

**Family and Protective Services, Department of  
Summary of Recommendations - House**

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H.L. Whitman, Commissioner

Andrea Nikic, LBB Analyst

<b>Method of Financing</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change (\$)</b>	<b>Biennial Change (%)</b>
General Revenue Funds	\$2,389,524,886	\$2,424,323,476	\$34,798,590	1.5%
GR Dedicated Funds	\$11,371,403	\$11,371,403	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$2,400,896,289</i>	<i>\$2,435,694,879</i>	<i>\$34,798,590</i>	<i>1.4%</i>
Federal Funds	\$1,760,747,353	\$1,854,986,542	\$94,239,189	5.4%
Other	\$13,447,892	\$13,186,758	(\$261,134)	(1.9%)
<b>All Funds</b>	<b>\$4,175,091,534</b>	<b>\$4,303,868,179</b>	<b>\$128,776,645</b>	<b>3.1%</b>

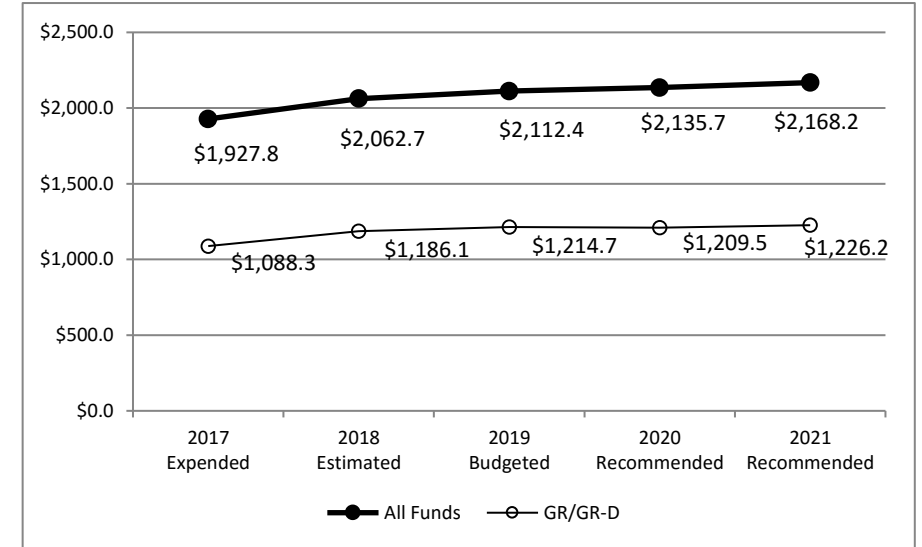
	<b>FY 2019 Budgeted</b>	<b>FY 2021 Recommended</b>	<b>Biennial Change</b>	<b>Percent Change</b>
FTEs	12,417.5	12,629.2	211.7	1.7%

**Agency Budget and Policy Issues and/or Highlights**

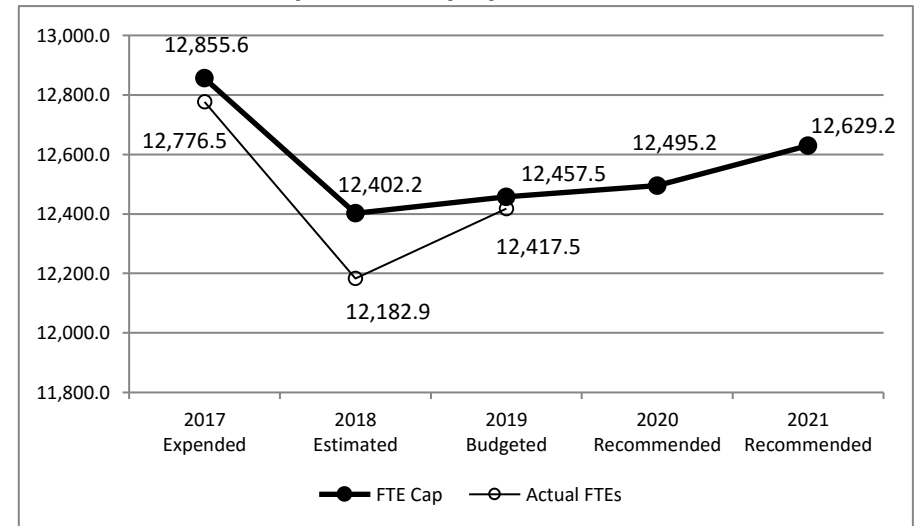
The Department of Family and Protective Services (DFPS) works with communities to promote safe and healthy families and protect children and vulnerable adults from abuse, neglect, and exploitation. This is done through investigations, services and referrals, and prevention programs.

The bill pattern for this agency (2020-21 Recommended) represents an estimated 99.8% of the agency's estimated total available funds for the 2020-21 biennium.

**Historical Funding Levels (Millions)**



**Historical Full-Time-Equivalent Employees (FTEs)**



**Family and Protective Services, Department of  
Summary of Funding Changes and Recommendations - House**

Funding Changes and Recommendations for the 2020-21 Biennium compared to the 2018-19 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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***SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):***

A)	Funding for LBB Forecasted Programs:						
	Foster Care Payments	(\$49.8)	\$0.0	(\$49.9)	\$0.0	(\$99.7)	B.1.9
	Community-Based Care Payments	\$89.1	\$0.0	\$68.4	\$0.0	\$157.4	B.1.12
	Adoption Subsidy and Permanency Care Assistance Payments	(\$3.4)	\$0.0	\$50.2	\$0.0	\$46.8	B.1.10
	TWC Contracted Day Care Purchased Services	\$0.0	\$0.0	\$15.3	\$0.0	\$15.3	B.1.3
	Relative Caregiver Monetary Assistance Payments	\$11.8	\$0.0	(\$4.1)	\$0.0	\$7.7	B.1.11
B)	Increased Funding for Additional CPS Caseworkers	\$18.6	\$0.0	\$13.9	\$0.5	\$33.0	B.1.1
C)	Increased Funding for Data Center Services (DCS)	\$0.3	\$0.0	\$0.2	\$0.0	\$0.6	F.1.1

***OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):***

D)	Increased Funding for Indirect Administration	\$1.4	\$0.0	\$2.5	(\$0.7)	\$3.2	E.1.1, E.1.2, E.1.3, E.1.4
E)	Increased Funding for Statewide Intake Services	\$0.8	\$0.0	\$0.2	\$0.0	\$1.0	A.1.1
F)	Decreased Funding for CPS Program Support	(\$2.7)	\$0.0	\$2.0	(\$0.1)	(\$0.8)	B.1.2
G)	Decreased Funding for Agency-wide Automated Systems	(\$12.7)	\$0.0	(\$4.4)	\$0.0	(\$17.1)	F.1.1
H)	Funding for Purchased Client Services	(\$18.5)	\$0.0	\$0.5	\$0.0	(\$18.0)	B.1.4, B.1.5, B.1.6, B.1.7, B.1.8
I)	Funding for Prevention and Early Intervention, and Adult Protective Services	\$0.0	\$0.0	(\$0.6)	\$0.0	(\$0.6)	All Strategies in Goal C and D

**Family and Protective Services, Department of  
Summary of Funding Changes and Recommendations - House**

Funding Changes and Recommendations for the 2020-21 Biennium compared to the 2018-19 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<b>TOTAL SIGNIFICANT &amp; OTHER Funding Changes and Recommendations (in millions)</b>	<b>\$34.8</b>	<b>\$0.0</b>	<b>\$94.2</b>	<b>(\$0.3)</b>	<b>\$128.8</b>	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Increases</i>	\$121.9	\$0.0	\$153.2	\$0.5	\$265.0	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Decreases</i>	(\$87.1)	\$0.0	(\$58.9)	(\$0.8)	(\$136.2)	As Listed

NOTE: Totals may not sum due to rounding.

