



## TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

COMMISSIONER  
Howard G Baldwin Jr.

September 4, 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 July 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 appropriated budget in the month of July. In total, the operating budget was decreased by \$679,285.

- The following adjustments were made under Art IX, Sec 8.03, Reimbursements and Payments (2012-13 GAA):
  - Strategy B.1.2 CPS Program Support increased by \$25,000.
    - ⇒ The interagency contract with TEA for the Texas Trio Project was created in the amount of \$15,000
    - ⇒ The interagency contract with HHSC for Children's Litigation Support was increased by \$10,000
- The following adjustment was made under IX, Sec 6.22 (i), Amounts Contingent on Collection of EFF (2012-13 GAA):
  - Strategy B.1.11 Foster Care Payments was decreased by \$331,035.
- Adjustments in federal entitlement funds were made in the following strategies for an anticipated net decrease of \$373,250 (Art IX, Sec 8.02, Federal Funds/Block Grants (2012-13 GAA))

- Strategy A.1.1 Statewide Intake Services decreased \$219
- Strategy B.1.1 CPS Direct Delivery Staff decreased \$223,269
- Strategy B.1.2 CPS Program Support decreased \$27,683
- Strategy B.1.10 Other CPS Purchased Services decreased \$1,373
- Strategy B.1.11 Foster Care Payments increased \$156,652
- Strategy B.1.12 Adoption Subsidy Payments increased \$33,338
- Strategy D.1.1 APS Direct Delivery Staff decreased \$9,829
- Strategy D.1.2 APS Program Support decreased \$8,304
- Strategy D.1.3 MH and MR Investigations increased \$3,373
- Strategy E.1.1 Child Care Regulation increased \$5,292
- Strategy F.1.1 Central Administration decreased \$26,314
- Strategy F.1.2 Other Support Services decreased \$2,438
- Strategy F.1.3 Regional Administration increased \$452
- Strategy F.1.4 IT Program Support decreased \$22,776
- Strategy F.1.5 Agency-wide Automated Systems (Capital Projects Only) decreased \$250,152

#### BUDGET VARIANCES

This report reflects an agency surplus of \$13.8 million that consists of \$11.1 million surplus in General Revenue, \$2.5 million surplus in Federal Capped Grant Funds, \$0.4 million surplus in Other Funds, and a and \$0.2 million shortfall in Federal Entitlements.

- Strategy B.1.1 CPS Direct Delivery Staff has a projected surplus of \$1.5 million that consists of \$1.2 million surplus in General Revenue and \$0.3 million surplus in Other Funds.
- Strategy B.1.2 CPS Program Support has a projected net surplus of \$1.8 million that consists of \$0.2 million in General Revenue, \$1.5 million in Federal Capped Grant Funds, and \$0.1 million in Other Funds.
- Strategy B.1.8 PAL Purchased Services has a projected surplus of \$1.1 million that consists of \$0.1 million in General Revenue and \$1.0 million in Federal Capped Grant Funds.
- Strategy B.1.10 Other CPS Purchased Services has a projected surplus of \$0.8 million in General Revenue.
- Strategy B.1.11 Foster Care Payments has a projected surplus of \$5.8 million in General Revenue.
- Strategy C.1.1 STAR Program has a projected surplus of \$1.1 million in General Revenue.
- Strategy C.1.2 CYD Program has a projected surplus of \$0.4 million in General Revenue.
- Strategy D.1.1 APS Direct Delivery Staff has a projected surplus of \$0.3 million in General Revenue.
- Strategy F.1.1 Central Administration has a projected surplus of \$0.2 million in General Revenue.
- Strategy F.1.4 IT Program Support has a projected surplus of \$0.2 million in General Revenue.
- Strategy F.1.5 Agency-wide Automated Systems (Capital Projects Only) has a projected surplus of \$1.8 million in General Revenue.

Shortfalls are projected for the CPS day care strategies based on previous forecasts and expenditure trends.

- Strategy B.1.3 TWC Foster Day Care has a projected net shortfall of \$0.3 million that consists of \$0.1 million in General Revenue and \$0.2 million in Federal Entitlements.

- Strategy B.1.4 TWC Relative Day Care has a projected shortfall of \$0.2 million in General Revenue.
- Strategy B.1.5 TWC Protective Day Care has a projected shortfall of \$0.7 million in General Revenue.

**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 me at 438-3351 if you have any questions or require additional information.

Sincerely,



Beth Cody  
Acting 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