



ANALYSIS OF THE NEW JERSEY BUDGET

**DEPARTMENT OF
CHILDREN AND FAMILIES**

FISCAL YEAR

2011 - 2012

NEW JERSEY STATE LEGISLATURE

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This report was prepared by the Human Services Section of the Office of Legislative Services under the direction of the Legislative Budget and Finance Officer. The primary author was Jay A. Hershberg.

Questions or comments may be directed to the OLS Human Services Section (609-292-1646) or the Legislative Budget and Finance Office (609-292-8030).

DEPARTMENT OF CHILDREN AND FAMILIES

Budget Pages..... C-4; C-10; C-17; C-26; C-28; and
D-27 to D-38.

Fiscal Summary (\$000)

	Expended FY 2010	Adjusted Appropriation FY 2011	Recommended FY 2012	Percent Change 2011-12
State Budgeted	\$961,618	\$1,067,944	\$1,067,483	(0.0%)
Federal Funds	467,897	456,317	432,937	(5.1%)
<u>Other</u>	<u>53,958</u>	<u>53,410</u>	<u>55,773</u>	<u>4.4%</u>
Grand Total	\$1,483,473	\$1,577,671	\$1,556,193	(1.4%)

Personnel Summary - Positions By Funding Source

	Actual FY 2010	Revised FY 2011	Funded FY 2012	Percent Change 2011-12
State	4,959	4,884	4,687	(4.0%)
Federal	1,533	1,494	1,557	4.2%
<u>Other</u>	<u>414</u>	<u>382</u>	<u>374</u>	<u>(2.1%)</u>
Total Positions	6,906	6,760	6,618	(2.1%)

FY 2010 (as of December) and revised FY 2011 (as of January) personnel data reflect actual payroll counts. FY 2012 data reflect the number of positions funded.

Link to Website: <http://www.njleg.state.nj.us/legislativepub/finance.asp>

Highlights

The Administration has indicated that a Comprehensive Medicaid Waiver will be submitted to the federal government. This is expected to save \$300 million in State Medicaid expenditures in the Departments of Health and Senior Services and Human Services.

At this time, it does not appear that Medicaid services provided by the Department of Children and Families (DCF) will be directly affected by the anticipated waiver application.

However, until a Comprehensive Medicaid Waiver is submitted to the federal government, it is not known whether DCF's Medicaid programs will be included or whether proposed changes may affect Medicaid services provided by DCF.

Even if a plan that is submitted does not include DCF's Medicaid programs or would not affect how DCF provides and reimburses for Medicaid services, it is possible that discussions with the federal government may result in DCF's Medicaid programs being incorporated into any final plan approved by the federal government or may affect how DCF provides and reimburses for Medicaid services.

Direct State Services

- Total recommended appropriations decrease \$18.5 million, to \$319.2 million.

Funding is unchanged for the following programs: Child Behavioral Health Services - \$1.3 million; Prevention and Community Partnerships - \$1.6 million; Education Services - \$10.1 million; Child Welfare Training Academy - \$7.1 million; and Safety and Security Services - \$4.5 million.

Recommended appropriations for Child Protective and Permanency Services, decrease \$17.9 million, to \$244.2 million. Administration and Support Services appropriations are reduced by \$0.6 million, to \$50.4 million. The reductions primarily affect personnel related areas and include savings from closing the Ewing, Vineland and Woodbridge residential centers (\$3.1 million) and \$6.2 million in other personnel savings, such as the elimination of funded vacancies (\$3.8 million), elimination of the sick leave injury program (\$1.6 million) and attrition (\$0.8 million).

Grants-in-Aid

- Recommended General Fund appropriations increase by \$18.1 million, to \$748.3 million.

In the Child Protective and Permanency Services program, State appropriations are reduced by \$5.3 million, to \$419.6 million. This reduction is based on trends that indicate that fewer children and families will require services.

Among the more significant grant reductions in State appropriations are:

Independent Living and Shelter Care - \$4.4 million, to \$16.1 million (gross).
Foster Care - \$7.8 million, to \$90.2 million (gross).

Highlights (Cont'd)

Offsetting these reductions, State appropriations for Subsidized Adoption increase \$9.2 million, to \$126.4 million (gross).

General Fund appropriations for the Child Behavioral Health Services program increase \$23.4 million, to \$269.9 million. This increase offsets a \$19.9 million loss in federal Medicaid funds. Additionally, some of the \$3.3 million increase in the Treatment Homes and Emergency Behavioral Health Services account is related to the closing of the Ewing, Vineland and Woodbridge residential centers and the need to provide residential services to children who had been or would have been referred to these State facilities.