**Family and Protective Services, Department of  
Selected Fiscal and Policy Issues – House**

**2020-21 Recommendations.**

The overall approach to recommendations primarily includes:

- LBB staff projections for 2017 through 2021 for forecasted programs:
  - Foster care Payments;
  - Adoption Subsidies and Permanency Care Assistance (PCA);
  - Relative Caregiver Payments; and
  - Day Care.
- Adjusting 2018 expenditures and FTE levels for CPS direct delivery staff based on the August 2018 Monthly Financial Report. Estimating that the agency will reach appropriated FTE levels for caseworkers in fiscal year 2019 and adding FTEs in fiscal years 2020 and 2021 to maintain caseload per worker ratios.
- Agency baseline requested amounts for the following:
  - Statewide Intake;
  - Purchased Client Services;
  - Adult Protective Services; and
  - Prevention and Early Intervention Services.
- Maintains 2018-19 amounts for administration.
- Maintains current information technology projects and services.

**1. LBB Forecasted Programs.**

- **Foster Care.** Appropriations for the 2018-19 biennium included \$936.2 million in All Funds (\$379.9 million in General Revenue). Current LBB staff projections for the 2018-19 biennium are \$1,024.1 million in All Funds (\$464.5 million in General Revenue). Some of the increase was addressed through transfers, resulting in a General Revenue supplemental need of \$86.8 million. The supplemental need is primarily attributable to higher than anticipated caseloads. Fiscal year 2018 caseloads are projected to be nearly 5 percent above the GAA target and fiscal year 2019 caseloads are projected to be nearly 6 percent above the GAA targets. 2018-19 GAA targets were not adjusted downward for anticipated reductions in foster care caseloads related to implementation of the revised relative caregiver monetary assistance payments pursuant to House Bill 4, Eighty-fifth Legislature, Regular Session, which further increases the degree to which caseloads are higher than expected. In addition to higher caseloads, average daily costs were slightly higher than anticipated primarily due to the average daily cost of child specific contracts exceeding the level assumed in the GAA by more than 7 percent each year and increases in the blended rate for Community-based Care in Region 3B that were not assumed in appropriations (4 percent in fiscal year 2018 and an additional 4 percent in fiscal year 2019).

**Recommendations.**

Recommendations for the 2020-21 biennium include an increase of \$21.9 million in All Funds (\$5.9 million in General Revenue) compared to the 2018-19 adjusted base. The increase is almost entirely due to projected growth in caseloads (\$5.5 million in General Revenue, \$8.2 million in All Funds) and increased network support payments for community-based care (\$7.2 million in General Revenue/All Funds) and temporary emergency placements (\$4.0 million in General Revenue, \$4.3

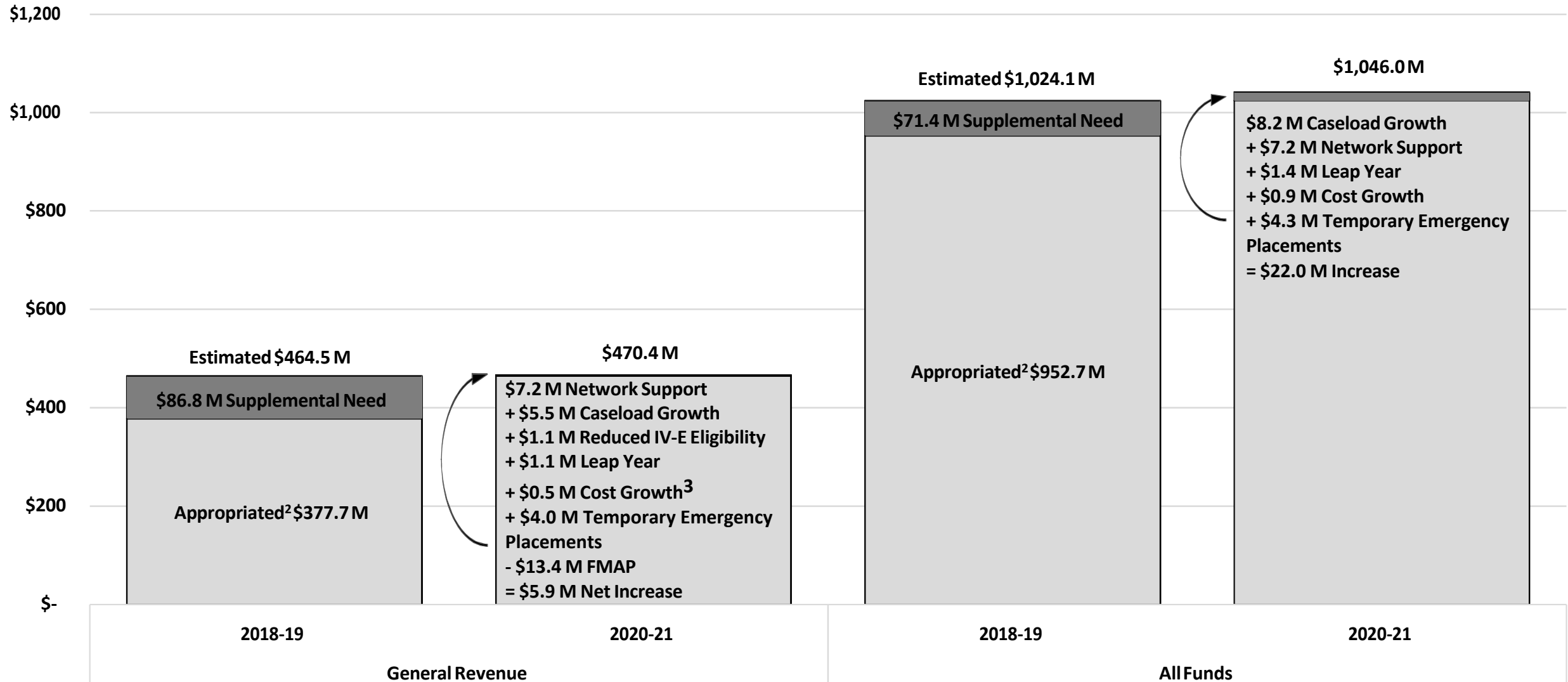
million in All Funds) with additional growth associated with providing an additional day of care due to leap year (\$1.1 million in General Revenue, \$1.4 million in All Funds), maintaining Community-based Care rate increases for Region 3B (\$0.4 million in General Revenue, \$0.8 million in All Funds), and other cost growth (\$0.1 million in General Revenue/All Funds). The total General Revenue cost of these increases (\$14.2 million) and the General Revenue cost of reduced federal Title IV-E eligibility (\$1.1 million) is mostly offset by a reduction in General Revenue demand attributable to more favorable Federal Medical Assistance Percentages (FMAPs) (\$13.4 million). **See Supplemental Schedule 1: Biennial Comparison of Funding for Foster Care Payments.**

