures are associated with the contracts for privatized child support enforcement, estimated at \$19.9 million. The Customer Service Center is designed to streamline the work of regional staff by handling routine communication with clients, at an estimated cost of \$2.1 million in FY 2016. Fees for setoff services by the Department of Administration and the federal government account for another \$213,346. Finally, \$310,678 will be paid to the Department of Labor for operating the State New Hires Directory.

For FY 2016, the **agency** estimates a caseload of 141,079 cases with collections of \$198.7 million and an average of \$1,408 collected per case. Of this amount, \$10.5 million will be retained by the state. For FY 2017, the agency estimates a caseload of 144,922 cases with collections of \$202.5 million and an average of \$1,397 collected per case. Of this amount, \$10.0 million will be retained by the state.

The **Governor** concurs with the agency's caseload estimate for FY 2016 and FY 2017.

Economic and Employment Services

Economic and Employment Services has responsibility for a variety of economic and other assistance programs. These include: Temporary Assistance for Families cash assistance and employment services, energy assistance, refugee assistance, food assistance, food

assistance employment program, child care, and the federal food distribution programs. The following chart shows all funds expenditures for the major Family Services Assistance programs:

ECONOMIC AND EMPLOYMENT SUPPORTS SUMMARY OF EXPENDITURES FY 2016 – FY 2017				
Item	Agency Est. FY 2016 SGF	Agency Est. FY 2016 All Funds	Agency Est. FY 2017 SGF	Agency Est. FY 2017 All Funds
Temporary Assistance for Families*	\$ 0	\$ 17,327,996	\$ 303,093	\$ 16,737,816
TAF Employment Support	0	4,815,770	0	4,749,735
Other Assistance+	883,360	39,855,517	894,280	30,740,531
Rehabilitation Assistance	0	0	0	0
TOTAL	\$ 883,360	\$ 61,999,283	\$ 1,197,373	\$ 52,228,082
	Gov. Rec. FY 2016 SGF	Gov. Rec. FY 2016 All Funds	Gov. Rec. FY 2017 SGF	Gov. Rec. FY 2017 All Funds
Temporary Assistance for Families*	\$ 0	\$ 17,648,965	\$ 303,093	\$ 16,720,250
TAF Employment Support	0	4,815,770	0	4,834,735
Other Assistance+	883,360	39,855,517	894,280	30,740,531
Rehabilitation Assistance	0	0	0	0
TOTAL	\$ 883,360	\$ 62,320,252	\$ 1,197,373	\$ 52,295,516

*These programs are part of the consensus caseload estimating process for human services entitlement programs.
+Other assistance includes Low Income Energy Assistance, Refugee Services, Adult Protective Services, Food Stamp Employment and Training and assistance. Federal food stamp benefits are not included in the state budget.

The Temporary Assistance for Families (TAF) program – provides cash assistance to very low-income families. Families with incomes at approximately 24.0 percent of the federal poverty level may qualify for TAF assistance. Almost all families with an adult must participate in work activities and seek employment through the TAF Employment Services program. Cash assistance is not an entitlement and is limited to 36 months, with provisions for extended assistance up to 48 months if the family meets hardship criteria. Families must cooperate with child support services program in order to receive benefits. Temporary Assistance for Families benefits are financed by the federal Temporary Assistance for Needy Families (TANF) Block Grant and state funds. This program is subject to the consensus caseload estimating process in the fall and spring of each year.

In order to receive the entire \$101,931,061 federal TANF Block Grant, Kansas must spend a specified minimum in state funds, the TANF Maintenance of Effort (TANF MOE). The TANF MOE is \$65,866,230, and represents eighty percent of state funds spent in the base fiscal year of 1994. The MOE is reduced to 75.0 percent of the amount for states which meet the work requirements. The TANF MOE is budgeted in specific program budgets. A major source of the MOE is net refunds from the Kansas Earned Income Tax Credit. The TANF law allows states to claim refundable tax credits toward the MOE if the credit exceeds the underlying tax upon which the tax credit is based. The State General Fund finances none of the MOE in the Governor's FY

2015 recommendation. During FY 2012 the medical assistance and cash assistance applications were separated, which has resulted in reductions in cash assistance caseloads. When the applications were together the individual did not have to choose to make a separate application for cash assistance.

