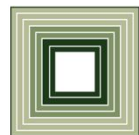


# **Department of Health and Human Services Division of Social Services (DSS)**

**Joint Appropriations Subcommittee on Health and  
Human Services**

**March 17, 2011**



**FISCAL RESEARCH DIVISION**  
A Staff Agency of the North Carolina General Assembly

# Presentation Outline

Overview of Division's Organization,  
Programs, and Services

Review 2009 and 2010 Legislative Actions

Budget Overview

Review FY2011-13 Funding Options



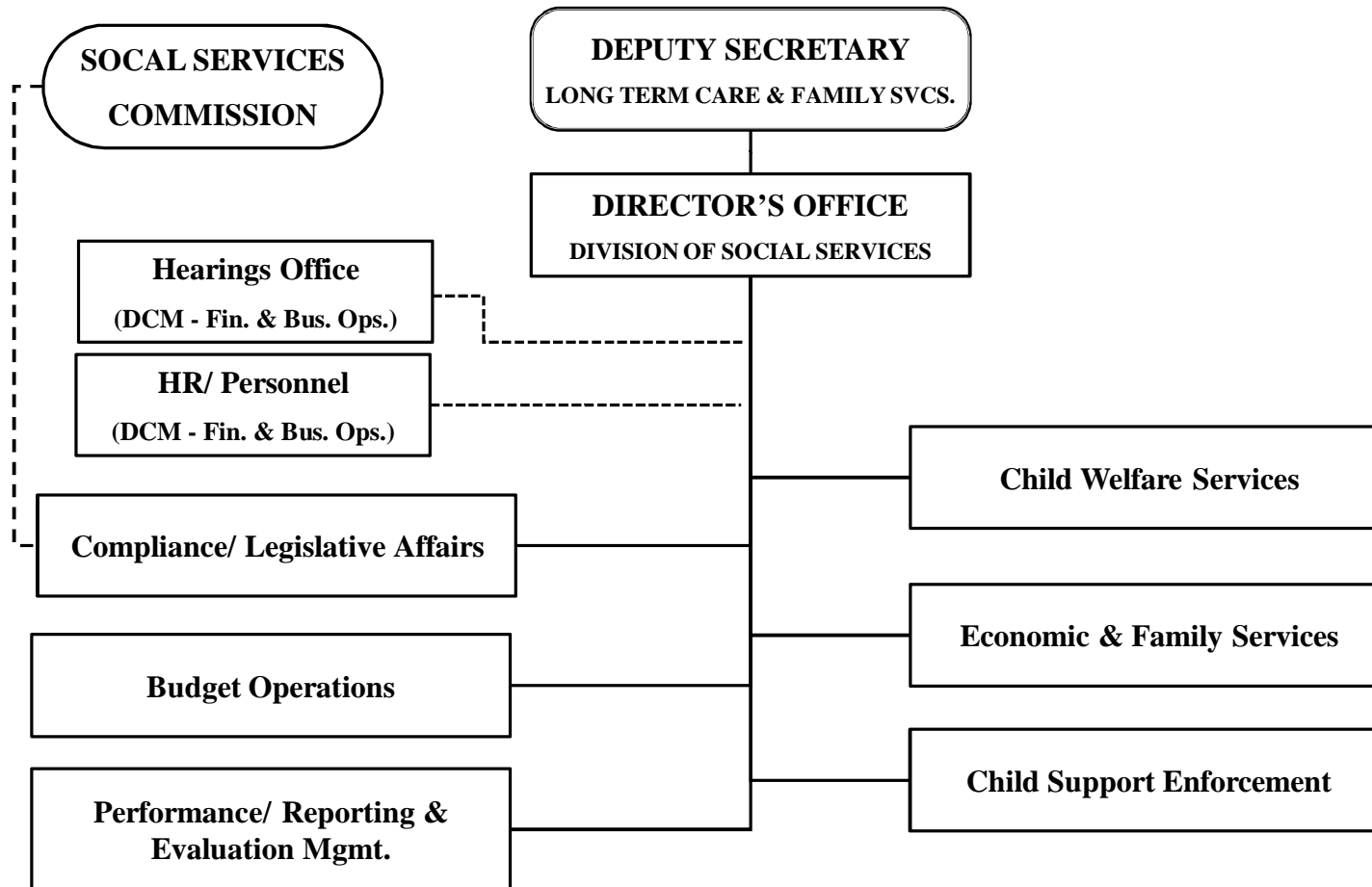
# **OVERVIEW OF DSS ORGANIZATION, PROGRAMS, AND SERVICES**



# Federally Authorized, State Supervised, County Administered

- Division of Social Services (DSS) oversees federally and State authorized human services programs
  - Supported by federal, State and county funds
- Division of Social Services and the Social Services Commission establishes policy and oversees compliance
- County boards of social services and commissioners determine local priorities and supplement funding
- Counties directly administer programs

