



Presentation to the Senate Finance Committee

Department of Family and Protective Services

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February 9, 2005

Texas Department of Family and Protective Services
Summary Table of Revised Exceptional Item Requests for FY 2006-2007
Senate Finance Committee

EXCEPTIONAL ITEM	FY 2006		FY 2007		BIENNIAL TOTAL		FY 06	FY 07
	GR/GRD	All Funds	GR/GRD	All Funds	GR/GRD	All Funds	FTEs	FTEs
LBB Recommended	\$ 285,141,412	\$ 879,208,182	\$ 295,280,325	\$ 901,059,716	\$ 580,421,737	\$ 1,780,267,898	6,891.9	6,922.9
Revised Exceptional Items:								
1. Fund Foster Care/Adoption Subsidies Caseload Growth	9,866,421	26,422,649	18,072,706	40,711,685	27,939,127	67,134,334	-	-
<i>a. Foster Care Caseload Growth</i>	6,946,961	22,644,145	14,335,828	36,246,386	21,282,789	58,890,531		
<i>b. Adoption Subsidies Caseload Growth</i>	2,919,460	3,778,504	3,736,878	4,465,299	6,656,338	8,243,803		
2. Maintain Critical Accountability and Oversight	2,628,343	3,407,313	2,386,928	3,585,971	5,015,271	6,993,284	32.4	32.4
3. Fund CPS Reform	97,684,664	127,777,342	155,410,249	199,390,496	253,094,913	327,167,838	1,524.0	1,828.0
<i>a. Strengthen Investigations</i>	10,498,306	13,652,252	21,834,951	28,718,471	32,333,257	42,370,723	424.0	799.0
<i>b. Support Quality Casework</i>	41,452,972	54,533,107	67,264,653	87,414,081	108,717,625	141,947,188	817.0	1,529.0
<i>c. Improve Services to Families and Children</i>	26,789,345	32,989,475	32,127,577	39,803,853	58,916,922	72,793,328	63.0	(814.0)
<i>d. Build Community Partnerships</i>	369,285	500,000	369,285	500,000	738,570	1,000,000	-	-
<i>e. Improve Management and Accountability</i>	7,194,090	9,717,951	8,777,900	11,703,166	15,971,990	21,421,117	183.0	259.0
<i>f. Prevent Maltreatment</i>	5,690,266	8,100,194	16,970,364	19,380,292	22,660,630	27,480,486	-	-
<i>g. Address Related Caseload Growth</i>	5,690,400	8,284,363	8,065,519	11,870,633	13,755,919	20,154,996	37.0	55.0
4. Increase Foster Care Rates	12,633,546	19,809,789	13,656,852	21,401,258	26,290,398	41,211,047	-	-
5. Maintain Services to At Risk Youth	4,077,780	4,077,780	4,077,779	4,077,779	8,155,559	8,155,559	-	-
6. Maintain APS MH/MR Current Caseload per Worker	427,766	427,766	548,835	548,835	976,601	976,601	10.0	14.0
7. Increase Monitoring of Licensed Facilities	87,266	895,426	53,193	812,533	140,459	1,707,959	20.0	20.0
8. Fund Statewide Intake Technology Needs	1,243,183	1,259,388	172,723	182,615	1,415,906	1,442,003	-	-
9. Restore Prevention Services to FY 03 Level	9,306,525	9,313,992	9,322,130	9,326,556	18,628,655	18,640,548	4.9	4.9
<i>a. Restore Services to At-Risk Youth Program</i>	3,537,830	3,539,428	3,538,473	3,539,428	7,076,303	7,078,856	1.0	1.0
<i>b. Restore Community Youth Development Program</i>	1,345,894	1,345,894	1,345,894	1,345,894	2,691,788	2,691,788	-	-
<i>c. Re-establish At-Risk Mentoring Program</i>	1,348,836	1,350,713	1,349,629	1,350,713	2,698,465	2,701,426	1.4	1.4
<i>d. Re-establish Healthy Families Program</i>	2,698,365	2,702,357	2,712,534	2,714,921	5,410,899	5,417,278	2.5	2.5
<i>e. Re-establish Parents As Teachers Program</i>	375,600	375,600	375,600	375,600	751,200	751,200	-	-
10. Fund Technology Upgrades/Improvements	3,485,644	3,939,424	788,430	788,430	4,274,074	4,727,854	-	-
11. Fund IMPACT Enhancements	1,435,253	2,166,900	68,763	300,000	1,504,016	2,466,900	-	-
Total Exceptional Items	\$ 142,876,391	\$ 199,497,769	\$ 204,558,588	\$ 281,126,158	\$ 347,434,979	\$ 480,623,927	1,591.3	1,899.3
Grand Total LBB Recommended plus Exceptional Items	\$ 428,017,803	\$ 1,078,705,951	\$ 499,838,913	\$ 1,182,185,874	\$ 927,856,716	\$ 2,260,891,825	8,483.2	8,822.2