Recommendations include the following assumptions:

- Growth in caseloads of 2.7 percent from the fiscal year 2018 level of 16,764 full-time equivalents (FTEs) to the fiscal year 2021 level of 17,224 FTEs.
- Two new levels of care (Intense Plus and Treatment Foster Family) funded in the 2018-19 biennium have not been implemented at this time and no increase to costs associated with their implementation is assumed in any fiscal year. DFPS indicates placements commenced in November 2018. Assumptions will be revised for the conference forecast update when actual data is available.
- No changes due to the federal Family First Prevention Services Act are assumed. DFPS delayed implementation of requirements related to federal financial participation for congregate care until federal fiscal year 2022. **(See also Selected Fiscal and Policy Issue #5)**
- Network Support Payments for two new Community-based Care regions (Region 2 beginning in December 2018 and Region 8A beginning in February 2019) are assumed. No other increased costs associated with Community-based Care expansion are assumed. Recommendations assumed the costs associated with daily rates for foster care in Regions 2 and 8A would be cost-neutral to the legacy system.
- DFPS requested funding for Temporary Emergency Placements during the last legislative session. No funding was provided. DFPS began utilizing the placements in June 2017. Recommendations include funding for the placements in 2020-21.
- Rates and other average costs are maintained at the fiscal year 2019 level.

Recommended funding is split between Strategy B.1.9, Foster Care Payments, and a new Strategy B.1.12, Community-based Care Payments. The Community-based Care strategy includes foster care funding for network support payments and the costs of daily foster care payments for Regions 3B, 2, and 8A. The costs of daily foster care payments for Regions 2 and 8A are assumed to be equal to the statewide average daily cost of foster care and the method-of-financing is also assumed to be the same. All other foster care funding is retained in the Foster Care Payments strategy.

## Supplemental Schedule 1: Biennial Comparison of Funding for Foster Care Payments<sup>1</sup>



<sup>1</sup> Includes funding for foster care payments in Strategy B.1.12, Community-based Care Payments.

<sup>2</sup> Adjusted for net transfers of \$2.2 million General Revenue out of Strategy B.1.9, Foster Care Payments, and \$16.9 million All Funds into Strategy B.1.9, Foster Care Payments, and a reduction to appropriation authority of \$0.4 million for lower than anticipated child support collections (Other Funds).

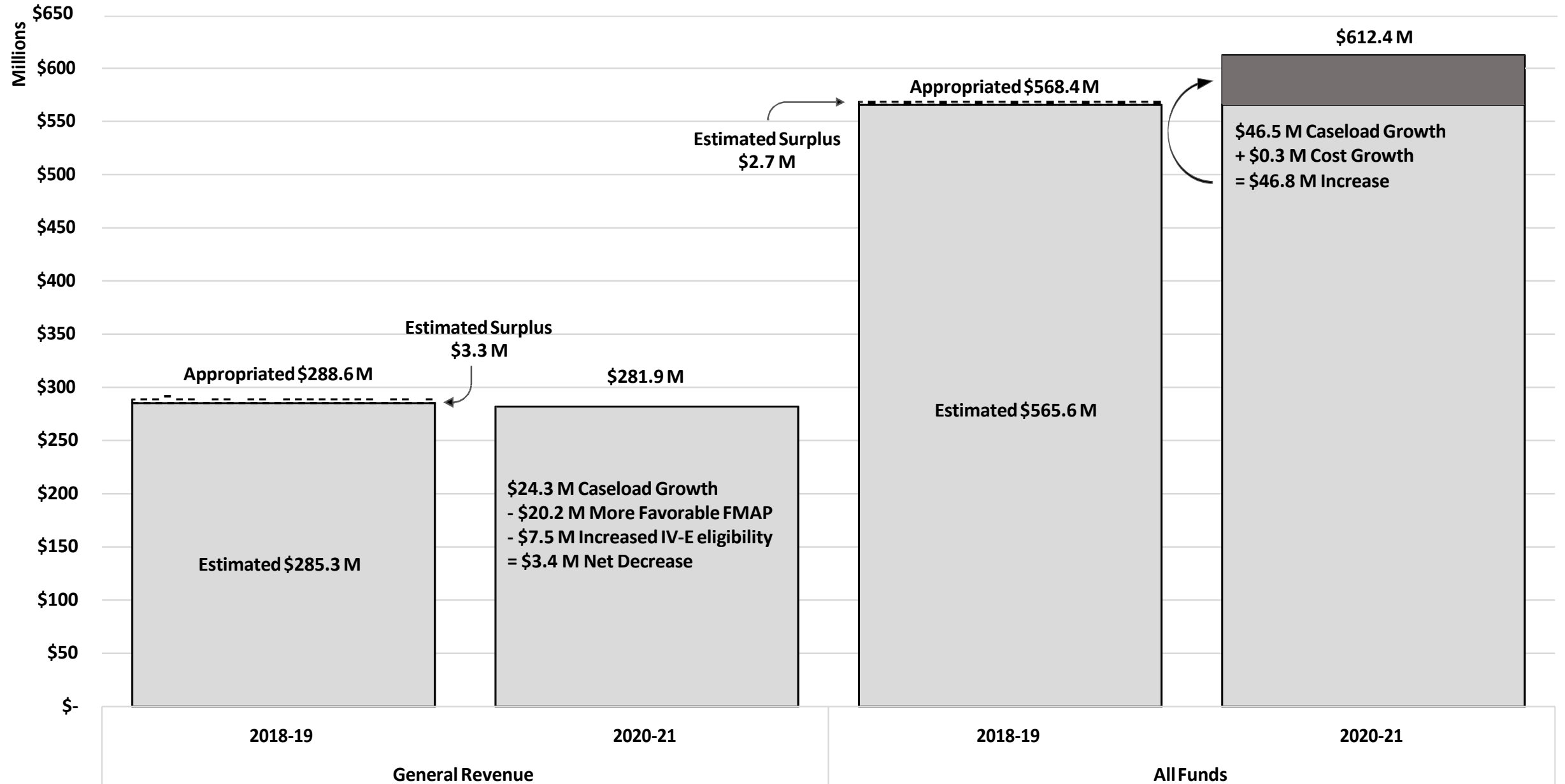
<sup>3</sup> Cost growth includes maintaining Community-based Care rate increases in Region 3B and increases in other average costs including child specific contracts.