# Division Organization



# DSS Programs and Services

## **Child Welfare Section**

Provide children and their families services that promote self-sufficiency, support, safety and permanency.

- Adoption Services
- Foster Care
- Child Protective Services

The section includes the following units:

- Local Support Operations
- Staff Development Team
- Licensing Policy Team
- Child Protective Service(CPS) Policy
- Adoption/ Foster Care Policy
- Community Based Programs

# DSS Programs and Services

## **Economic Services Section**

Provides guidance and supervision to county departments of social services in the administration of

- Food and Nutrition Services,
- Energy Assistance and
- Work First Family Assistance Programs

Responsible for program integrity - provides technical assistance to counties in the areas of detecting and preventing the occurrence of erroneous payments and prosecuting fraud.

Provides guidance and support for the Refugee Services

Program - cash and medical benefits as time limited assistance, and a wide range of services to foreign born individuals and families

# DSS Programs and Services

## **Child Support Enforcement Section**

- Responsible for the collection of child support money from non-custodial parents
  - Assist in locating absent parents
  - Establish paternity of the child
  - Petition the court for child support orders
  - Collect and disburse child support payments



# DSS Administration

## **Budget Office**

- Administers \$1.7 billion budget for Public Assistance and Social Service Programs through out the State

## **Human Resources**

- Manages all personnel issues for the Division of Social Services.

## **Performance Management Section**

- Responsible for information systems support, quality assurance, program compliance, performance monitoring and reporting

# Legislative Action 2009-2010 Session



# Significant Legislative Actions

## 2009 Legislative Actions

- Reduced the continuation budget by \$850,000 R to the FY 2009-09 level, eliminated 22 positions and reduced operating budget by \$2.4 million R
- Reduced funding for Work First Family Assistance - \$9.5 million
  - \$2.4 million was non-recurring and was offset by \$2.4 million in federal Temporary Assistance for Needy Families (TANF) block grant funds
- Non-recurring reduction to adoption assistance and foster care budgets offset by ARRA funds - \$5 million NR
- Reduced funding to counties for administering public assistance programs - \$5.5 million NR

# Significant Legislative Actions

## 2010 Legislative Actions

- Eliminated State child support offices and transferred responsibility to counties - \$1.3 million R; -33 positions
- Reduce Work First county funds and replaced with federal TANF block grant - \$2.4 million
- Eliminated 15 positions -\$960,000 R
- Non-recurring reduction to adoption assistance and foster care budgets offset by ARRA funds - \$1.4 million NR

# Temporary Assistance for Needy Families Block Grant (TANF)

- Purpose – federal statute
  - Provide assistance to **needy families**;
  - End the dependence of **needy parents** by promoting job preparation, work and marriage;
  - Prevent and reduce out-of-wedlock pregnancies; and
  - Encourage the formation and maintenance of two-parent families.
- TANF block grant funds support the State's *Work First Program*
  - provides financial assistance and work support to children and their families

# FY 2010-11 TANF Services

<b>"Core" TANF Services</b>	<b>TANF</b>	<b>TANF ARRA</b>	<b>TOTAL</b>
Subsidized Child Care	145,417,977	23,625,329	169,043,306
Work First County Block Grants	94,453,315	-	94,453,315
Work First Family Assistance	77,597,502	9,780,494	87,377,996
Child Protective/Children's Services	18,952,391	-	18,952,391
Special Children Adoption Fund	3,000,000	-	3,000,000
<b>"Non-Core" TANF Services</b>	<b>TANF</b>	<b>TANF ARRA</b>	<b>TOTAL</b>
More at Four (DPI)	-	30,559,012	30,559,012
Afterschool Initiatives (Contract)	5,409,642	-	5,409,642
Child Welfare Collaborative (Contract)	1,129,115	-	1,129,115
Connectinc (Contract)	1,000,000	-	1,000,000