The **agency** estimates a caseload of approximately 5,482 families, including 12,723 average monthly persons, at an average cost of \$113 per person for FY 2016. The estimate is based on the caseload estimate of \$17.3 million. The agency estimates a caseload of approximately 5,268 families, including 12,257 average monthly persons, at an average cost of \$114 per person for FY 2017. The estimate is based on the caseload estimate of \$16.7 million.

The **Governor** recommends FY 2016 caseloads totaling \$17.6 million, a decrease of \$0.3 million below the agency's request. The Governor recommends FY 2017 caseloads totaling \$16.7 million, a decrease of \$0.5 million below the agency's request. The Governor's recommendation fully funds the fall human services consensus caseload estimate for TAF cash assistance.

TAF Employment Services – helps adults obtain and keep employment. All adult TAF recipients, except those with a child under age one, those age sixty or over, and those needed in the home to care for a disabled household member, must work or participate in work-readiness activities thirty hours a week (55 hours for two-parent households). Federal law requires that at least fifty percent of TAF adults whose youngest child is over the age of one must be involved in a work activity each month or the state faces a reduction in the TANF Block Grant. The program offers 12 months of transitional services to families leaving Cash Assistance for employment. TAF Employment Services are financed by the TANF Block Grant.

The **agency** anticipates a caseload of 5,131 average persons per month accessing employment services in FY 2016 at a monthly cost of \$76.83 per person. The estimate is based on the caseload estimate of \$5.0 million. The agency anticipates a caseload of 4,931 average persons per month accessing employment services in FY 2017 at a monthly cost of \$80.27 per person. The estimate is based on the caseload estimate of \$4.7 million.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

The Low Income Energy Assistance Program (LIEAP) – provides a one-time annual benefit to low-income households for energy bills to avoid the shutoff of utility services during the winter. To qualify for energy assistance, households must have incomes below 130.0 percent of the Federal Poverty Level, must have made recent payments on their energy bills, and must pay directly for heating costs or must pay rent which includes utility costs. Payments are sent directly to the utility/fuel provider, and the payments are credited to the household's bill. The program is funded entirely by a block grant from the U.S. Department of Health and Human Services.

For FY 2016, the **agency** estimates providing assistance to 47,100 households including 106,964 persons at an average cost of \$496 per year. For FY 2017, the agency estimates providing assistance to 47,100 households including 106,964 persons at an average cost of \$493 per year.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

Refugee Services – provides financial and medical assistance to refugees during their first eight months in the United States. Grants are made to community organizations to provide

social services to refugees and the program is entirely funded by the federal government. The benefits parallel Temporary Assistance to Families and Medicaid benefits except that cash benefits are limited to eight months.

The **agency** estimates providing cash assistance to an average of 114 persons per month in FY 2016 at an average cost of \$139 per month. The agency also estimates providing cash assistance to an average of 130 persons per month in FY 2017 at an average cost of \$170 per month. Refugee Services also includes social service grants of \$551,913 in FY 2016 and FY 2017. Social service grants are provided to organizations who provide refugees employment skills, English language skills and general social adjustment services.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

Food Assistance – provides benefits to individuals and families to assist with food costs. This 100.0 percent federally funded program assists individuals and families with incomes less than 130.0 percent of the federal poverty level. Food assistance benefits are issued through electronic benefit transfer (EBT). Each family or individual receives a plastic “Vision” card with credit in an individual account that may be used only for the purchase of food. Food assistance benefit expenditures are not shown in the state budget because expenditures are not made from the state treasury. The funding is not included in the state budget, however the agency estimates a decrease in both caseloads and expenditures for this program.