- **Adoption Subsidies and Permanency Care Assistance (PCA).** Appropriations for the 2018-19 biennium included \$568.4 million in All Funds (\$288.6 million in General Revenue). Current LBB staff projections are \$565.6 million in All Funds (\$285.3 million in General Revenue), producing General Revenue surpluses of \$0.5 million in fiscal year 2018 and \$2.8 million in fiscal year 2019. Surpluses are primarily attributable to lower than anticipated growth in number of adoption subsidy payments and a more favorable fiscal year 2019 Federal Medical Assistance Percentage (FMAP), partially offset by higher than anticipated PCA caseloads, higher than anticipated average costs for both adoption subsidies and PCA, and greater than anticipated declines in federal Title IV-E eligibility for PCA.

**2020-21 Recommendations.**

Recommendations for the 2020-21 biennium include an increase of \$46.8 million in All Funds compared to the 2018-19 adjusted base. The increase is almost entirely due to projected growth in both adoption subsidy and PCA caseloads. The General Revenue cost of caseload growth (\$24.3 million) is more than offset by reductions in General Revenue demand attributable to more favorable FMAPs (\$20.2 million) and increased federal Title IV-E eligibility (\$7.5 million) resulting in a net decline to General Revenue of \$3.4 million (see **Supplemental Schedule 2: Biennial Comparison of Funding for Adoption Subsidies and Permanency Care Assistance Payments**).

## Supplemental Schedule 2: Biennial Comparison of Funding for Adoption Subsidies and Permanency Care Assistance Payments





- **Relative Caregiver Payments.** Payments to relative caregivers were significantly changed beginning September 1, 2017 pursuant to House Bill 4, Eighty-fifth Legislature, Regular Session. Annual payments made to certain caregivers were replaced with daily payments for a limited amount of time, followed by annual post-permanency payments for up to three years.

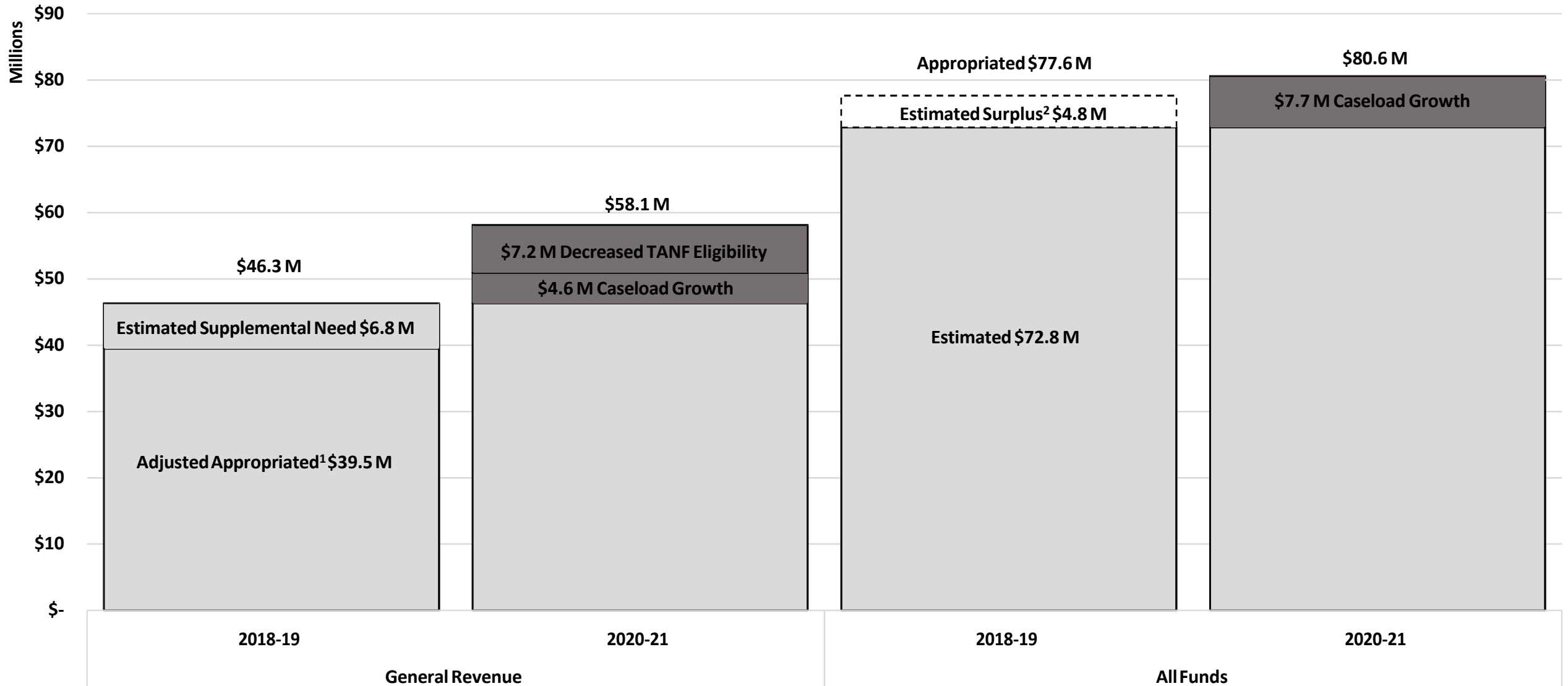
Appropriations for the 2018-19 biennium included \$77.6 million in All Funds (\$23.5 million in General Revenue). Current LBB staff projections are \$72.8 million in All Funds (\$46.3 million in General Revenue). After accounting for transfers, a \$0.2 million General Revenue surplus in fiscal year 2018 and a \$7.0 million General Revenue supplemental need in fiscal year 2019 remains.

The need in fiscal year 2019 is due to insufficient TANF-eligible expenditures to utilize all appropriated TANF Federal Funds, not All Funds expenditures exceeding appropriations; All Funds expenditures are projected to be \$1.7 million below the appropriated level. Appropriations assumed most Relative Caregiver Payments could be funded with TANF Federal Funds; however, when the revised program was implemented, DFPS limited TANF-eligibility to the first four months. Using TANF Federal Funds beyond the first four months would require families to conform to other requirements associated with assistance payments, which may have limited participation in the program increasing the need for higher cost, paid foster care placements. The entire need in fiscal year 2019 could be addressed with an additional swap of TANF Federal Funds with another program as an estimated \$8.5 million in surplus TANF Federal Funds is available in Relative Caregiver Payments in fiscal year 2019.