# TANF Block Grant

- Projected FY 11-12 TANF funds available:

FY09-10 TANF Carry-forward	\$	10,959,936
FY10-11 TANF Carry-forward		9,204,971
TANF Basic Grant Allocation		338,349,556
<u>TANF Contingency Grant</u>		<u>8,997,022</u>
Total		367,511,485

- No State matching funds requirement
- Maintenance of Effort (MOE): \$164,454,147
- Governor must submit TANF spending plan to be approved and included in the annual appropriations bill

# Social Services Block Grant (SSBG)

- Federal block grant program : *enable each state to provide social services best suited to meet the needs of individuals residing within the state*
- Extremely flexible funding source that allows each state to determine the services to be provided and the eligible target populations





# Social Services Block Grant (SSBG)

- SSBG Service Goals

- achieving or maintaining economic self-support to prevent, reduce or eliminate dependency;
- achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse or exploitation of children and adults unable to protect their own interest, or preserving, rehabilitating or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care or other forms of less intensive care; and/or securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

# Social Services Block Grant (SSBG)

- Projected FY 11-12 SSBG funds available:

SSBG Allocation	50,784,888
<u>TANF Transfer</u>	<u>9,221,501</u>
Total	60,006,389

- Governor must submit SSBG spending plan to be approved and included in the annual appropriations bill

# Social Services Block Grant (SSBG)

Allowable services include but are not limited to

- child and adult daycare
- child and adult protective services
- disability services
- adoption
- case management
- health services
- transportation
- child and adult foster care
- substance abuse
- housing
- home delivered meals
- independent/transitional living
- employment services

# Energy Assistance

**Purpose:** Reduce health and safety risks posed by home heating/cooling deficiencies.

**Strategy:** Provide short-term economic assistance to low-income households for energy payments.

## **Energy Services:**

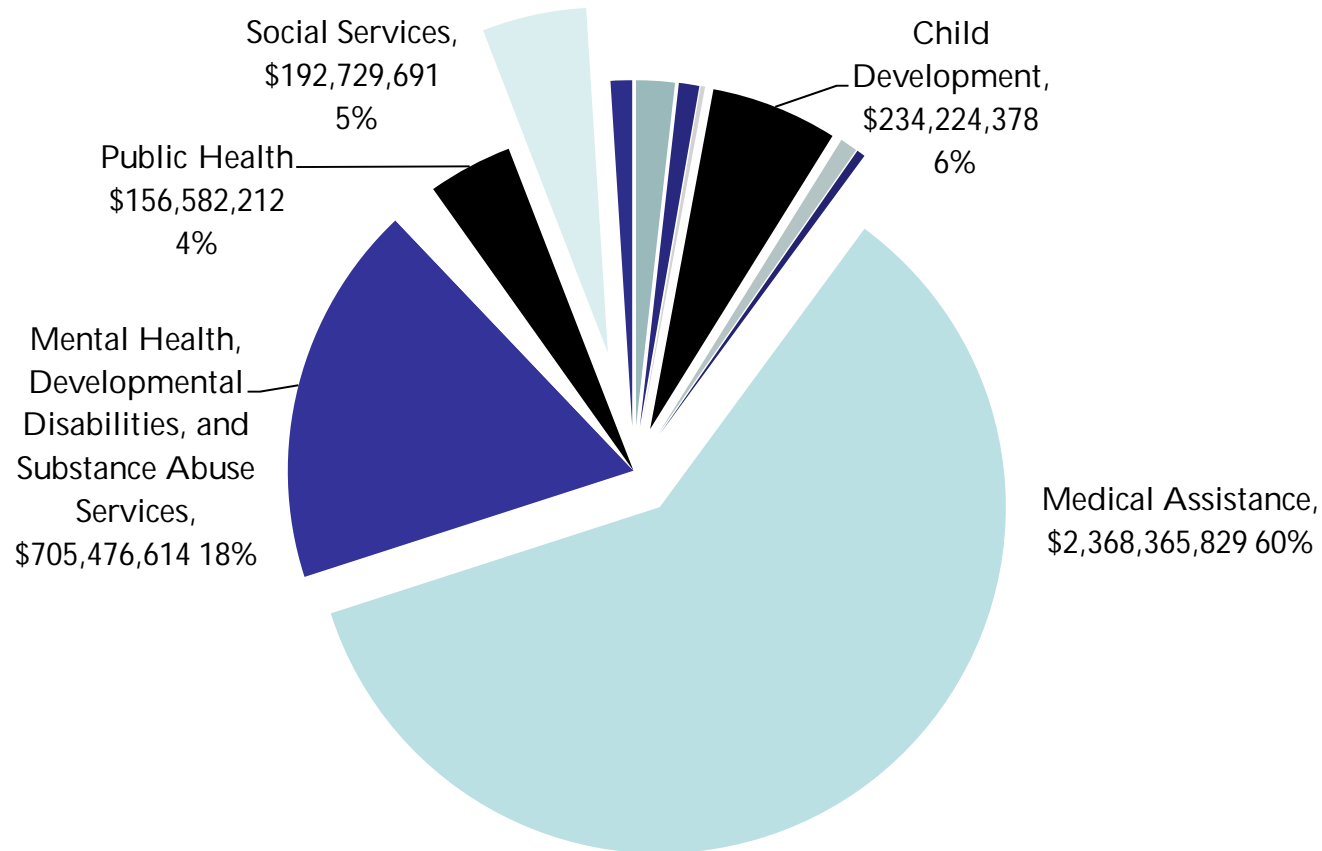
- Low-Income Home Energy Assistance Program (LIHEAP)
  - Low-Income Energy Assistance Program (LIEAP)
  - Crisis Intervention Program (CIP)
- Privately-funded Programs