FOOD ASSISTANCE PROGRAM			
	FY 2015 Actual	FY 2016 Agency Est.	FY 2017 Agency Est.
Average Monthly Persons	281,250	265,394	260,896
Food Assistance Benefits	\$ 381,375,000	\$ 371,021,089	\$ 375,674,574

Child Care Assistance and Early Head Start

CHILD CARE AND CARE QUALITY/EARLY HEAD START SUMMARY OF EXPENDITURES FY 2016 – FY 2017				
Item	Agency Est. FY 2016 SGF	Agency Est. FY 2016 All Funds	Agency Est. FY 2017 SGF	Agency Est. FY 2017 All Funds
Child Care Assistance	\$ 11,127,749	\$ 44,981,400	\$ 10,429,859	\$ 41,339,604
Child Care Quality	0	2,847,754	0	2,847,754
Early Head Start	0	8,831,200	0	8,831,200
TOTAL	\$ 11,127,749	\$ 56,660,354	\$ 10,429,859	\$ 53,018,558
	Gov. Rec. FY 2016 SGF	Gov. Rec. FY 2016 All Funds	Gov. Rec. FY 2017 SGF	Gov. Rec. FY 2017 All Funds
Child Care Assistance	\$ 11,127,749	\$ 46,034,765	\$ 15,463,538	\$ 45,553,064
Child Care Quality	0	2,847,754	0	2,847,754
Early Head Start	0	8,831,200	0	13,500,000
TOTAL	\$ 11,127,749	\$ 57,713,719	\$ 15,463,538	\$ 61,900,818

The **Child Care Assistance** program provides payments to child care providers to allow low income families to remain in the workforce. To qualify, families must have incomes below 185.0 percent of the Federal Poverty Level (FPL) and must comply with Child Support Enforcement requirements. Families with incomes above seventy percent of the FPL are required to pay a share of the child care cost. Child care is provided by centers, licensed providers and unregulated providers, which covers care by relatives and care provided by persons in the child's home.

A majority of the financing in the Child Care Assistance program is provided by the federal Child Care and Development Fund which is composed of mandatory, matching, and discretionary funds. For a state to access mandatory and matching funds, it must meet the state maintenance of effort (\$6.7 million), and use at least 70.0 percent of the total amount for child care assistance. Discretionary funds are 100.0 percent federal funds and matching funds are matched at the Federal Medical Assistance Percentage (FMAP) rate (approximately 40.0 percent state and 60.0 percent federal).

The majority of child care quality expenditures are devoted to resource and referral services. The program provides information to parents about child care available in their communities and referrals to other programs in response to family needs. It also maintains databases on child care programs, builds the supply of child care by providing training and technical assistance to new and existing providers, and improves child care quality by offering training for family child care providers, center staff, and directors.

For FY 2016, the **agency** estimates assisting an average of 6,050 families, including 11,350 children at an average monthly cost of \$330. For FY 2017, the agency estimates assisting an average of 5,439 families, including 10,203 children at an average monthly cost of \$338.

The **Governor** recommends increasing the reimbursement rate for child care services, effective January 1, 2016. The recommendation is an increase of \$1.1 million in FY 2016 and \$4.2 million for FY 2017 above the agency's revised estimate. In addition, the Governor recommends removing Children's Initiatives Fund moneys and replacing the funding with State General Fund moneys.

The Kansas Early Head Start program – provides early intervention services including: weekly home visits, physical and mental health education, nutrition education, social services, parental involvement and education, services for children with disabilities, job seeking and retention support, and child care for parents who are working or are in school. Kansas Early Head Start grants are awarded to twelve early learning programs in 44 counties.

The **agency** estimates providing services to an average of 865 children in FY 2016 and FY 2017 at an average cost of \$10,209.

The **Governor** concurs with the agency's estimate for FY 2016. The Governor's recommendation for FY 2017 is an increase of \$4.7 million. The Governor's recommendation also include the reduction of \$6.8 million in funding from the federal Child Care and Development Block Grant and an addition of the same amount from federal Temporary Assistance for Needy Families Fund.