General Funds for the Prevention and Community Partnership program is unchanged at \$58.8 million, and provide level funding for Domestic Violence Prevention (\$14.4 million), Family Support Services (\$14.7 million), School Linked Services Program (\$25.0 million) and other programs (\$4.7 million).

Federal Funds

- Federal revenues of \$432.9 million are anticipated, a \$23.4 million reduction from FY 2011 levels.

Federal Funds for the following programs are unchanged: Education Services (\$3.6 million); Child Welfare Training Academy; (\$2.1 million); and Administration and Support Services (\$17.6 million).

Federal funds for Child Protective and Permanency Services decrease by \$3.6 million, to \$266.1 million, due to the loss of federal reimbursement for the Ewing, Vineland and Woodbridge treatment centers.

Child Behavioral Health Services funding is reduced by \$19.6 million in the area of reimbursement for Treatment Homes and Emergency Behavioral Health Services due to the loss of federal Medicaid revenues. (For accounting purposes, the decrease in Federal Funds is reflected in the Treatment Homes account rather than being distributed among all grant programs.)

Available federal funds for Prevention and Community Partnership Services will increase by about \$0.1 million, to \$12.8 million. Additional funds are anticipated for the Community Based Child Abuse Prevention program.

Highlights (Cont'd)

Other Funds

- Overall funding increases by \$2.4 million, to \$55.8 million, for education services. Approximately 92% of the Other Funds is for Education Services and represents reimbursements from school districts for educational services provided by the department.

Background Paper:

- DYFS Statistical Informationp. 16

Fiscal and Personnel Summary

AGENCY FUNDING BY SOURCE OF FUNDS (\$000)

	Expended FY 2010	Adj. Approp. FY 2011	Recom. FY 2012	Percent Change	
				2010-12	2011-12
General Fund					
Direct State Services	\$258,349	\$337,699	\$319,151	23.5%	(5.5%)
Grants-In-Aid	703,269	730,245	748,332	6.4%	2.5%
State Aid	0	0	0	0.0%	0.0%
Capital Construction		0		0.0%	0.0%
Debt Service	0	0	0	0.0%	0.0%
Sub-Total	\$961,618	\$1,067,944	\$1,067,483	11.0%	(0.0%)
Property Tax Relief Fund					
Direct State Services	\$0	\$0	\$0	0.0%	0.0%
Grants-In-Aid	0	0	0	0.0%	0.0%
State Aid	0	0	0	0.0%	0.0%
Sub-Total	\$0	\$0	\$0	0.0%	0.0%
Casino Revenue Fund	\$0	\$0	\$0	0.0%	0.0%
Casino Control Fund	\$0	\$0	\$0	0.0%	0.0%
State Total	\$961,618	\$1,067,944	\$1,067,483	11.0%	(0.0%)
Federal Funds	\$467,897	\$456,317	\$432,937	(7.5%)	(5.1%)
Other Funds	\$53,958	\$53,410	\$55,773	3.4%	4.4%
Grand Total	\$1,483,473	\$1,577,671	\$1,556,193	4.9%	(1.4%)

PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE

	Actual FY 2010	Revised FY 2011	Funded FY 2012	Percent Change	
				2010-12	2011-12
State	4,959	4,884	4,687	(5.5%)	(4.0%)
Federal	1,533	1,494	1,557	1.6%	4.2%
All Other	414	382	374	(9.7%)	(2.1%)
Total Positions	6,906	6,760	6,618	(4.2%)	(2.1%)

Actual payroll counts are reported for fiscal years 2010 as of December and revised fiscal year 2011 as of January. The Budget Estimate for fiscal year 2012 reflects the number of positions funded.

AFFIRMATIVE ACTION DATA

Total Minority Percent	61%	63%	62%	---	---
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Significant Changes/New Programs (\$000)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2010</u>	<u>Recomm.</u> <u>FY 2011</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
Direct State Services					
– TOTAL	<u>\$577,662</u>	<u>\$565,235</u>	<u>(\$12,427)</u>	<u>(2.2%)</u>	D-34
General Fund	<u>\$337,699</u>	<u>\$319,151</u>	<u>(\$18,548)</u>	<u>(5.5%)</u>	D-34
Federal	<u>219,259</u>	<u>222,972</u>	<u>\$ 3,713</u>	<u>1.7%</u>	D-34
Other Funds	<u>20,704</u>	<u>23,112</u>	<u>\$ 2,408</u>	<u>11.6%</u>	D-34

Recommended appropriations for the following programs are unchanged from FY 2011 levels:

- Child Behavioral Health Services - \$1.5 million (gross).
- Prevention and Community Partnership Services - \$1.6 million.
- Child Welfare Training Academy Services and Operations - \$9.1 million (gross).
- Safety and Security Services - \$4.5 million.