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 1

Fund Foster Care/Adoption Subsidies Caseload Growth

Request

The LBB recommended budget funds an average number of FTE children per month in paid foster care of 17,997 in FY 06 and 19,034 in FY 07. The February update of foster care caseloads provided by HHSC indicate an average number of FTE children per month in paid foster care of 19,257 in FY 06 and 21,050 in FY 07, a difference of 1,260 per month for FY 06 and 2,016 per month for FY 07.

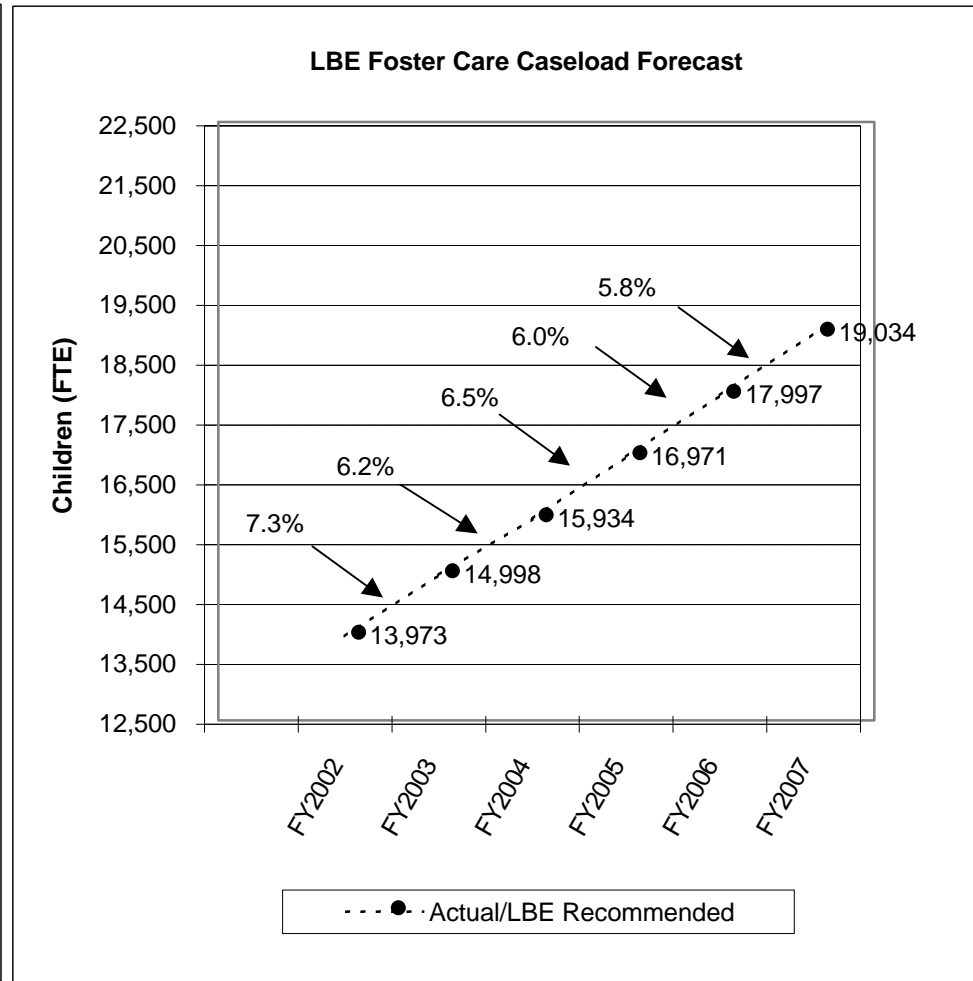
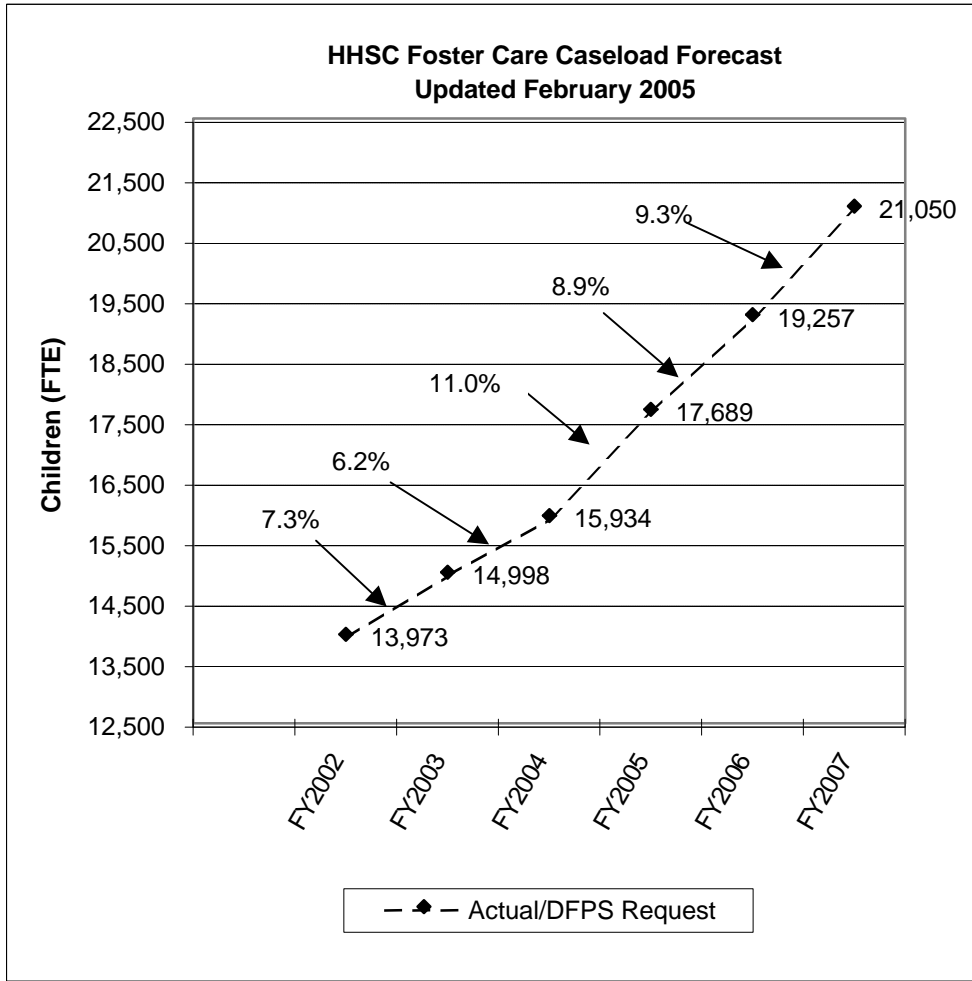
Similarly, the LBB recommended budget for adoption subsidies funds an average number of children provided adoption subsidies per month of 19,118 for FY 06 and 20,385 for FY 07. The November 2004 HHSC updated forecast indicates an average number of children provided adoption subsidies per month of 19,813 for FY 06 and 21,228 for FY 07, a difference of 695 per month for FY 06 and 843 per month for FY 07.

This exceptional item requests funding for the difference in HHSC's forecasted caseloads and the caseloads contained in the LBB recommended budget. The cost is calculated based on the current FY 2005 rates.