**2020-21 Recommendations.**

Recommendations for the 2020-21 biennium include an increase of \$11.8 million in General Revenue and a decrease of \$4.1 million in TANF Federal Funds, a net increase of \$7.7 million in All Funds compared to the 2018-19 adjusted base. A smaller proportion of TANF-eligible clients in the fully ramped up revised program requires replacing \$7.2 million in TANF Federal Funds with General Revenue. This decrease in Federal Funds is partially offset by a \$3.1 million increase in TANF Federal Funds associated with overall caseload growth. Caseload growth also results in an increase to General Revenue of \$4.6 million. Caseload growth estimates include \$0.1 million in All Funds associated with an additional day of payments in fiscal year 2020 due to leap year. **(See Supplemental Schedule 3: Biennial Comparison of Funding for Relative Caregiver Payments.)**

### Supplemental Schedule 3: Biennial Comparison of Funding for Relative Caregiver Payments



<sup>1</sup> 2018-19 General Appropriations Act adjusted for approved transfer of \$16.0 million in General Revenue from B.1.9, Foster Care Payments. Transfer of \$16.0 million in TANF Federal Funds to B.1.9, Foster Care Payments was also approved, resulting in no net increase to All Funds appropriations included in the 2018-19 General Appropriations Act.

<sup>2</sup> Net surplus of \$4.8 million in All Funds includes the estimated General Revenue supplemental need of \$6.8 million and a surplus in TANF Federal Funds of \$11.6 million.

- **Day Care.** Appropriations for the 2018-19 biennium included \$142.7 million in All Funds (\$91.5 million in General Revenue). Current LBB staff projections for 2018-19 are \$182.2 million in All Funds (\$85.1 million in General Revenue).

In fiscal year 2018, DFPS identified a supplemental need in day care and DFPS was able to work with Texas Workforce Commission (TWC) to access additional CCDBG Federal Funds to address any supplemental need. The federal Consolidated Appropriations Act of 2018 increased CCDBG discretionary funds by \$2.37 billion for federal fiscal year 2018 with Texas receiving an increase of approximately \$229.9 million from the federal fiscal year 2017 level. TWC agreed to provide additional CCDBG Federal Funds to DFPS to address the fiscal year 2018 supplemental need. DFPS implemented policy changes effective September 1, 2018 in an effort to contain day care expenditures beginning in fiscal year 2019. The effect of those policy changes is not known at this time; however, recommendations assume growth will slow beginning in fiscal year 2019. Additional growth in expenditures is anticipated in 2018-19 due to a 2 percent increase in day care rates implemented by TWC effective August 2018, increasing projected expenditures by \$0.2 million in fiscal year 2018 and \$1.9 million in fiscal year 2019. LBB staff projections assume a fiscal year 2019 supplemental need of \$23.5 million will be addressed with the appropriation of additional CCDBG Federal Funds.

#### **2020-21 Recommendations.**

Recommendations for the 2020-21 biennium include an increase of \$15.3 million in All Funds compared to the 2018-19 adjusted base. Recommendations assume the increase will be funded entirely with Federal Funds, (\$1.8 million in increased Title IV-E Federal Funds and \$13.4 million in additional CCDBG Federal Funds).

Recommendations assume an increase in Foster Day Care of \$3.4 million in All Funds (\$1.8 million in Title IV-E Federal Funds and \$1.5 million in CCDBG Federal Funds). The increase is due to maintaining a full biennium of rate increases (\$0.4 million), projected caseload growth (\$2.0 million), and projected cost growth unrelated to rate increases (\$1.0 million).

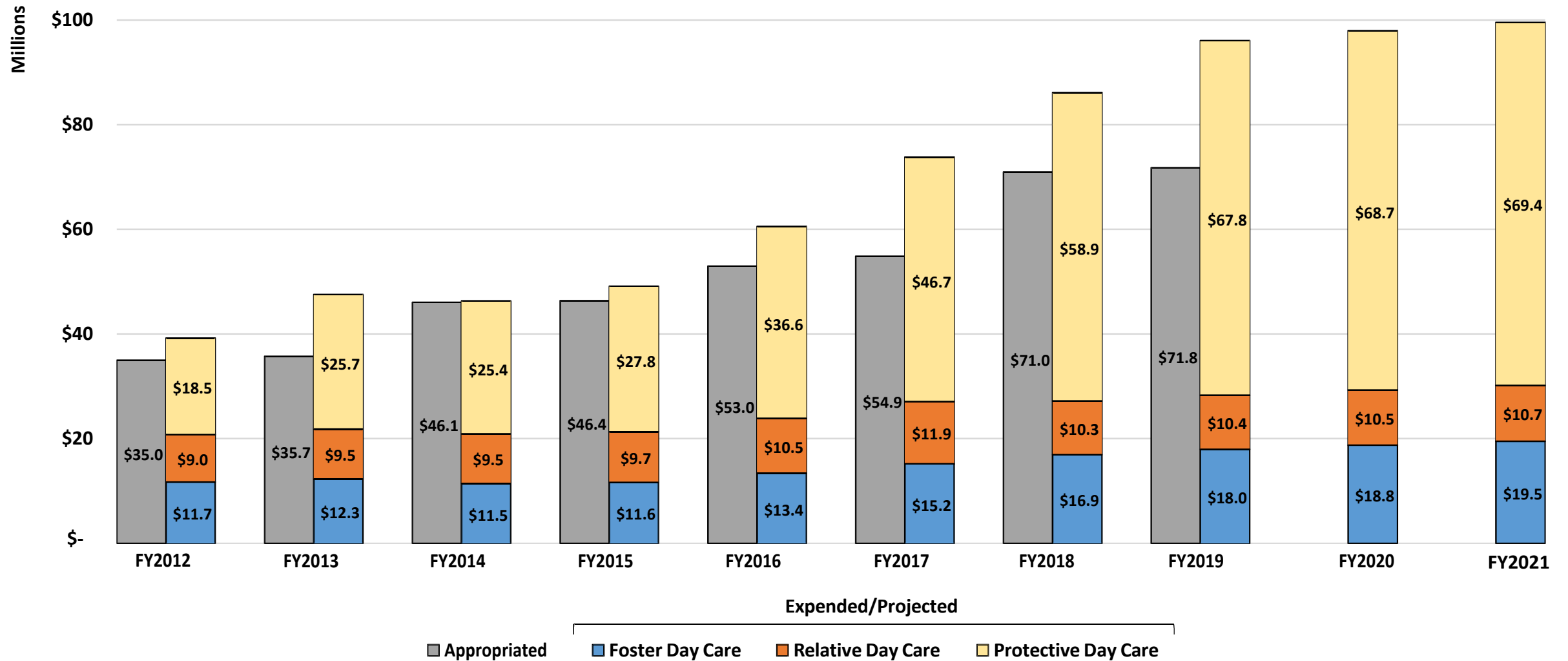
Recommendations assume an increase in Relative Day Care of \$0.6 million in All Funds (CCDBG Federal Funds). The increase is due to maintaining a full biennium of rate increases (\$0.2 million) and projected cost growth unrelated to rate increases (\$0.5 million) partially offset by maintaining the fiscal year 2019 caseload, which is lower than the fiscal year 2018 caseload, in 2020-21 (reduction of \$0.2 million).