Though appropriations for Child Behavioral Health Services and the Training Academy are unchanged from FY 2011 levels, the number of funded positions in the two programs will increase by four, to 61 staff.

Child Protective and Permanency Services (DYFS) gross appropriations decrease \$14.2 million, to \$446.1 million. The reductions primarily reflect the closing of the Woodbridge Residential Center in January 2011 and the July 2011 closings of the Ewing and Vineland residential centers. The closing of the three centers will reduce staff by 291 positions and save either \$3.2 million or \$5.1 million.¹

The overall number of children (unduplicated count) who receive services will increase from 166,400 to about 174,700. The number of children who receive adoption subsidies will increase by over 500, to over 13,940, while the number of children in foster care will decrease by nearly 700, to over 7,470.

Appropriations for Education Services increase \$2.4 million, to \$35.1 million (gross). The increase relates to \$2.4 million in Other Funds received from school districts for education services. The number of children who receive education services is unchanged at 1,100, though this is a 15% reduction from FY 2009 levels.

Recommended appropriations for Administration and Support Services decrease by over \$0.6 million, to \$67.3 million (gross). Though State appropriations for Personal Services are reduced, the overall number of funded positions will increase by 8, to 485.

¹ The different amounts are cited in the Governor's FY2012 Budget Summary and in other documents provided to this office.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp. FY 2010</u>	<u>Recomm. FY 2011</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Budget Page</u>
Grants-in-Aid - TOTAL	<u>\$1,000,009</u>	<u>\$990,958</u>	<u>(\$9,051)</u>	<u>(0.9%)</u>	D-35
General Fund	\$730,245	\$748,332	\$18,087	2.5%	D-35
Federal	237,058	209,965	(\$27,093)	(11.4%)	D-35
Other	32,706	32,661	(\$ 45)	(0.1%)	D-35

Recommended appropriations for Grants-in-Aid are unchanged for the following programs:

- Education Services - \$29.9 million (Federal and Other Funds).
- Administration and Support Services - \$0.7 million (Federal Funds).

Recommended appropriations for grants through the Child Protective and Permanency Services program decrease by \$12.6 million, to \$488.0 million (gross). General Fund appropriations decrease \$5.3 million, to \$419.6 million. Federal Funds decrease by \$7.3 million, to \$64.6 million.

Funding reductions include:

- Group Homes. The average annual placement cost decreases by nearly \$3,800 per placement, resulting in savings of \$0.4 million, to \$6.3 million.
- Independent Living and Shelter Care. A combination of reduced placement costs and a reduction in the number of placements will result in \$4.4 million savings, to \$16.1 million.
- Residential Placements. The budget reflects a \$0.4 million reduction, to \$20.3 million (gross). However, the FY 2011 adjusted appropriation of \$20.8 million does not reflect mid-year adjustments intended to reduce costs to \$20.3 million. Thus, the FY 2012 recommendation of \$20.3 million is unchanged from projected actual expenditures.
- Family Support Services. Funding is reduced by \$4.4 million, to \$74.1 million (gross). Information is not available as to whether the reduction is due to fewer families who need services or whether fewer contracts for services are being awarded.
- Foster Care. A reduction of nearly 700 in the number of children in foster care will save \$9.8 million, to \$90.2 million (gross).

Funding increases include:

- Treatment Homes. The \$0.4 million increase in recommended appropriations, to \$3.0 million, will bring expenditures in line with projected FY 2011 expenditures of \$3.0 million. The FY 2011 adjusted appropriation does not reflect actual expenditures.
- Subsidized Adoptions. Recommended appropriations increase \$6.8 million, to \$126.4 million (gross). The number of children who receive an adoption subsidy is expected to increase by over 500, to nearly 13,950.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2010</u>	<u>Recomm.</u> <u>FY 2011</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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The recommended Grants-in-Aid appropriation for Child Behavioral Health Services increases by \$3.5 million, to \$400.5 million (gross). General Fund appropriations increase by \$23.4 million, to \$269.9 million, while Federal Funds decrease by \$19.9 million, to \$130.6 million.