Rehabilitation Services

The Rehabilitation Services program is responsible for seeing that comprehensive vocational rehabilitation (VR) services are available to help people with disabilities become gainfully employed. Within the VR program is the Kansas Commission for the Deaf and Hard of Hearing.

The Rehabilitation Services for the Blind program – provides a broad array of programs for people who are blind or visually impaired including core vocational rehabilitation to help consumers become gainfully employed. In addition, the program administers the Kansas Seniors Achieving Independent Living program; administers the Rehabilitation Teaching program; operates the Business Enterprise Program; and operates the Office Experience Project. Services for the Blind also administers several independent living and specialized employment programs.

Disability Determination Services – makes disability and blindness determinations for the U.S. Social Security Administration on the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) claims filed or reviewed in Kansas. The workload consists of claims for adults and children filing for initial, reconsideration, and hearings level decisions. Continuing disability reviews are also conducted for Kansans already receiving disability benefits.

Rehabilitation Services Case Services – assist persons with physical or mental disabilities to obtain employment and live more independently. To be eligible to receive services, a person must have a physical or mental impairment that presents a substantial impairment to employment. In addition, Rehabilitation Services Independent Living develops and provides services to individuals in partnership with the Statewide Independent Living Council.

Prevention and Protection Services

Prevention and Protection Services has a mission to protect children; promote permanent, nurturing families; and strengthen community partnerships to serve children. Prevention and Protection Services delivers services to the target population through six programs: Administration, Protection Reporting Center, Child Protective Services/Family Support, Reintegration/Foster Care, and Adoption/Alternate Permanency. The division also provides investigative, and intervention services for adults directed towards safeguarding the well-being and welfare of adults in need of protection such as aged and disabled individuals.

**PREVENTION AND PROTECTION SERVICES
SUMMARY OF EXPENDITURES FY 2016 – FY 2017**

Item	Agency Est. FY 2016 SGF	Agency Est. FY 2016 All Funds	Agency Est. FY 2017 SGF	Agency Est. FY 2017 All Funds
Administration	\$ 3,565,155	\$ 4,169,157	\$ 3,251,913	\$ 3,643,845
Protection Report Center	3,788,872	3,788,872	3,875,465	3,875,465
Prevention Services	3,234,428	13,498,501	3,234,428	13,498,501
Reintegration/Foster Care*	95,400,000	151,320,000	91,005,000	154,426,000
Permanent Guardianship	811,346	811,346	793,013	793,013
Adoption Support	20,629,883	36,928,044	21,337,206	37,916,846
Other Grants and Contracts	763,214	1,570,572	788,202	1,612,854
TOTAL	\$ 128,192,898	\$ 212,086,492	\$ 124,285,227	\$ 215,766,524

	Gov. Rec. FY 2016 SGF	Gov. Rec. FY 2016 All Funds	Gov. Rec. FY 2017 SGF	Gov. Rec. FY 2017 All Funds
Administration	\$ 3,565,155	\$ 4,169,157	\$ 3,251,913	\$ 3,643,845
Protection Report Center	3,788,872	3,788,872	3,875,465	3,875,465
Prevention Services	3,234,428	13,498,501	5,388,785	13,498,501
Reintegration/Foster Care*	89,720,000	155,584,668	97,234,000	161,159,784
Permanent Guardianship	811,346	811,346	793,013	793,013
Adoption Support	20,629,883	36,928,044	21,337,206	37,916,846
Other Grants and Contracts	763,214	1,570,572	788,202	1,612,854
TOTAL	\$ 122,512,898	\$ 216,351,160	\$ 132,668,584	\$ 222,500,308

*This program is subject to the consensus caseload process for entitlement programs.

The Protection Report Center (PRC) – provides a 24 hours-a-day, seven-days-a-week hotline to take reports from callers statewide regarding alleged abuse or neglect. The PRC screens the reports and sends the reports needing investigation to the local DCF area office if warranted. If reports received at the PRC after hours are determined to meet the criteria for a same day response, PRC staff will notify the local law enforcement agency.