The majority of the increase in recommended funding is for Protective Day Care, an increase of \$11.4 million in All Funds (CCDBG Federal Funds). The increase is due to maintaining a full biennium of rate increases (\$1.3 million); maintaining fiscal year 2019 caseload, which is 12 percent higher than fiscal year 2018, in 2020-21 (\$7.6 million); and projected cost growth unrelated to rate increases (\$2.5 million).

**Supplemental Schedule 4: Appropriated and Expended/Projected TWC Purchased Day Care Services** provides comparisons of appropriations to expenditures/projections for fiscal years 2012 to 2019, which shows DFPS has exceeded appropriations for day care in each of those fiscal years and to a significant degree in both the 2016-17 and 2018-19 biennia. The schedule also shows expenditures/projections for fiscal years 2012 to 2021 by type of day care.

Recommended funding for fiscal year 2021 (\$99.6 million) is 153.7 percent higher than expenditures for fiscal year 2012 (\$39.2 million). The majority of the growth (84.4 percent) can be attributed to Protective Day Care.

### Supplemental Schedule 4: Appropriated and Expended/Projected TWC Purchased Day Care Services



Note: Amounts by type of day care for fiscal years 2012 to 2017 are expended and amounts for fiscal years 2018 to 2021 are projected.

2. **Child Care Development Block Grant (CCDBG) 2018-19 Base.** The Department of Family and Protective Services recently made our office aware of unallowable expenditures the agency made using CCDBG funds in fiscal year 2018. Prior to implementation of Senate Bill 200, Eighty-fourth Legislature, 2015, DFPS was responsible for both child care inspections as part of regulatory functions, and investigations of child abuse/neglect. Expenditures related to inspections are an allowable use of CCDBG funds. However, when inspections transferred to the Health and Human Services Commission in fiscal year 2018, DFPS began to expend CCDBG on investigations activities. DFPS staff realized the error and made LBB staff aware of the issue. The adjusted 2018-19 base reflects the method of finance (MOF) swap of \$3,188,399 in fiscal year 2018 and \$3,195,351 in fiscal year 2019 in CCDBG from Strategies A.1.1, Statewide Intake Services; B.1.1, CPS Direct Delivery Staff; B.1.2, CPS Program Support; B.1.8, Other CPS Purchased Services; E.1.1, Central Administration; E.1.2, Other Support Services; E.1.3, Regional Administration; and E.1.4, IT Program Support for General Revenue in B.1.3, TWC Contracted Day Care.
3. **Senate Bill 11, Eighty-fifth Legislature, Regular Session, 2017.** The bill authorized DFPS to outsource case management and full-time equivalents (FTEs) and continue expansion of Community-based Care (CBC), formerly known as foster care redesign, and to implement two Family Based Safety Services (FBSS) pilot programs. The bill required that DFPS contract with nonprofit and local government entities, known as Single Source Continuum Contractors (SSCC), that have the ability to provide child welfare services.

DFPS Rider 33, Contingency for Senate Bill 11, 2018-19 General Appropriations Act (GAA), reduced DFPS's FTE cap by 386.9 in fiscal year 2018 and by 421.4 in fiscal year 2019 for CBC and FBSS to transfer service delivery to an SSCC. DFPS Rider 33 also provided \$0.3 million in All Funds for start-up costs of the first FBSS pilot and \$1.0 million in All Funds for case management oversight. (**see also Selected Fiscal and Policy Issue #4**).

The agency partnered with the Pathways Youth and Family Services to implement one FBSS pilot program located in El Paso, Texas and outsourced 59.1 FTEs. The agency indicated that no additional FTEs are needed in that pilot. On November 1, 2018, the agency announced a second pilot site in Nueces County. The agency released a Request for Application on November 6, and applicant responses were due January 15, 2019. Senate Bill 11 required DFPS to submit a report by December 31, 2018 evaluating the SSCC's ability to meet performance measures laid out by the agency as well as a recommendation as to whether the pilot program should be continued, expanded or terminated. The agency has recommended continuing the pilot in El Paso and proceeding with the second site.

DFPS Rider 35, Contingency for Community-based Care Foster Care Appropriations (2018-19 GAA) outlined the following assumptions for the expansion of Community-based Care. The agency was appropriated \$2.7 million in All Funds (\$2.3 million General Revenue) in Strategies B.1.1, CPS Direct Delivery Staff and B.1.9, Foster Care Payments to expand into a third region in fiscal year 2018. The rider also appropriated \$5.6 million in All Funds (\$4.5 million in General Revenue) in the same strategies to expand to two additional regions. The appropriation was contingent upon DFPS providing the Legislative Budget Board the contract with the SSCC and fulfilling DFPS Rider 21, Foster Care Redesign reporting requirements. Half of the fiscal year 2019 appropriation has been approved.

In addition to appropriations for Community-based Care in Strategies B.1.1, CPS Direct Delivery Staff and B.1.9, Foster Care Payments, DFPS made payments to the SSCC out of Strategies B.1.4, Adoption Purchased Services, B.1.6, PAL Purchased Services and B.1.8, Other CPS Purchased Services. These additional costs for Community-based Care were not assumed and the transition to CBC was expected to be cost neutral to the state. These additional costs are not assumed in the adjusted base and recommendations for fiscal years 2019, 2020, and 2021.

DFPS Rider 21, Foster Care Redesign required DFPS to submit a report on performance measures that would allow for comparative analysis between the legacy foster care and the redesigned foster care systems. A summary and analysis of that report is in **Supplemental Schedule 6: Summary and Analysis of Report Required by DFPS Rider 21, Foster Care Redesign (2018-19 GAA)**.

**2020-21 Recommendations.**

Recommendations include new Strategy B.1.12, Community-based Care Payments, and include foster care funding for network support payments and the costs of daily foster care payments, start-up costs, and resource transfer payments for Regions 3B, 2, and 8A. Recommendations include a rider to identify appropriations and assumptions for Regions 3B, 2, and 8A.