The reduction in federal funds stems from the loss of enhanced federal Medicaid matching funds. The increase in the General Fund appropriation offsets the loss of these Federal Funds and provides monies for placements of children who would have been placed at the Ewing and Vineland residential centers.

From an administrative and accounting standpoint, all enhanced federal Medicaid funds are reflected in the Treatment Homes and Emergency Behavioral Health Services account, rather than being allocated among all grant accounts. Accordingly, recommended appropriations increase by \$3.3 million, to \$241.0 million (gross).

Available data indicate that the number of children who receive services from the various programs is unchanged from FY 2011 levels: Mobil Response and Stabilization Services – 12,700; Outpatient Services – 15,000; Partial Care/Partial Hospitalization – 4,500; Case Management Services – 15,600; and Behavioral Assistance/Intensive In-Home Community Services – 490,000 hours.

The recommended Grants-in-Aid appropriation for the Prevention and Community Partnership Services program increases slightly to over \$71.8 million (gross).

State appropriations for grants are unchanged at \$58.8 million and provide \$4.1 million for Early Childhood Services; \$25.0 million for School Linked Services; \$14.7 million for Family Support Services; and \$14.4 million for Domestic Violence Protection Services.

Federal grant funds increase by about \$0.1 million, to \$12.8 million, as additional funds are available for Community Based Child Abuse Prevention activities. The amount of Other Funds awarded for grants decreases slightly due to a reduction in the amount available from the gross income tax check off for the Children's Trust Fund.

Significant Language Changes

2011 Appropriations Handbook

No comparable language provisions.

2012 Recommended Budget

p. D-38.

Of the amounts hereinabove appropriated for Substance Abuse Services, an amount not to exceed \$14,000,000 shall be transferred to the Department of Human Services Division of Mental Health and Addiction Services to fund the Division of Youth and Family Services Child Welfare Substance Abuse Treatment Services contracts as specified in the Memorandum of Agreement between the Department of Children and Families and the Department of Human Services Division of Mental Health and Addiction Services, subject to the approval of the Director of the Division of Budget and Accounting. Any unobligated balances remaining from funds transferred to the Division of Mental Health and Addiction Services shall be transferred back to the Division of Youth and Family Services at the end of the fiscal year, subject to the approval of the Director of the Division of Budget and Accounting.

Of the amounts hereinabove appropriated for the Purchase of Social Services, an amount as specified in the Memorandum of Agreement between the Department of Children and Families and the Department of Human Services Division of Family Development shall be transferred to the Department of Human Services Division of Family Development to fund the Post Adoption Child Care Program, subject to the approval of the Director of the Division of Budget and Accounting. Any unobligated balances remaining from funds transferred to the Division of Family Development shall be transferred back to the Division of Youth and Family Services at the end of the fiscal year, subject to the approval of the Director of the Division of Budget and Accounting.

(Continued on the next page.)

Significant Language Changes (Cont'd)**2011 Appropriations Handbook****2012 Recommended Budget**

Of the amounts hereinabove appropriated for Early Childhood Services, an amount as specified in the Memorandum of Agreement between the Department of Children and Families and the Department of Human Services Division of Family Development shall be transferred to the Department of Human Services Division of Family Development to fund the Strengthening Families Initiative Training Program, subject to the approval of the Director of the Division of Budget and Accounting. Any unobligated balances remaining from funds transferred to the Division of Family Development shall be transferred back to the Division of Youth and Family Services at the end of the fiscal year, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

These three new language provisions are technical in nature. The department has had Memoranda of Agreements in effect with the Department of Human Services with respect to the provision of Substance Abuse Treatment Services contracts, the Post Adoption Child Care program and Strengthening Families Initiative Training Program for many years, but the formal involvement of the Division of Budget and Accounting in these agreements was limited. The language allows for the direct involvement of the Division of Budget and Accounting in these interdepartmental agreements involving the expenditure of State appropriations.



Discussion Points

DEPARTMENT OF CHILDREN AND FAMILIES (GENERAL)

1. The FY 2012 recommended budgets for the Departments of Health and Senior Services and Human Services anticipate the submission of a Comprehensive Medicaid Waiver intended to reduce overall State costs associated with Medicaid while providing health care related services in a more economical manner. Though the Department of Children and Families is not mentioned as being part of the Waiver, until an application is submitted, it is not known whether the Medicaid Services provided by the department will be part of the Waiver.