The Child Protective Services and Family Support program – responds to reports alleging a child is in need of care (CINC). Social workers in local DCF offices are responsible for determining if a child abuse report is valid and whether there is a need for further action. If the report alleges abuse or neglect, the response involves assessing the immediate safety of the child, evaluating the family's ability to protect the child, and determining the services required to support the family in safely caring for their child.

Adult Protective Services – are activities directed towards safeguarding the well-being and welfare of adults in need of protection. Social workers investigate reports of abuse or neglect and arrange for provision of services to those individuals. For FY 2016, the agency

estimates providing services to 9,235 individuals at a cost of \$354,700, all from the State General Fund. For FY 2017, the agency estimates providing services to 9,235 individuals at a cost of \$354,700, all from the State General Fund.

Community Services – establishes local collaborative efforts to provide services to children and their families to prevent unnecessary placements of children into Foster Care (included in other grants and contracts in the summary table). These efforts are primarily directed at children who are safe from abuse or neglect, or both, by their care givers but who need preventive services, either because of their own behaviors or the parents' need for support. These could be children with behavioral problems, truants, or children with serious medical or mental health needs.

The **agency** estimates providing services to 357 families in both FY 2016 and FY 2017 at an annual cost of \$4,082 per family.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

Family Preservation Services – are intensive services offered to families, through a contract with a private vendor, who are at risk of having a child come into the custody of the Department and removed from their home unless the family can make the changes necessary to provide adequate care and safety. The DCF social worker is responsible for monitoring service delivery to achieve established outcomes.

The **agency** estimates referring 2,551 families for these services in FY 2016, and FY 2017 at a cost of \$4,003 per referral.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

Reintegration/Foster Care Services – have been provided through private contract agencies since 1997. Services provided by the child welfare case management providers include case planning, placement, service delivery, and collaboration with communities. The DCF workers are responsible for monitoring service delivery to achieve established outcomes. Services are provided to children and families when the court has found the child to be a "child in need of care" (CINC) and requiring out-of-home placement to meet their safety needs.

The **agency** estimates serving approximately 6,045 children in the reintegration program in FY 2016 and 6,187 children in FY 2017. The estimated monthly cost is \$2,086 per child in FY 2016 and \$2,080 in FY 2017. This does not include any adjustments made by the consensus caseload estimating process to which this program is subject.

The **Governor's** recommendation for FY 2016 include an addition of \$4.3 million, and a reduction of \$5.7 million from the State General Fund. The Governor's recommendation for FY 2017 include an addition of \$6.7 million, including \$6.2 million from the State General Fund. The Governor's recommendation fully funds the fall human services consensus caseload estimate.

Adoption Services – are designed to benefit children whose parents' parental rights have been terminated or relinquished by providing the children with a permanent family. Examples of services include:

- Adoption support payments are available to assist adoptive families in meeting the special needs of the children they adopt;

- Permanent guardianship is an alternative permanent placement when the courts have determined that children cannot return home but for whom adoption is not an option; and
- Life Skills and Independent Living Services are provided to older children to prepare them for adulthood once they leave state custody.

For FY 2016 in adoption support, the agency estimates providing support for an average of 8,710 children per month at a cost of \$353.31 per child. For FY 2017 in adoption support, the agency estimates providing support for an average of 8,923 children per month at a cost of \$354.11 per child.

Independent Living – is a service available to individuals in the custody of the state between the ages of 15 and 21 and in out-of-home placement. Services provided, secondary and post-secondary education, independent living subsidies, and life skills training to assist in a transition to self-sufficiency as an independent adult.

For FY 2016 and FY 2017 the **agency** estimates serving 923 children per year at an average annual cost of \$2,080 per child.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

Permanent Guardianship – is a permanency option when reintegration and adoption are not a preferred option for the child. When a guardianship is established a subsidy may be provided to assist the families until the child reaches 18 years of age.

For FY 2016 the **agency** estimates serving an average of 234 children per month at an average monthly cost of \$289 per child. For FY 2017 the agency estimates serving an average of 229 children per month at an average monthly cost of \$289 per child.