4. **CPS Direct Delivery Staff.** Assumptions for caseworkers and related staff in Strategy B.1.1, CPS Direct Delivery Staff in fiscal year 2018 were based on the agency's projected expenditures and the average paid FTEs (9,740.3) reported for this strategy in the August 2018 Monthly Financial Report (MFR). LBB staff assumes the agency will reach the appropriated level of caseworkers by the end of fiscal year 2019. Therefore, relative to the fiscal year 2018 average paid FTEs, fiscal year 2020 FTEs average paid FTEs are 491.6 higher and fiscal year 2021 average paid FTEs are 625.6 higher in order to maintain fiscal year 2019 or 2020 caseload per worker (**see Supplemental Schedule 5: Child Protective Services**). The following are assumptions made by each type of caseworker:

Conservatorship (CVS): August 2018 paid caseworkers are substantially below the appropriated level. LBB staff assume the addition of 209.5 caseworkers by August 2019. Because of the six-month training period before being counted as a full case-carrying caseworker, this results in continued increases in case-carrying caseworkers in the early months of fiscal year 2020. Because of the ramp-up in fiscal year 2019 and a small increase in fiscal year 2020, the caseload per worker in fiscal year 2020 is reduced without the addition of more paid caseworkers. An additional 33.0 caseworkers and 17.0 related staff are added in fiscal year 2021 to maintain the fiscal year 2020 caseload per worker of 25.0 due to DFPS-projected increases in case stages.

Foster Adoptive Home Development (FAD): August 2018 paid caseworkers are 9.0 above the appropriated level. Recommendations assume reduction of FAD caseworkers to the appropriated level by October 2018. Case stages declined in fiscal year 2018 after significant growth in fiscal year 2017. No growth in case stages is assumed in fiscal years 2019 through 2021 so no additional caseworkers are needed in 2020-21 to maintain caseload per worker of 18.3.

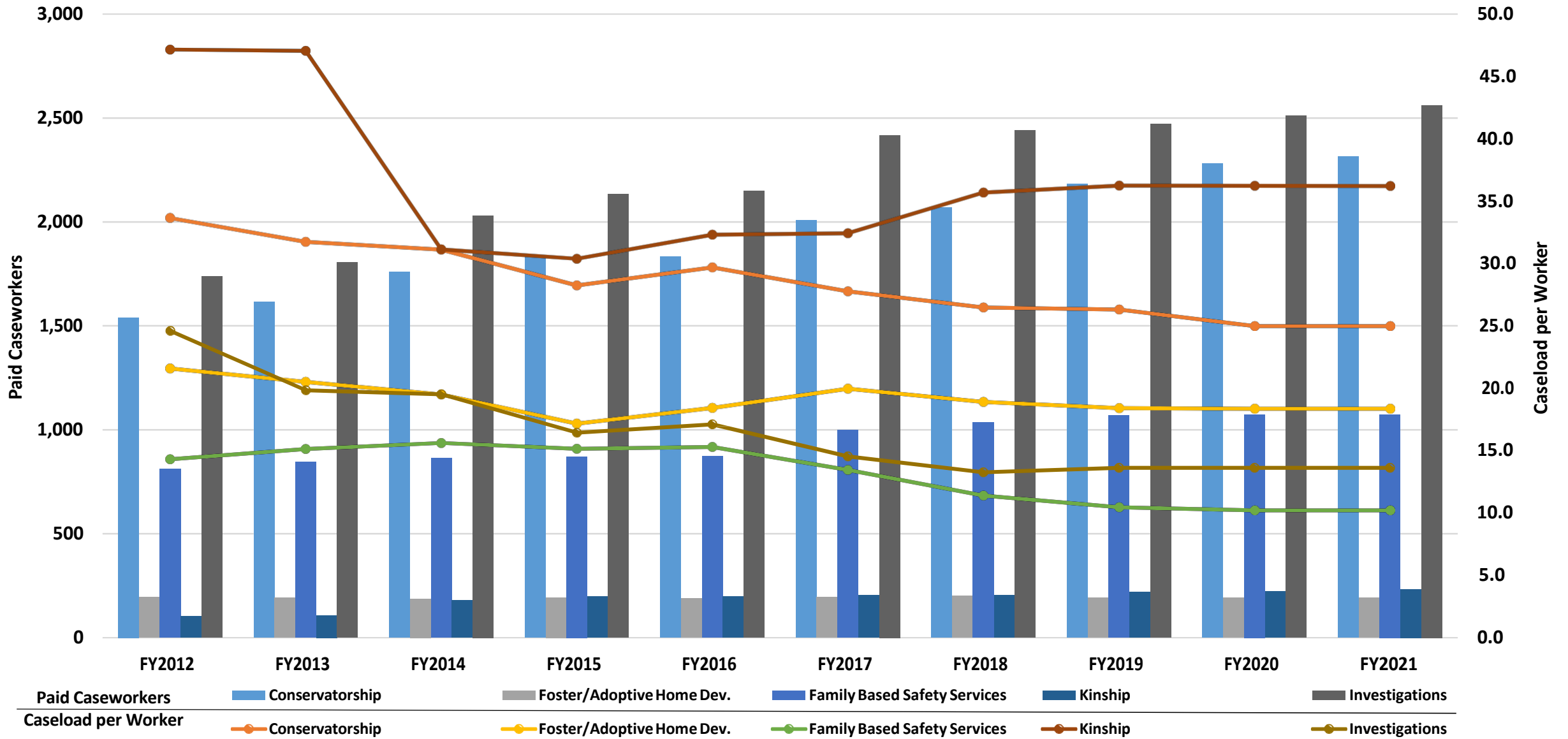
Family-based Safety Services (FBSS): August 2018 paid caseworkers are slightly below the appropriated level after adjusting for the reduction of 39.0 caseworkers associated with the El Paso pilot. Recommendations assume an additional 49.3 caseworkers hired by November 2018. Case stages have been declining significantly since May 2017 (some but not all decline related to El Paso pilot). Case stages in fiscal years 2019 through 2021 are maintained at the average of the last four months of fiscal year 2018. No additional caseworkers are needed in 2020-21 to maintain caseload per worker of 10.2.

Kinship (KIN): August 2018 paid caseworkers are slightly below the appropriated level. Recommendations assume the addition of 17.0 caseworkers by October 2018. Case stages have been increasing significantly since at least fiscal year 2011. Assuming continued growth in case stages in fiscal years 2019 through 2021 based on DFPS projections, recommendations provide an additional 4.0 caseworkers and 2.0 related staff in fiscal year 2020 (relative to August 2019) and an additional 10.0 caseworkers and 4.0 related staff are provided in fiscal year 2021 to maintain caseload per worker at the fiscal year 2019 level of 36.2.

Investigations (INV): As of August 2018, paid caseworkers are slightly below the appropriated level. Recommendations assume the addition of 32.7 caseworkers by October 2018. Case stages have both increased and decreased over the last several years with some growth attributable to increases in number of cases pending more than 60 days. Based on LBB projections of reports of abuse/neglect, case stages are maintained in fiscal year 2019 and 2 percent growth is assumed in each of fiscal years 2020 and 2021. Recommendations provide an additional 38.0 caseworkers and 17.0 related staff in fiscal year 2020, and an additional 50.0 caseworkers and 20.0 related staff are provided in fiscal year 2021 to maintain caseload per worker at the fiscal year 2019 level of 13.6.

