



Texas Department of Family and Protective Services

Commissioner
Stephanie Muth

February 6, 2024

Ms. Sarah Hicks, Senior Advisor and Budget Director
Governor's Office of Budget, Planning and Policy
1100 San Jacinto, 4th Floor
Austin, TX 78701

Mr. Jerry McGinty, Director of Legislative Budget Board
Legislative Budget Board
1501 North Congress Avenue, 5th Floor
Austin, TX 78701

Dear Ms. Hicks and Mr. McGinty:

Enclosed is the agency's FY 2024 Monthly Financial Report as of December 2023. 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.

Schedules are updated to meet the reporting requirements in Rider 6, Other Reporting Requirements. A.1.1, Statewide Intake Services, and D.1.1, APS Direct Delivery Staff, are added to Schedule 11, which provides 5-year detail of actual and projected expenditure information by Object of Expense and Method of Finance. Also, in accordance with Rider 6, Other Reporting Requirements, Statewide Intake performance measures are included in Schedule 9, Select Performance Measures. Revenue for Object Code 3770, Administrative Penalties, is included in the Revenue Schedule for Appropriated Receipts (0666) to meet the requirements for Rider 30, Contractor Penalties and Incentives.

BUDGET ADJUSTMENTS

The budget adjustments listed below apply to the appropriation year 2024 as of the end of December 2023. Adjustments to Department of Family and Protective Services (DFPS) appropriation pattern as detailed in the Conference Committee version of H.B.1, 88th Legislature, Regular Session are described below:

B. This adjustment reflects changes in estimated federal entitlement funds (gains or losses) pursuant to Article IX, Sec 13.01, Federal Funds/Block Grants Fed Entitlements. Total amounts by CFDA are listed below.

93.090.050-Title IV-E Guardianship Assistance - Administration \$205,729

93.658.050-Title IV-E Foster Care – Administration \$2,387,764

4900 N LAMAR BLVD ♦ P. O. BOX 149030 ♦ AUSTIN, TEXAS 78714-9030 ♦ (512) 929-6900

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93.658.075-Title IV-E Foster Care-Training-75% (\$563,665)
93.659.050-Title IV-E Adoption Assistance - Administration \$665,967
93.659.075-Title IV-E Adoption Assistance-Training-75% \$9,025
93.778.003-Medical Assistance Program 50% \$1,623,953

C. Pursuant to Article IX, Sec 13.01, Federal Funds/Block Grants, adjustments have been made to align federal funds/block grants with award amounts and re-budget federal funds/block grants between FY23 and FY24. Total amounts by CFDA are listed below.

93.434.000 – ESSA PRESCHOOL DEV GRANT PROP - \$3,153,940
93.556.005 – Title IV-B, Part 2 Promoting Safe and Stable Families – FFTA \$11,851,783
93.590.000 – Community-Based Child Abuse Prevention Grants - \$946,300
93.590.119 – CBCAP - HR 1319 CORONAVIRUS \$18,549
93.599.000 – Title IV-E ETV - \$631,346
93.669.000 – Child Abuse and Neglect State Grants - \$811,545
93.669.119 – CAPTA HR 1319, Coronavirus - \$3,029,930
93.747.119 – Elder Abuse Prevention Program, Coronavirus - \$4,430,054
93.870.000 – MIECHV - \$1,978,021

D. This adjustment reflects changes in estimated interagency contracts pursuant to Article IX, Sec 8.02, Reimbursements and Payments.

F. Pursuant to Article IX, Miscellaneous Provisions Sec. 17.33 (2024-25 GAA), this adjustment reflects additional budget appropriation to provide funding assistance related to Children’s Safe Harbor Facility.

H. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.10 (2024-25 GAA) relating to policies and procedures regarding certain suits affecting the parent-child relationship, investigations by DFPS and parental child safety placements.

I. This adjustment reflects transfers between appropriations within 20 percent limitation to cover projected expense pursuant to Art IX, Sec 14.01(a), Appropriation Transfers (2024-25 GAA).

K. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.30, contingency for House Bill 3765 relating to the establishment of a supply of luggage by the DFPS for the transport of the personal belongings of a foster child (2024-2025 GAA).

L. Pursuant to Art IX, Sec 14.01 (d)(1) Appropriation Transfers, this adjustment reflects transfers from one appropriation item to another appropriation item within the same Indirect Administrative goal without limitation as to the amount of such a transfer.

M. Pursuant to Article IX, Sec. 18.39, Contingency for Senate Bill 24 (2024-25 GAA), this adjustment reflects the powers and duties of the HHSC and the transfer to the commission of certain powers and duties from DFPS.

Q. Pursuant to Article II, Rider 46, Contingent Appropriation: Prevention and Early Intervention (2024-25 GAA), this adjustment reflects the powers and duties of the HHSC and the transfer to the commission of certain powers and duties from DFPS.