The **Governor** concurs with the agency's estimate for FY 2016 and FY 2017.

C. Supported Business Areas

This program includes support programs not under the direct control of the Secretary. These programs include Information Technology, Human Resources, the Children's Cabinet, and the Kansas Council on Developmental Disabilities.

Information Technology Services – is responsible for managing new information technology systems projects, maintaining information systems that support the agency's business, coordinating access to and protection of the agency's data resources, and providing information technology infrastructure management and user support.

Human Resources – is responsible for providing personnel support to the regional offices and the central office. These activities include recruitment, retention, and staff employment as well as succession planning for all positions.

The Kansas Children's Cabinet – is charged with assisting the Governor in developing and implementing a coordinated delivery system to improve the health and well being of families and children in Kansas. The Children's Cabinet evaluates programs funded with Children's

Initiatives Fund moneys. The Children’s Cabinet is connected to the Department for budget and administrative purposes only.

The Kansas Council on Developmental Disabilities – responsibilities include monitoring, and evaluating developmental disabilities program and services to ensure increased independence, productivity and integration into the community.

SUPPORTED BUSINESS AREAS SUMMARY OF EXPENDITURES FY 2015 – FY 2017					
Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 10,291,417	\$ 10,833,332	\$ 10,833,332	\$ 9,027,322	\$ 8,745,660
Contractual Services	19,044,362	29,022,427	29,022,427	25,826,124	24,716,825
Commodities	103,151	98,069	98,069	97,077	92,806
Capital Outlay	679,387	523,481	523,481	521,481	521,481
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 30,118,317</u>	<u>\$ 40,477,309</u>	<u>\$ 40,477,309</u>	<u>\$ 35,472,004</u>	<u>\$ 34,076,772</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	19,696,414	23,079,634	14,079,634	18,995,690	398,976
TOTAL	<u>\$ 49,814,731</u>	<u>\$ 63,556,943</u>	<u>\$ 54,556,943</u>	<u>\$ 54,467,694</u>	<u>\$ 34,475,748</u>
Financing:					
State General Fund	\$ 12,359,620	\$ 12,212,092	\$ 12,212,092	\$ 14,692,657	\$ 14,692,657
All Other Funds	<u>37,455,111</u>	<u>51,344,851</u>	<u>42,344,851</u>	<u>39,775,037</u>	<u>19,783,091</u>
TOTAL	<u>\$ 49,814,731</u>	<u>\$ 63,556,943</u>	<u>\$ 54,556,943</u>	<u>\$ 54,467,694</u>	<u>\$ 34,475,748</u>
FTE Positions	167.8	127.2	127.2	119.2	119.2
Non-FTE Uncl. Perm. Pos.	35.0	46.0	46.0	23.0	20.0
TOTAL	<u>202.8</u>	<u>173.2</u>	<u>173.2</u>	<u>142.2</u>	<u>139.2</u>

The **agency** submits a revised estimate for FY 2017 totaling \$54.5 million, including \$14.7 million from the State General Fund. The revised estimate is a decrease of \$1.6 million, including \$825,919 from the State General Fund, below the amount approved by the 2015 Legislature. The majority of the decrease is attributable to anticipated reductions in mainframe expenditures.

The **Governor** recommends FY 2017 expenditures totaling \$34.5 million, including \$14.7 million from the State General Fund. The recommendation is a reduction of \$20.0 million, or 38.5 percent, below the agency’s revised estimate. The reduction is attributable to a recommendation to move the Children’s Cabinet from the Department for Children and Families to the Department of Education.

D. Regional Offices

Operations staff are employed throughout Kansas and deliver the bulk of all DCF benefits and many direct services in the four regional management areas (East, Kansas City,

West, and Wichita). The staff in these four regions perform a variety of functions including: determining eligibility for DCF programs and medical programs administered by the Kansas Department of Health and Environment, Division of Health Care Finance (thru January 2016); investigating alleged abuse, neglect, and fiduciary abuse of adults, and help providing protective services; investigating alleged abuse and neglect of children, and coordinating with and overseeing all foster care, adoption, and family preservation contractors; coordinating all DCF programs and services; and conducting quality assurance and monitoring for children and adults receiving services.