# Budget Overview

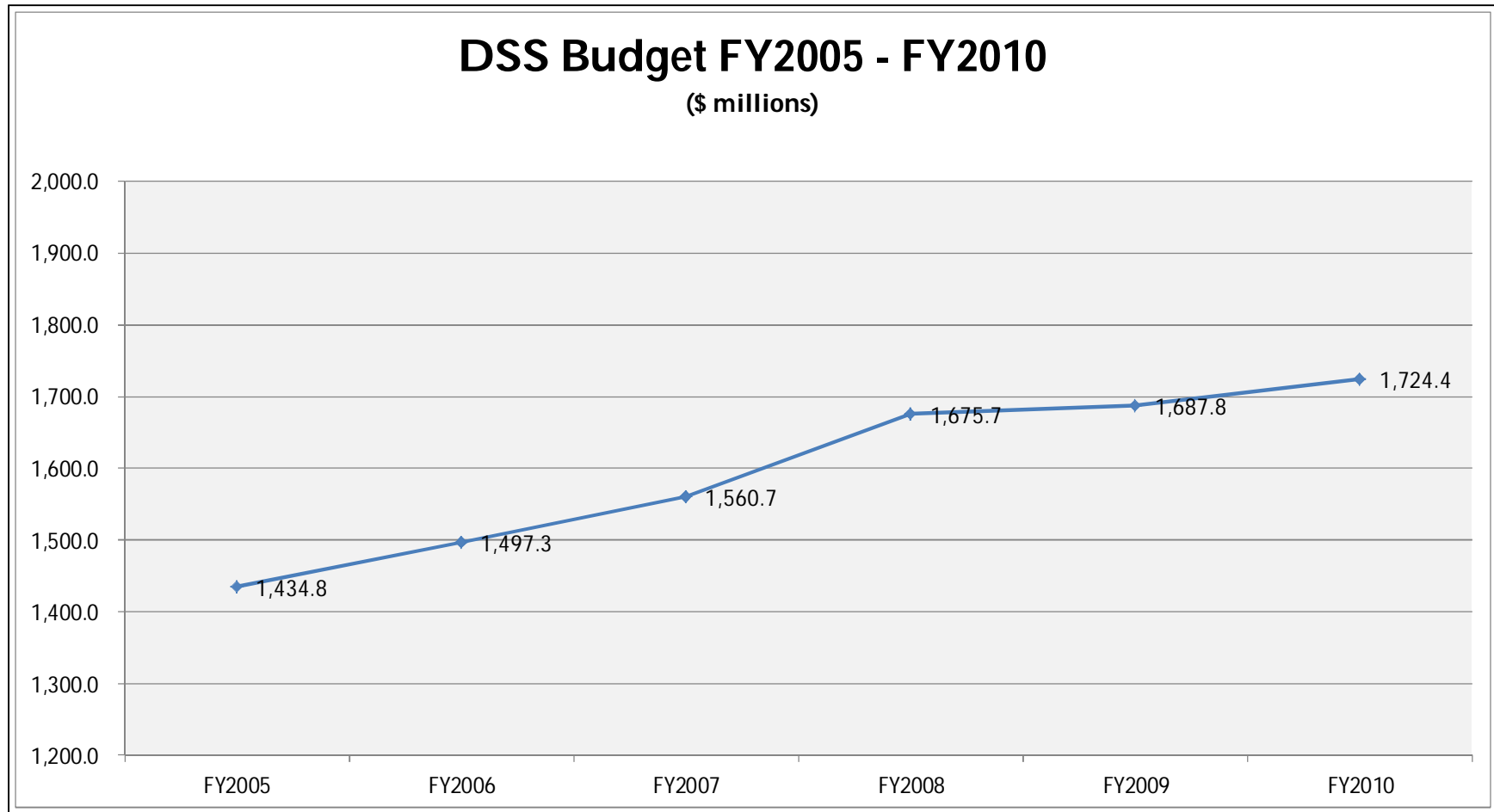
## Division of Social Services



# DHHS FY10-11 General Fund Budget \$3.9 Billion



# DSS Five-Year Funding History



# DSS FY 2010-11 Budget

- FY 2010-11 Certified Budget:
  - Requirements: \$1,724,411,861
  - Revenues: \$1,531,354,602
  - G.F. Appropriation \$193,057,259
- Positions: 417
- Nearly 90% budget is supported by federal funds and other revenue



# FY10-11 DSS Budgeted Expenditures

Purpose	\$ Amount	% Total
Salaries & Benefits	29,377,749	1.7%
Purchased Services	31,033,609	1.8%
Supplies; Property; Equipment	914,656	0.1%
Aid & Public Assistance	1,615,076,791	93.7%
Reserves & Other Expenditures	1,439,468	0.1%
Intergovernmental Transfers	46,569,588	2.7%
Total	<b>1,724,411,861</b>	<b>100%</b>

# DSS General Fund Budget Comparisons

	\$ Amount	% Change
2009-10 Actual Expenditures	203,021,868	
2010-11 Certified Budget	193,057,259	-4.9%
2011-12 Continuation Budget	202,245,065	+4.8%
2011-12 Governor's Recommended Budget	188,616,402	-6.7%
2012-13 Governor's Recommended Budget	188,351,712	-0.1%

# Governor's Recommended DSS Budget

## **Total General Fund Reductions: (\$14,695,749) R; (2.0) Positions**

- Eliminate Special Adoption Vendor Payments: (\$550,963)
