



TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

COMMISSIONER
John J. Specia, Jr.

January 7, 2016

Ms. Kara Belew, Budget Director
Governor's Office of Budget, Planning and Policy
1100 San Jacinto, 4th Floor
Austin, TX 78701

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

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

Dear Ms. Belew, Mr. DeBerry and Ms. Parks:

Enclosed is the agency's FY 2016 Monthly Financial Report as of November 2015. 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

There were no adjustments made to the operating budget in the month of November.

BUDGET VARIANCES

This report reflects a net agency shortfall of \$26.8 million consisting of a \$27.0 million shortfall in General Revenue and \$0.2 million surplus in Capped Grants and TANF. This Operating Budget assumes that staff-related program activities are fully staffed at the appropriated FTE level using DFPS annualized estimated costs per FTE. As expenditure and staffing trends emerge; projected expenditures will be adjusted accordingly. Significant budget variances are identified below.

- Strategy B.1.1 CPS Direct Delivery Staff has a projected a shortfall of \$9.6 million in General Revenue.
- Strategy B.1.2 CPS Program Support has a projected surplus of \$0.5 million in General Revenue.
- Strategy D.1.1 APS Direct Delivery Staff has a projected surplus of \$0.8 million in General Revenue.

- Strategy D.1.2 APS Program Support has projected surplus of \$0.8 million in General Revenue. The surplus is a result of projected staffing levels.
- Strategy E.1.1 Child Care Regulation has projected surplus of \$1.8 in General Revenue.
- Strategy F.1.3 Regional Administration has a projected surplus of \$0.2 million in General Revenue which is primarily salary-related.

The following General Revenue variances are projected based on the HHSC November 2015 caseload and expenditure forecast:

- Strategy B.1.3 TWC Purchased Day Care Services has a projected surplus of \$0.8 million.
- Strategy B.1.9 Foster Care Payments has a projected shortfall of \$19.3 million.
- Strategy B.1.10 Adoption Subsidy/PCA Payments has a projected shortfall of \$1.3 million.
- Strategy B.1.11 Relative Caregiver Monetary Assistance Payments has a projected shortfall of \$0.3 million.

SIGNIFICANT CHANGES FROM PREVIOUS REPORT

There are no significant changes at this time.

OTHER KEY BUDGET ISSUES

None not addressed above.

CAPITAL BUDGET ISSUES

None.

STATUS OF PENDING TRANSFERS AND AUTHORITY REQUIRING PRIOR APPROVAL

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

Sincerely,



Tracy Henderson
Chief Financial Officer

cc: Garnet Coleman, State Representative
Allison Billodeau, Governor's Office
Jessica Olson, Lieutenant Governor's Office
Heather Fleming, Speaker's Office
Shannon Ghangurde, Senate Finance Committee
Stacey Gilliam, Senate Finance Committee
Hunter Thompson, House Appropriations Committee
Kyler Arnold, House Appropriations Committee
Liz Prado, Legislative Budget Board
Shaniqua Johnson, Legislative Budget Board