REGIONAL OFFICES					
SUMMARY OF EXPENDITURES FY 2015 – FY 2017					
Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 89,807,125	\$ 90,359,187	\$ 90,359,187	\$ 90,998,143	\$ 89,295,339
Contractual Services	17,188,760	17,987,825	17,987,825	18,062,724	17,812,724
Commodities	793,917	801,039	801,039	813,494	813,494
Capital Outlay	141,721	191,924	191,924	72,924	72,924
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 107,931,523</i>	<i>\$ 109,339,975</i>	<i>\$ 109,339,975</i>	<i>\$ 109,947,285</i>	<i>\$ 107,994,481</i>
Aid to Local Units	0	0	0	0	0
Other Assistance	79,867	0	0	0	0
TOTAL	<u>\$ 108,011,390</u>	<u>\$ 109,339,975</u>	<u>\$ 109,339,975</u>	<u>\$ 109,947,285</u>	<u>\$ 107,994,481</u>
Financing:					
State General Fund	\$ 63,286,515	\$ 63,822,404	\$ 63,822,404	\$ 63,595,488	\$ 61,965,288
All Other Funds	44,724,875	45,517,571	45,517,571	46,351,797	46,029,193
TOTAL	<u>\$ 108,011,390</u>	<u>\$ 109,339,975</u>	<u>\$ 109,339,975</u>	<u>\$ 109,947,285</u>	<u>\$ 107,994,481</u>
FTE Positions	1,726.4	1,683.4	1,683.4	1,548.4	1,548.4
Non-FTE Uncl. Perm. Pos.	167.0	238.0	238.0	238.0	238.0
TOTAL	<u>1,893.4</u>	<u>1,921.4</u>	<u>1,921.4</u>	<u>1,786.4</u>	<u>1,786.4</u>

The **agency** submits a revised estimate of \$110.0 million, including \$63.6 million from the State General Fund. The revised estimate is a decrease of \$424,235, or 0.4 percent, below the amount approved by the 2015 Legislature. The revised estimate is an increase of \$371,288, or 0.6 percent, above the State General Fund amount approved by the 2015 Legislature. The revised estimate includes the agency's supplemental funding request totaling \$2.0 million, including \$1.6 million from the State General Fund, for the recruitment and retention of social workers. The revised estimate also includes savings associated with the transfer of Medicaid eligibility determination to the Department of Health and Environment associated with ERO No. 43. Also included are increases in operating expenditures associated with social workers, including travel, and increased data services expenditures. These increases are partially offset by building rental costs.

The **Governor** recommends FY 2017 expenditures totaling \$108.0 million, including \$62.0 million from the State General Fund. The recommendation is a decrease of \$2.0 million, or 1.8 percent, below the agency's revised estimate. The reduction is attributable to the Governor's not recommending the agency's supplemental funding request.

PERFORMANCE MEASURES				
Measure	Gov. Rec. for FY 2015	Actual FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Child Support Enforcement				
Support collections to cost ratio	\$5.50:\$1	\$5.50:\$1	\$5.50:\$1	\$5.50:\$1
Percent of cases paying on support arrears	64.0%	64.0%	64.0%	64.0%
Temporary Assistance to Families				
Percent of families leaving TANF who retain employment in the second quarter	41.0%	41.0%	42.0%	43.0%
Rehabilitation Services				
Percent of rehabilitated clients gaining competitive employment	72.6%	72.6%	72.6%	72.6%
Number of clients rehabilitated	1,800	1,800	1,800	1,800
Child Care and Early Childhood Development				
Percent of children in Early Head Start demonstrating developmental growth	85.0%	85.0%	90.0%	90.0%
Percent of Kansas Early Head Start child care providers who have a Child Development Associate of higher in education	94.0%	94.0%	94.0%	94.0%
Reintegration/Foster Care Contract				
Average number of children in foster care each month	5,830	5,840	6,214	6,509