- **Questions:** To the best of the department’s knowledge, will Medicaid services provided by the department be part of the Waiver? Will the department’s Medicaid reimbursement policies be affected by the Waiver?

2.a. The FY 2011 appropriations act assumed \$4.6 million in contract savings as follows: Contracted System Administrator - \$1.9 million; Recruitment of Adoptive Parents - \$0.7 million; Increased Dedicated Revenues - \$0.6 million; Child Health Units - \$0.8 million, Prevention Contract Efficiencies - \$0.6 million; and DYFS Contract Efficiencies - \$0.1 million.

- **Question:** Were these dollar savings realized?

2.b.. The FY 2011 appropriations act assumed \$2.1 million in Direct Care Services savings as follows: Increased federal Title IV-E revenues - \$1.1 million; Training Academy Savings - \$0.8 million; and Prevention and Community Partnership Savings - \$ \$0.3 million.

- **Question:** Were these dollar savings realized?

3. The FY 2011 appropriations act incorporated staffing estimates included in the recommended budget which the recommended FY 2012 budget has revised:

	<u>FY 2011</u>	<u>FY 2011 revised</u>
State	5,009	4,884
Federal	1,575	1,494
All Other	404	382
TOTAL	6,988	6,760

- **Questions:** What accounts for the change in the number of funded positions?

3.b. Available data indicate that the number of positions supported by Federal Funds in FY 2012 will increase by over 60, to nearly 1,560.

- **Questions:** What accounts for the increase in positions supported with Federal Funds? In the event that Federal Funds are reduced, will State funds be used to support these positions?

Discussion Points (Cont'd)

4.a. The department realized \$129.0 million in federal Title IV-E Foster Care revenues in FY 2010, approximately \$15.3 million greater than anticipated. The increase is unrelated to the enhanced federal match for Title IV-E expenditures.

- **Questions:** What accounted for the \$15.3 million increase in federal Title IV-E revenues during FY 2010?

4b. Federal Title IV-E Foster Care revenues are expected to increase by \$8.7 million, to \$138.5 million in FY 2012. While the number of children who receive an adoption subsidy increases, this is offset by a reduction in the number of children in Foster Care.

- **Questions:** What accounts for the \$8.7 million increase in federal Title IV-E revenues in FY 2012?

5. Savings of \$10.8 million in the overall Grants-in-Aid accounts are anticipated based on "children and families trend." Yet the overall number of children (unduplicated count) is expected to increase by over 8,000, and the number of children who receive behavioral health services is unchanged.

- **Questions:** As Program Data, does not reflect a reduction in caseloads, what is the basis for the \$10.8 million in savings?

CHILD PROTECTIVE AND PERMANENCY SERVICES

6. At the end of December 2010, various Grants-in-Aid accounts, including the Foster Care and Purchase of Social Services accounts, had over \$0.8 million in encumbered FY 2010 appropriations.

- **Question:** Is the \$0.8 million in encumbered funds still valid?

7a. The budget indicates that the closing of the Ewing and Vineland residential centers will reduce staffing by 291 positions, yet Position Data show that the number of filled positions is reduced by 186, to 5,588. It would appear that some of the 291 positions may be assigned to other jobs or that new employees will be hired.

- **Question:** Of the nearly 300 staff affected by the closing of the two facilities, how many staff will be retained in other positions within the department or other State departments?

7b. The FY 2012 recommended budget proposes the closing of the Ewing and Vineland residential centers. The Budget Summary cites savings of \$2.9 million in closing the two facilities and also references savings of \$0.6 million.

- **Question:** Which amount is correct?

7c. The closing of the Woodbridge facility leaves the department with vacant space in a facility that is in good physical plant condition.

Discussion Points (Cont'd)

- **Question:** What is the status of the facility with respect to use by other State agencies or sale?

8. The FY 2011 appropriations act provided about \$5.7 million for overtime costs. As the overall number of children and families under DYFS supervision has decreased during CY 2010, there should be a reduction if overtime expenditures.

- **Question:** What is the current estimate of FY 2011 overtime expenditures?

9.a. The table below provides information on DYFS Family Support Services expenditures for FY 2011:

Service	FY 2011 Estimate	FY 2011 Revised
Emergency Services	\$4.0 million	\$3.5 million
Case Management Services	\$10.4 million	\$9.7 million
Assessment Services	\$50.8 million	\$44.8 million
Parent Services	\$35.2 million	\$34.7 million
TOTAL	\$100.4 million	\$92.7 million

No information is available as to why projected expenditures decreased from initial funding levels.