T. This adjustment reflects transfers capital budget items pursuant to Art IX, Sec 14.03(h), Limitation on Expenditures – Capital Budget (2024-25 GAA).

AC. These adjustments reflect budget adjustments by 88th Legislature, Regular Session Senate Bill 30, Section 3.12 Connecting Technology Services

BUDGET VARIANCES

Schedules 1, 4, and 5 of this report reflect the agency's current projections for program expenditures, the 2024 fall forecast for entitlement programs (Foster Care and Adoption Subsidy/PCA), Contracted Day Care services, and the Relative Other Designated Caregiver program as well as an entitlement budget adjustment for the enhanced FMAP.

This report reflects an agency surplus of \$3.3 million all funds consisting in a shortage of \$3.4 million in General Revenue and a surplus of \$6.7 million in Federal Funds.

- Appropriations that are anticipated to result in lapsed budget authority are expressed as a positive variance:
 - 8008 – GR Title IV-E – FMAP
 - 93.558 – Temporary Assistance to Needy Families (TANF)
 - 93.090.050 – Title IV-E Guardianship Assistance – Administration
 - 93.090.060 – Title IV-E Guardianship Assistance – FMAP
 - 93.658.050 – Title IV-E Foster Care – Administration
 - 93.658.060 – Title IV-E Foster Care – FMAP
 - 93.659.050 – Title IV-E Adoption Assistance
 - 93.659.060 – Title IV-E Adoption Assistance – FMAP
- Appropriations for which expense is projected to exceed the adjusted budget are reflected as a negative variance:
 - 0001 – General Revenue

The projected general revenue variances are summarized as follows:

- Entitlement Programs - \$11.1 million surplus.
- Non-Entitlement Programs - \$14.5 million shortage.

SIGNIFICANT CHANGES FROM PREVIOUS REPORT

This month's report reflects the updated Fall forecast for entitlement programs (Foster Care Payments, Adoption Subsidy/PCA Payments, TWC Purchased Day Care Services, and Relative Caregiver Monetary Assistance Payments).

All programs are reflecting an anticipated lapse with the exception of TWC Purchased Day Care Services, the latter of which realized an increase in utilization which is expected to continue through the fiscal year. Expenditures will continue to be monitored and policy and funding changes implemented as appropriate.

OTHER KEY BUDGET ISSUES

Additional funding appropriated under Article II, Rider 46, Article IX, Sec. 17.33, Article IX, Sec. 18.10, Article IX, Sec. 18.30 and Article IX, Sec. 18.39 are reflected in this report.

CAPITAL BUDGET ISSUES

The budget in Schedule 8 (Capital Projects) reflects the DFPS 2024-2025 capital appropriation levels. Future adjustments will be reflected in Monthly Financial Reports as revenues are realized and/or actual adjusting entries are processed in the Uniform State Accounting System.

B. This adjustment reflects changes in estimated federal entitlement funds (gains or losses) pursuant to Art IX, Sec 13.01, Federal Funds/Block Grants Fed Entitlements.

H. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.10 (2024-25 GAA) relating to policies and procedures regarding certain suits affecting the parent-child relationship, investigations by DFPS and parental child safety placements.

K. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.30, contingency for House Bill 3765 relating to the establishment of a supply of luggage by the DFPS for the transport of the personal belongings of a foster child (2024-2025 GAA).

M. Pursuant to Article IX, Sec. 18.39, Contingency for Senate Bill 24 (2024-25 GAA), this adjustment reflects the powers and duties of the HHSC and the transfer to the commission of certain powers and duties from DFPS.

T. This adjustment reflects transfers capital budget items pursuant to Art IX, Sec 14.03(h), Limitation on Expenditures – Capital Budget (2024-25 GAA).

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STATUS OF PENDING TRANSFERS AND AUTHORITY REQUIRING PRIOR APPROVAL

Schedule 10 contains a full listing of request for approval and notifications that DFPS has submitted for the fiscal year. The items listed below are pending approval.

Letter Topic	HHSC/DFPS		
Appropriation Year	Letter Date	LBB	Governor
Request to Exceed CBC, CCDBG, FFTA DFPS-2024-A-003	November 21, 2023		

Please feel free to contact me at 512-919-7463 if you have any questions or require additional information.

Sincerely,



Scott A Greer
Budget Director

cc: Madelyn Fletcher, Governor's Office
Andria Franco, Lieutenant Governor's Office
Molly Czepiel, Speaker's Office
Briana Novian, House Appropriations Committee
Stacey Gilliam, Senate Finance Committee
Katrina Smith, Senate Finance Committee
Eduardo Rodriguez, Legislative Budget Board
Andrea Nikic, Legislative Budget Board
Amit Patel, Legislative Budget Board
Samantha Brock, Legislative Budget Board
Rob Coleman, Director of Fiscal Management