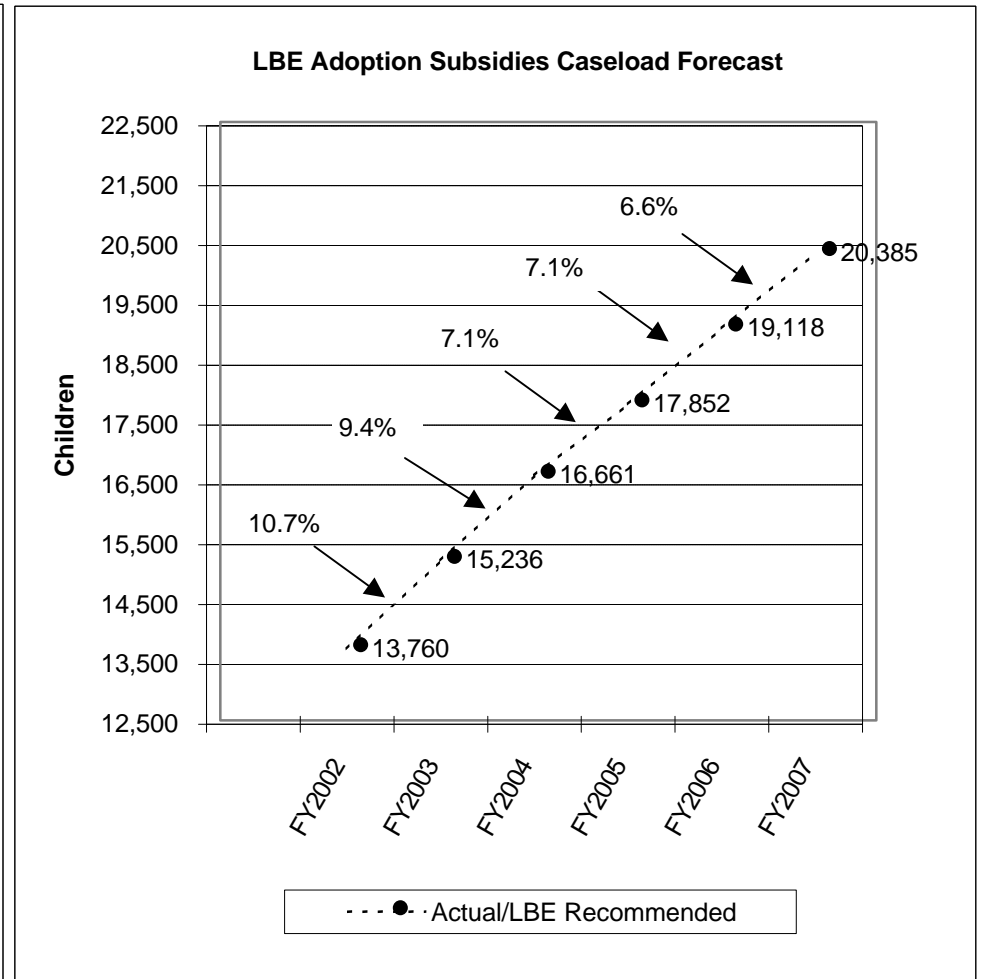
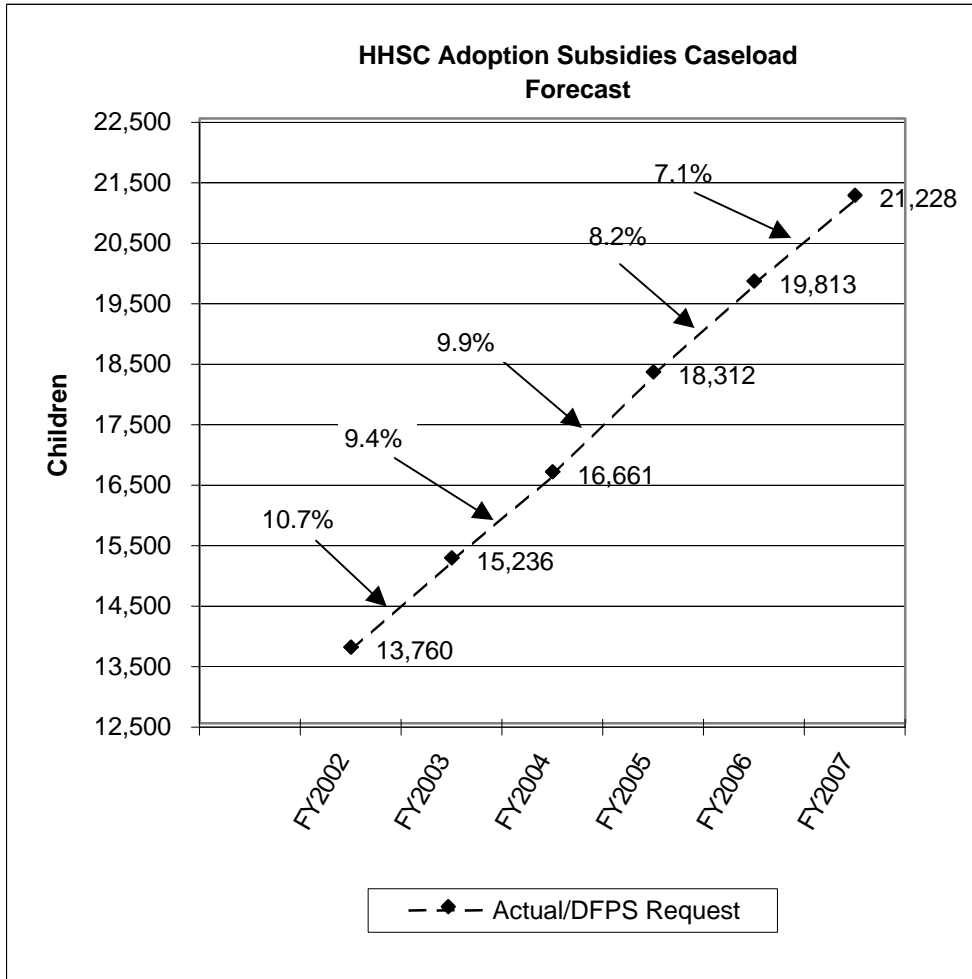
Funding Request	FY 2006	FY 2007	Biennium
Total	\$26,422,649	\$40,711,685	\$67,134,334
Number of FTEs	0.0	0.0	
Method of Financing:			
General Revenue	\$9,866,421	\$18,072,706	\$27,939,127
Federal Funds	\$16,556,228	\$22,638,979	\$39,195,207