- **Questions:** What accounts for expenditure decreases in the above services?

9.b. The table below indicates DYFS Family Support Services expenditures in FY 2011 and FY 2012:

Service	FY 2011 Revised	FY 2012 Estimate
Case Management Services	\$9.7 million	\$9.5 million
Assessment Services	\$44.8 million	\$43.9 million
Parent Services	\$34.7 million	\$34.0 million
TOTAL	\$89.2 million	\$87.5 million

No information is available as to why projected expenditures decreased from FY 2011 Revised levels.

- **Questions:** What accounts for expenditure decreases in the above services?

CHILD BEHAVIORAL HEALTH SERVICES

10. The federal government has questioned certain Medicaid billings by providers of child behavioral health services that did not include certain patient certifications before services were provided. The State may have to reimburse the federal government for these claims.

- **Question:** What is State's potential liability?

Discussion Points (Cont'd)

11. At the end of December 2010, various Grants-in-Aid accounts, including the Family Support Organization and the Contracted Systems Administrator accounts, had over \$1.0 million in encumbered FY 2010 appropriations.

- **Question:** Is the \$1.0 million in encumbered funds still valid?

12. The department had indicated that the Contracted System Administrator for the Children's System of Care, PerformCare Behavioral Health Solutions, had not met all the daily performance standards that form the basis for payment.

- **Question:** Is PerformCare currently meeting all applicable performance standards? To date, how much, if any payments have been withheld from PerformCare for not meeting performance standards?

13. Care Management Organizations and Youth Case Management services were consolidated in several counties in recent years. The department was to review these consolidations as to whether unification should be expanded to additional counties.

- **Questions:** What were the findings of the review?

PREVENTION AND COMMUNITY PARTNERSHIP SERVICES

14. The budget recommends approximately \$32.0 million for School Linked Services Programs: \$25.0 million in General Funds and \$7.0 million in federal funds. These monies are distributed to 90 schools, many in the former Abbott Districts.

Many school districts curtailed or terminated programs in 2010 and have announced further reductions for 2011. These reductions may affect the School Linked Services Program.

- **Questions:** During FY 2010, did any school districts reduce or eliminate local funding towards this program? Have any school districts indicated that local funding for this program will be reduced in 2011?

15.a.. The department has had discussions with the Medicaid program regarding Medicaid reimbursement for Home Visitation programs as the services provided are similar to those authorized by N.J.A.C.10:77-5.1 et seq. (Intensive In-Community Mental Health Rehabilitation Services). Currently, 21 programs are funded at a cost of about \$4.4 million: \$4.2 million State and \$0.2 million in Federal Funds.

- **Questions:** What is the current status of the discussions with the Medicaid program concerning Medicaid reimbursement?

15.b. In July 2010, the federal Department of Health and Senior Services allocated approximately \$2.0 million to home visitation programs in New Jersey. These monies are not reflected within the Prevention and Community Partnership overall budget.

- **Questions:** What is the status of these federal funds?

Discussion Points (Cont'd)**EDUCATION SERVICES**

16. The number of children who receive education services has declined 15% since FY 2009, from about 1,300 to 1,100.

- **Questions:** What actions were taken to deal with lower overall enrollment?

17. In 2010 and 2011 school districts reduced or eliminated many education services, including services to handicapped and disabled children.

- **Questions:** Has there been an increase in the number of children being served due to reductions in education services provided by local school districts?

CHILD WELFARE TRAINING ACADEMY SERVICES AND OPERATIONS

18. As of December 2010, the Training Academy had approximately \$0.8 million in FY 2010 encumbered funds related to the NJ Partnership for Public Child Welfare.

- **Questions:** How much, if any, of the encumbered funds can be lapsed?

19. The FY 2010 appropriations act eliminated \$1.6 million in State/federal funds for the Rutgers MSW Program that enabled staff to obtain their MSW.

- **Question:** Since funding was eliminated, has there been a reduction in the number of staff who obtain their MSWs?

ADMINISTRATION AND SUPPORT SERVICES

20. Pursuant to proposed budget language, \$10.8 million is to be transferred to the Department of Law and Public Safety for legal services.

- **Questions:** As the number of children and families on the department's caseload has declined from 61,800 (December 2004) to 45,200 (December 2010), has there been a reduction in the number of hours of legal services provided by Law and Public Safety?

