



TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

COMMISSIONER
Howard G Baldwin Jr.

June 15, 2012

Mr. Jonathan Hurst, Director
Governor's Office of Budget, Planning and Policy
1100 San Jacinto, 4th Floor
Austin, TX 78701

Ms. Ursula Parks, Acting Director
Legislative Budget Board
1501 North Congress Avenue, 5th Floor
Austin, TX 78701

Dear Mr. Hurst and Ms. Parks:

Enclosed is the agency's FY 2012 Monthly Financial Report as of April 2012. The following is a narrative summary of budget adjustments during the month, budget variances, significant changes from appropriated funding, capital budget issues, and other key budget issues at this time.

BUDGET ADJUSTMENTS

The following adjustments were made to the operating budget in the month of April. In total, the operating budget was decreased by \$1,798,924.

- The following strategy transfers were made under HB 1, 82nd Legislature, Regular Session, Art IX, Sec 14.01, Appropriation Transfers (2012-13 GAA), to align funding with projected needs:
 - \$175,382 of General Revenue was transferred from Strategy B.1.9 Substance Abuse Purchased Services to Strategy B.1.10 Other CPS Purchased Services
 - \$24,618 of General Revenue was transferred from Strategy B.1.9 Substance Abuse Purchased Services to Strategy B.1.8 PAL Purchased Services

- The following adjustment was made in federal block grant funds for a decrease of \$1,798,924 (Art. IX, Sec. 8.02, Federal Funds/Block Grants):
 - Surplus Temporary Assistance to Needy Families (TANF) in the amount of \$1,798,924 was reduced from the Strategy B.1.10 Other CPS Purchased Services budget to be rebudgeted in FY 2013 to offset projected shortfalls.

BUDGET VARIANCES

This report reflects an agency surplus of \$8.7 million that consists of \$7.2 million in General Revenue, \$1.3 million in Federal Capped Grant Funds, and \$0.2 million in Other Funds.

- Strategy B.1.1 CPS Direct Delivery Staff has a projected surplus of \$0.2 million in Other Funds. This surplus represents budgeted appropriated receipts that are not anticipated to be collected for county-shared direct delivery staff.
- Strategy B.1.2 CPS Program Support has a projected surplus of \$1.3 million in Federal Capped Grant Funds. This surplus is related to Refugee Assistance federal funds for the DFPS Unaccompanied Refugee Minor (URM) program and Chafee Foster Care Independence Program funds that are not anticipated to be spent.
- Strategy B.1.11 Foster Care Payments has a projected surplus of \$7.2 million in General Revenue. This projected surplus is based on HHSC's May Forecast update. These funds are restricted from use for other purposes, therefore they are anticipated to lapse.

SIGNIFICANT CHANGES FROM PREVIOUS REPORT

There are no significant changes from the previous report.

OTHER KEY BUDGET ISSUES

There are no other key budget issues that have not been covered elsewhere in this letter.

CAPITAL BUDGET ISSUES

No significant variances are projected at this time.

Please contact Beth Cody at 438-3351 if you have any questions or require additional information.

Sincerely,



Cindy Brown
Chief Financial Officer

cc: Garnet Coleman, State Representative
Andria Franco, Governor's Office
Jamie Dudensing, Lieutenant Governor's Office
Julia Rathgeber, Lieutenant Governor's Office
Jennifer Deegan, Speaker's Office
Sarah Hicks, Senate Finance Committee
Keith Yawn, House Appropriations Committee
Nelda Hunter, House Appropriations Committee
Melitta Berger, Legislative Budget Board
Shaniqua Johnson, Legislative Budget Board