Program Impact	FY 2006	FY 2007
<i>Incremental Impact to Performance Measures:</i>		
Average No. of Children (FTE) Served in Paid Foster Care per Month	1,260	2,016
Average No. of Children Provided Adoption Subsidy per Month	695	843
<i>Cumulative Impact to Performance Measures:</i>		
Ave. Mo. Payment Per Child in Paid Foster Care	\$1,602.36	\$1,583.65
Ave. Mo. Payment Per Adoption Subsidy	\$459.74	\$450.39

Growth in Foster Care Caseload FY 2006-2007



Growth in Adoption Subsidies Caseload FY 2006-2007



**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 2

Maintain Critical Accountability and Oversight

Request

The LBB recommended budget reduces the agency's administrative infrastructure by approximately 10% for staff and 12% for the agencywide automated systems cost.

These FTEs and dollars provide the financial, technological, operational, administrative legal, and executive support and oversight for all programs. These cuts directly affect the agency's ability to effectively support the current needs of field staff. In addition, the agency's ability to successfully implement the reforms called for by Executive Orders RP 33 and RP 35 related to the APS and CPS programs will be greatly compromised if the administrative infrastructure is reduced. In fact, to adequately implement APS and CPS Reform an increase in indirect administration staff is required.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$3,407,313	\$3,585,971	\$6,993,284
Number of FTEs	32.4	32.4	
Method of Financing:			
General Revenue	\$2,628,343	\$2,386,928	\$5,015,271
Federal Funds	\$778,970	\$1,199,043	\$1,978,013

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 3

Fund CPS Reform

Request

Under Executive Order RP 35, HHSC was directed to review and reform the CPS program. They issued a final report on January 6, 2005.