- Eliminate Child & Family Team Pilot: (\$420,804)
- Replace Child Protective Services State Funds : (\$5,040,000)
- Eliminate Special Assistance Intervention Team: (\$103,997); (2.0) positions
- Eliminate State Funding to Local Social Services Departments : (\$5,473,985)
- Use SSBG for Adult Protective Services : (\$2,000,0000)
- Prioritize Adult Day Care Funding (\$1,106,000)

# DSS Reduction Options

- Eliminate State Abortion Fund: (50,000)
- Reduce NC Reach Scholarship Funds: (1,584,125)
- Eliminate Special Appropriation/pass-through funds
  - Child Welfare Education Collaborative: (239,453)
  - Food banks (1,000,000)
- Identify additional programs or expenditures that may be switched from general fund support to federal TANF, SSBG or other block grants

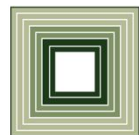


# DSS Reduction Options

- Eliminate positions vacant  $\geq$  12 months: (\$560,0000, (13) positions
- Decrease foster care and adoption assistance rates
  - fully or partially retract 2008 increase (\$8.2 million)
- Decrease state funding to minimum needed to meet match or MOE requirements
  - net G.F. appropriation for adoption services is \$46.6 million compared to the \$3 million match requirements

# Questions

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