Background Paper: DYFS Statistical Information

Under the terms of the State's 2006 Modified Settlement Agreement (MSA) to improve the State's child welfare system, the Center for the Study of Social Policy was appointed as the independent monitor to assess the State's compliance in meeting the terms and conditions of the agreement:

- Phase I (through December 2008) was targeted at improving the infrastructure to provide children with a safe and healthy environment; and
- Phase II (beginning January 2009) required the State to meet measurable improvements in the lives of children and families. For example, beginning with the Sixth Monitoring Report, rather than evaluate caseload standards by local office, the caseload standard will be based on the number of cases handled by an individual worker.

Eight monitoring reports have been issued to date. The eighth report, issued December 2010 (for the January – June 2010 period), is the second Phase II report. The report states that New Jersey "continued to make progress in meeting many of the MSA requirements during this monitoring period" and the department "met or surpassed expectations" in meeting Child and Family Outcome and Case Practice Benchmarks.

Tables I – V provide statistical information included in the various monitoring reports for various point in time: December 2006, the first monitoring report; June 2008; and June 2010, the last monitoring report:

- **Table 1** provides data on adoption, intake and permanency staff, by county.
- **Table II** summarizes staffing data on a State basis by function.
- **Table III** provides aggregate data on supervisory staff, by county.
- **Table IV** provides information on the number of families who are receiving intake or permanency services.
- **Table V** provides information on the number of children available for adoption, by county (That a child is available for adoption does not mean that the child is legally free to be adopted.)

(Data in Tables I – IV have been rounded off. Thus, totals may not add.)

Table I (next page) provides data on the number of Adoption, Intake and Permanency staff who have caseloads, by county.

Between December 2006 and June 2010, the overall number of case carrying staff increased by 17% to meet requirements of the settlement agreement, even though the number of families receiving services and the number of children available for adoption decreased by 20% and 19%, respectively (**Tables IV and V**).

Since June 2008, the overall number of staff decreased by about 60, from about 2,380 to 2,320. The reduction may reflect the fact that overall caseloads in intake and permanency were stable, while the number of children available for adoption continued to decline (**Tables IV and V**).

Background Paper: DYFS Statistical Information (Cont'd)**Table I. Number of Adoption, Intake and Permanency Staff Who Have Caseloads, by county**

	Dec. 2006	June 2008	June 2010
TOTAL	1,980	2,380	2,320
Atlantic	60	70	80
Bergen	90	110	120
Burlington	90	110	110
Camden	220	240	220
Cape May	40	40	40
Cumberland	60	80	80
Essex	360	430	360
Gloucester	60	80	80
Hudson	140	180	200
Hunterdon	10	20	20
Mercer	90	110	110
Middlesex	180	180	160
Monmouth	100	120	120
Morris	50	70	70
Ocean	110	130	130
Passaic	90	110	120
Salem	40	50	30
Somerset	30	50	50
Sussex	20	30	40
Union	140	170	140
Warren	20	30	40

Table II provides a breakdown of the number of case-carrying staff, by function:

Table II. Number of Case-Carrying Staff by Function

	Dec. 2006	June 2008	June 2010	% Change, 12/2006 – 6/2010	% Change, 6/2008 – 6/2010
TOTAL	1,980	2,380	2,320	17%	(3%)
Adoption	200	260	250	24%	(4%)
Intake	620	760	860	37%	12%
Permanency	1,160	1,360	1,210	4%	(11%)

Between December 2006 and June 2010, adoption, intake and permanency staff increased between 4% - 37% to meet requirements of the settlement agreement, even though the number of families receiving intake and permanency services decreased by 1,260, to 20,400, and the number of children available for adoption decreased by 340, to 2,320.

Table III provides data on the number of supervisory staff by county.

Background Paper: DYFS Statistical Information (Cont'd)

Between December 2006 and June 2010, the number supervisory personnel decreased by 60, to 540. The reduction may not represent an actual reduction in the number of supervisors, as supervisors may have been reassigned to other functions not directly related to casework. The increase in the number of supervisors between June 2008 – June 2010 may be reflective of ongoing adjustments to the number of supervisors needed in the intake, permanency and adoption functions, or in specific counties.