The report contained recommendations to strengthen investigations, support quality casework, improve services to families and children, build community partnerships, improve management and accountability, and prevent maltreatment.

This exceptional item requests the funding for these recommendations as well as funding for related caseload growth in the foster care program and for additional Statewide Intake call center staff to address the related increase in call volume.

Funding Request	FY 2006	FY 2007	Biennium
Strengthen Investigations	\$13,652,252	\$28,718,471	\$42,370,723
Support Quality Casework	54,533,107	87,414,081	141,947,188
Improve Services to Families and Children	32,989,475	39,803,853	72,793,328
Build Community Partnerships	500,000	500,000	1,000,000
Improve Management and Accountability	9,717,951	11,703,166	21,421,117
Prevent Maltreatment	8,100,194	19,380,292	27,480,486
Address Related Caseload Growth	8,284,363	11,870,633	20,154,996
Total	\$127,777,342	\$199,390,496	\$327,167,838
Number of FTEs	1,524.0	1,828.0	
Method of Financing:			
General Revenue	\$97,684,664	\$155,410,249	\$253,094,913
Federal Funds	\$30,092,678	\$43,980,247	\$74,072,925

Program Impact	FY 2006	FY 2007
<i>Incremental Impact to Performance Measures:</i>		
No. of Completed CPS Investigations	5,391	4,698
No. of Children in Protective Day Care	3,723	3,723
Clients Receiving Substance Abuse Purchased Svcs	1,572	1,572
Average No. of Children (FTE) Served in Paid Foster Care per Month	313	494
<i>Cumulative Impact to Performance Measures:</i>		
CPS Ave. Daily Caseload per Worker: Investigations	40	33
CPS Ave. Mo. Caseload per Worker: Investigations	54	45
Average Mo. Payment Per Child in Paid Foster Care	1,690.38	1,668.83

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 4

Increase Foster Care Rates

Request

FY 04-05 appropriated funding for the average daily rate for foster care represents a 3% reduction from the FY 03 average daily rate. A partial rate restoration was approved for FY 04-05 that increased the average daily rate by 1.01%. After this partial rate restoration, the net reduction to the average daily rate was 1.99%.

This exceptional item requests the funding needed to restore this net rate reduction to the average daily rate paid in FY 03. It also requests funding for a 3.36% rate adjustment that is based on the April 2004 forecasted Personal Consumption Expenditure (PCE) inflator. The total increase to the average daily rate for foster care associated with this exceptional item is 5.35%.

Adequate funding for foster care reimbursement rates is essential to recruiting quality foster families and to ensure all children in foster care are provided quality care. Increasing the capacity of foster home placements provides children with additional placement options and improves the matching process for selecting families that can meet the individual needs of a particular child or sibling group.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$19,809,789	\$21,401,258	\$41,211,047
Number of FTEs	0.0	0.0	
Method of Financing:			
General Revenue	\$12,633,546	\$13,656,852	\$26,290,398
Federal Funds	\$7,176,243	\$7,744,406	\$14,920,649

Program Impact

Cumulative Impact to Performance Measures:
Average Monthly Payment Per Child
(FTE) in Paid Foster Care

FY 2006	FY 2007
1,688.09	1,668.38

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 5

Maintain Services to At-Risk Youth

Request

Instructions were provided to all agencies by the LBB and the Governor's Office limiting the agency's baseline request for general revenue-related funds to 95% of the sum of amounts expended in FY 04 and budgeted in FY 05. DFPS applied the baseline reduction to the Services to At-Risk Youth (STAR) program, resulting in a 26.4% funding cut for that program. The LBB recommended budget restores \$1.3 million of the \$9.4 million reduction for the biennium.

This exceptional item requests funding to restore the remaining reduction to this prevention program so that current services can be maintained. This prevention program is the only one that provides services in all 254 counties, and serves children ages 0-17 who are runaways, delinquents, truants, or living in situations where they are at risk of delinquent conduct or child maltreatment. The current service level represents a 16% reduction from FY 03 levels. If current service levels are not maintained, the program could no longer continue to operate in all counties.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$4,077,780	\$4,077,779	\$8,155,559
Number of FTEs	0.0	0.0	
Method of Financing:			
General Revenue	\$4,077,780	\$4,077,779	\$8,155,559
Federal Funds	\$0	\$0	\$0

Program Impact	FY 2006	FY 2007
<i>Incremental Impact to Performance Measures:</i>		
Average Number of STAR Youth Served Per Month	1,091	1,091

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 6

Maintain APS MH/MR Current Caseload per Worker

Request

Based on the projected workload indicators, such as an increase of 4% each year of the FY 06-07 biennium in the number of investigations of abuse, neglect, and exploitation, the agency needs additional direct delivery staff to meet increased demand for services in the APS MH/MR Investigations Program.

This initiative seeks additional funding for a staffing level to handle the projected number of investigations over the next biennium at the current level of response. This item would maintain the projected FY 05 average MH/MR caseload per worker of 10.

If funds are not appropriated, current caseload sizes could not be maintained. Higher caseloads would result in employee burnout and high turnover. High turnover leads to more training costs and further impacts caseloads, ultimately resulting in declining quality in investigations that places the agency at risk for potential liability and inclusion in litigation concerning the care of persons served in MH or MR settings. Failure to complete certain investigations in MH and MR settings timely places the state at risk of losing significant federal dollars.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$427,766	\$548,835	\$976,601
Number of FTEs	10.0	14.0	
Method of Financing:			
General Revenue	\$427,766	\$548,835	\$976,601
Federal Funds	\$0	\$0	\$0

Program Impact

Cumulative Impact to Performance Measures:
Ave MH and MR Caseload per Worker

FY 2006	FY 2007
10.0	10.0

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 7

Increase Monitoring of Licensed Facilities

Request

The growth in overall child population as well as growth in the number of young school age children, the increasing turnover of childcare staff, and the increasing number of childcare facilities are all factors that impact the number of complaints in childcare facilities.

In order to ensure that children in day care settings are properly protected, this exceptional item requests funding for an additional 20 Child Care Licensing staff to increase the monitoring, training, and technical assistance activity for licensed centers, and to ensure the necessary staffing level needed to address minimum standards violation investigations.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$895,426	\$812,533	\$1,707,959
Number of FTEs	20.0	20.0	
Method of Financing:			
General Revenue	\$87,266	\$53,193	\$140,459
Federal Funds	\$808,160	\$759,340	\$1,567,500

Program Impact

Incremental Impact to Performance Measures:

Number of Inspections

FY 2006	FY 2007
4,057	4,069

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 8

Fund Statewide Intake Technology Needs

Request

The Statewide Intake 24-hour call center utilizes hardware and software that is standard in the call center industry to route phone calls to appropriate queues, operate the phone system, manage the workforce, and provide management information.

This item would replace the eleven year old Automated Call Distributor (ACD) switch that routes calls to the appropriate queues and helps reduce hold times by balancing across agents. The cost estimate for replacement of the ACD switch is \$1.2 million for the biennium.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$1,259,388	\$182,615	\$1,442,003
Number of FTEs	0.0	0.0	
Method of Financing:			
General Revenue	\$1,243,183	\$172,723	\$1,415,906
Federal Funds	\$16,205	\$9,892	\$26,097

Additionally, this item would leverage HHSC's 2-1-1 call center to provide disaster recovery backup services in the event of a catastrophic event that destroys or otherwise makes our current facility uninhabitable. Business service continuity is essential to meeting the agency's mission. This funding initiative requests \$265,120 for the biennium to leverage HHSC's 2-1-1 call center to provide services until the call center could be replaced with a permanent facility.

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 9

Restore Prevention Services to FY 03 Level

Request

This initiative would restore the 16% funding reductions to the Services to At-Risk Youth (STAR) and Community Youth Development (CYD) programs that resulted from the 78th Legislature, so that funding would be continued at their FY 03 funding level.

This initiative would also re-establish the At-Risk Mentoring, Healthy Families, and Parents as Teachers programs at their FY 03 funding level. At Risk Mentoring, Healthy Families, and Parents as Teachers programs were eliminated beginning in FY 04 due to the funding limitations facing the 78th Legislature.