Table III. Number of Supervisory Staff

	Dec. 2006	June 2008	June 2010
TOTAL	600	500	540
Atlantic	20	20	20
Bergen	30	20	30
Burlington	30	20	30
Camden	70	50	50
Cape May	10	10	10
Cumberland	20	20	20
Essex	100	100	80
Gloucester	20	20	20
Hudson	50	40	50
Hunterdon	*	*	*
Mercer	30	30	20
Middlesex	40	40	40
Monmouth	30	20	30
Morris	10	20	20
Ocean	40	30	30
Passaic	30	30	30
Salem	10	10	10
Somerset	10	10	10
Sussex	10	10	10
Union	40	40	30
Warren	10	10	10

(* Less than 5.)

Table IV provides data on the number of families receiving intake or permanency services.

Between December 2006 and June 2010, the number of families receiving either intake or permanency services decreased by over 20%, from about 25,700 to 20,400. The reduction may be attributable to the following:

- Development of programs intended to divert families from receiving intake or permanency services.
- No instances of child abuse and neglect cases that focused national or State media attention on the issue. Caseloads tend to increase when there are child abuse and neglect cases which generate significant media attention as the public tends to report more instances of child abuse and neglect to authorities.

Background Paper: DYFS Statistical Information (Cont'd)

During the June 2008 – June 2010 period the overall number of families receiving intake and permanency services has remained relatively unchanged.²

Table IV. Number of Families Receiving Intake/Permanency Services

	Dec. 2006	June 2008	June 2010
TOTAL	25,660	20,220	20,400
Atlantic	680	620	870
Bergen	1,060	1,050	1,340
Burlington	1,350	830	1,010
Camden	2,380	2,030	2,800
Cape May	430	360	350
Cumberland	1,050	700	690
Essex	4,760	3,100	2,660
Gloucester	800	740	730
Hudson	2,070	1,890	1,710
Hunterdon	110	140	110
Mercer	1,080	820	760
Middlesex	1,570	1,430	1,240
Monmouth	1,310	1,050	840
Morris	880	570	640
Ocean	1,570	1,180	1,050
Passaic	1,110	1,030	1,110
Salem	440	270	280
Somerset	570	610	570
Sussex	270	320	240
Union	1,670	1,120	1,200
Warren	520	380	400

Table V (next page) indicates that between December 2006 and June 2010, the number of children with an adoption goal³ decreased 19%, to over 2,800.

The reduction in the number of children with an adoption goal may be due to the State's efforts to increase the number of adoptions⁴, or that efforts to prevent a child's removal from a home or to reunite families are effective.

² Though the overall number of families receiving services has declined since December 2006 and has been relatively stable at around 20,400 families for the period the Background Paper examines, between December 2009 and June 2010 caseloads increased from 18,900 families to 20,400. It is not certain whether caseloads will increase in subsequent periods.

³ The number of children with an adoption goal is greater than the number of children who are legally free to be adopted. For example, of the 2,820 children with an adoption goal identified in June 2010, the number who are "legally free" for adoption was about 1,510.

⁴ The State has a financial incentive to increase the number of adoptions as the State may qualify for federal incentive funds that are awarded to states that increase adoptions beyond certain levels specified by the federal government. The State did not qualify for incentive funds awarded by the federal government in 2010.

Background Paper: DYFS Statistical Information (Cont'd)

Table V. Number of Children Available for Adoption by county

	Dec. 2006	June 2008	June 2010
TOTAL	3,470	3,700	2,820
Atlantic	100	90	100
Bergen	180	190	120
Burlington	130	150	80
Camden	210	290	200
Cape May	60	70	60
Cumberland	100	80	70
Essex	930	1,010	680
Gloucester	80	90	100
Hudson	210	200	180
Hunterdon	20	20	10
Mercer	180	190	200
Middlesex	210	170	140
Monmouth	140	140	100
Morris	90	90	90
Ocean	190	210	150
Passaic	130	180	130
Salem	100	80	40
Somerset	40	50	60
Sussex	30	60	50
Union	310	280	160
Warren	30	80	100

The overall caseload reductions identified in **Tables IV and V** does raise the question as to whether the overall number of caseworkers or the number of caseworkers assigned to either Adoption, Intake or Permanency can be reduced. For example, while the number of children with an adoption goal decreased 24% between June 2008 – June 2010, the number of adoption staff decreased by 4% during the period.

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Individuals wishing information and committee schedules on the FY 2012 budget are encouraged to contact:

**Legislative Budget and Finance Office
State House Annex
Room 140 PO Box 068
Trenton, NJ 08625
(609) 292-8030 • Fax (609) 777-2442**