Restoring STAR and CYD and re-establishing At-Risk Mentoring funding to FY 03 levels will ensure that an estimated 12,228 children who were not served during FY 04-05 will receive services in FY 06-07. Restoration of Healthy Families and Parents as Teachers will ensure that an estimated 2,181 families not served during FY 04-05 will receive services in FY 06-07.

Funding Request	FY 2006	FY 2007	Biennium
Restore STAR	\$3,539,428	\$3,539,428	\$7,078,856
Restore CYD	1,345,894	1,345,894	2,691,788
Re-establish At-Risk Mentoring	1,350,713	1,350,713	2,701,426
Re-establish Healthy Families	2,702,357	2,714,921	5,417,278
Re-establish Parents as Teachers	375,600	375,600	751,200
Total	\$9,313,992	\$9,326,556	\$18,640,548
Number of FTEs	4.9	4.9	
Method of Financing:			
General Revenue	\$9,306,525	\$9,322,130	\$18,628,655
Federal Funds	\$7,467	\$4,426	\$11,893

Program Impact

Incremental Impact to Performance Measures:

Average No. of STAR Youth Served per Month
Average No. of CYD Youth Served per Month

FY 2006	FY 2007
997	997
1,473	1,473

**Texas Department of Family and Protective Services
Senate Finance Committee**

Exceptional Item 10

Fund Technology Upgrades/Improvements

Request

The agency is requesting upgrades and improvements to its technology infrastructure, much of which is over eight years old and is reaching the end of its useful life.

Security Assurances – DFPS is requesting \$1.5 million for the biennium to replace the current 250 small routers with new ones that have a built-in firewall. An additional six large routers will have firewalls added to them. This upgrade addresses a State Auditor requirement for firewalls at the router level.

Server Upgrade/Replacement – \$2.7 million is requested for the biennium for upgrades and replacements for the operating system network servers and the servers hosting the automated CPS and APS casework application and the Child Care Licensing application, which will ensure adequate support is provided to program applications. In addition, an increase in web servers is needed to meet anticipated increased applications and usage on the Internet.

Funding Request	FY 2006	FY 2007	Biennium
Total	\$3,939,424	\$788,430	\$4,727,854
Number of FTEs	0.0	0.0	
Method of Financing:			
General Revenue	\$3,485,644	\$788,430	\$4,274,074
Federal Funds	\$453,780	\$0	\$453,780

Microsoft Exchange Server Replacement and License Upgrade - \$0.5 million for the biennium is needed for replacements and upgrades to hardware and software related to the support of the e-mail system. DFPS has 27 exchange servers supporting the e-mail system that are all five years old. The agency is currently using Exchange version 5.5, which is no longer supported by Microsoft.

Texas Department of Family and Protective Services

Senate Finance Committee

Exceptional Item 11

Fund IMPACT Enhancements

Request

Enhancements to the Information Management Protecting Adults and Children in Texas (IMPACT) system (browser-based version of the CPS and APS automated casework application) are required to ensure continued effective service delivery. The following enhancements are requested:

IMPACT Operational Enhancements – \$0.6 million for the biennium is needed for improvements to the usage of the system, to ensure program needs are met, and to encourage community involvement by building information exchanges with service providers.

IMPACT Enhancements for External Access – \$1.9 million for the biennium is needed for changes to allow vendors to access and update prebill information and to access payment information on-line. It also includes an automated interface between DFPS and Texas Workforce Commission to allow us to receive child specific information for children in our system receiving day care,

Funding Request	FY 2006	FY 2007	Biennium
Total	\$2,166,900	\$300,000	\$2,466,900
Number of FTEs	0.0	0.0	
Method of Financing:			
General Revenue	\$1,435,253	\$68,763	\$1,504,016
Federal Funds	\$731,647	\$231,237	\$962,884

and an automated interface between DFPS and the Office of Attorney General to allow us to send child eligibility and other case information related to child support collections for children in foster care. These enhancements are dependent on a server upgrade requested in Exceptional Item 10, Fund Technology Upgrades/Improvements.