Recommendations fiscal years 2019, 2020, and 2021 include additional adjustments to FTEs allocated to Strategy B.1.1, CPS Direct Delivery, and for the expected outsource of services related to SB 11. Recommendation for FTEs related to the SB 11 (relative to fiscal year 2018) include a reduction of 153.7 FTEs in fiscal year 2019 and the reduction of 292.0 FTEs in fiscal years 2020 and 2021 (**See also Selected Fiscal and Policy Issues #1 and #3**).

### Supplemental Schedule 5: Child Protective Services Paid Caseworkers and Caseload Per Worker by Type, Fiscal Years 2012 to 2021



5. **Family First Prevention Services Act (FFPSA).** The United States Congress passed the FFPSA on February 9, 2018. The act restructures federal child welfare funding by amending various sections of Title IV-E and Title IV-B of the Social Security Act. This funding pays for services for children in foster care and other services for families. Previously, Title IV-E funds could only be used to help with the costs of foster care maintenance for eligible children; administrative expenses for program management; training for staff and foster parents; adoption assistance and kinship guardianship assistance. The legislation now allows states with an approved Title IV-E plan to use these funds for prevention services that would allow eligible foster care participants to stay with their parents or relatives.

The FFPSA aims to curtail the use of congregate or group care for children by placing a new emphasis on family foster homes. Under the FFPSA, the federal government will no longer reimburse states for children placed in group settings for more than two weeks unless the child is placed in a qualified residential treatment program (QRTP) or licensed residential family-based treatment facility. The legislation requires DFPS to implement new changes such as adding reporting requirements, updating QRTPs to meet new federal requirements and implement new internal plans. According to DFPS, this provision could have the largest fiscal impact to the state. The legislation allows a state to delay implementation of this requirement until fiscal year 2022 with an approved waiver. On November 9, 2018, DFPS indicated notification was provided to the Administration for Children and Families that Texas will delay implementation of the provisions listed below:

1. 472(k)(2) of the Act: Limitations on Title IV-E foster care maintenance payments for placements that are not foster family homes;
2. 472(c) of the Act: Limit on number of children in a foster family home;
3. 472(k)(1)(B) and 475A(c) of the Act: Qualified Residential Treatment Program (QRTPs); and
4. 471(a)(37) of the Act: Certification preventing increases to the juvenile justice population.

DFPS indicated that this delay would not prohibit Texas from implementing the provisions and it would provide the agency additional time to assess the changes required by the legislation and for the legislature to address the policy and fiscal changes. DFPS indicated that the delay is primarily due to the following:

- There is an insufficient number of accredited providers in Texas;
- The three accrediting bodies in the country are not able to accredit providers prior to October 2019;
- No QRTPs are available to serve the highest needs kids;
- There is an insufficient number of evidence-based service providers in Texas; and
- No guidance on the evidence-based services that would be allowable under the grant.

LBB staff is still reviewing the potential fiscal impact of the FFPSA.

6. **Stukenberg v. Abbott Civil Action Lawsuit.** In March 2011, a suit was filed against the state of Texas on behalf of the minor children in Permanent Managing Conservatorship (PMC) at DFPS, claiming that the agency's "policies and practices result in structural deficiencies that place the class members at an unacceptable risk of harm." In December 2015, the United States District Court in the Southern District of Texas entered their official Opinion of the Civil Action suit, determining that the oversight and management of the General Class, Residential Child Care Licensing (RCCL), Foster Care Group Homes, and Foster Care Placement Array, at DFPS was:
- "deliberately indifferent towards the problems identified in the suit"; and
  - "substantially departing from professional judgment in addressing those problems".

In confirmation of the Plaintiffs allegations, the Court determined that injunctive relief was appropriate and appointed two Special Masters to create an implementation plan to achieve the goals outlined by the Court (**See Supplemental Schedule 7: Goals Included in Court Opinion**). Upon review of the plan, the Court will enter a Final Order establishing final, enforceable, and binding provision, after which, the Special Masters shall report every 180 days concerning the status and progress made towards compliance and shall continue to serve the Court until the Court determines that the Special Masters are no longer necessary.



On November 4, 2016, the Special Masters submitted their recommendation in accordance with the order of the Court. The recommendations agree on all points with the goals listed in the Court Opinion and provide: 1) implementation dates for the individual recommendations varying from immediate upon finalization of the Court Order to 24 months following the Court Order; and 2) the methodology in which the Special Masters will monitor implementation of the recommendations.

On October 18, 2018, the Fifth Circuit made its ruling on the lawsuit and upheld the district court's provisions regarding caseloads in part and found other provisions invalid and struck them, stating that "[s]ome of these provisions are valid, but many constitute judicial overreach. The ruling highlights that the main issue with DFPS management of caseworker caseloads is lack of adequate data and standards. The court found the following provisions related to caseload management valid:

- Tracking caseloads on a child-only basis and quarterly reports containing certain data on caseloads for all staff;
- Statewide implementation of the CPS Professional Development training model;
- Statewide implementation of graduated caseloads for certain new staff;
- Within four months of the court's final order, DFPS shall submit to the court a plan for an integrated computer system that contains each child's complete record.

The court found the following provisions invalid

- Caseload caps for full-time staff of 14 to 17 children;
- Recruitment, training, and examination of caseworkers;
- Caseworker visitation requirements, including timing and manner of visits, visitation guidelines requirements and tracking and reporting on visits;
- Restrictions on the number of caseworkers a supervisor may supervise;
- Elimination of "I See You" secondary workers; and
- Requiring DFPS to have as many foster home placements by the end of fiscal year 2018 as the agency found it requires to meet the needs of children in DFPS fiscal year 2017 Foster Care Needs Assessment.

A permanent injunction was ordered by the U.S. District Court for the Southern District of Texas on November 20, 2018. The injunction may go into effect in the 2020-21 biennium. LBB staff is still reviewing the potential fiscal impact of the lawsuit.

7. **Information Management Protecting Adults and Children in Texas (IMPACT).** Appropriations for the 2018-19 biennium included \$15.7 million in All Funds (\$12.8 million in General Revenue) for on-going maintenance. The agency submitted the Independent Verification and Validation (IV and V) reports that were reviewed by the Quality Assurance Team but the agency is delinquent in submitting required monthly reports and other requested information (**See Section 3, QAT Highlights**).

Recommendations include \$6.0 million in All Funds (\$4.4 million in General Revenue) for on-going maintenance costs for IMPACT.

8. **Capital Budget Projects.** Recommendations include \$18.0 million in All Funds (\$12.4 million in General Revenue) for data center services to maintain current obligations, including an additional \$0.5 million in General Revenue for data center services over the agency's base request.

Recommendations for Data Center Services include \$5.1 million in All Funds for the migration of Microsoft Office 365 licenses to the DIR DCS contract. Recommendations include \$15.3 million in All Funds (\$8.1 million in General Revenue) for Seat Management.

Note: In the 2018-19 GAA, there were two capital budget projects, Computer Devices Lease Payments and Software Licenses. Recommendations consolidate these projects into a new Seat Management capital budget project.

9. **House Bill 5, Eighty-fifth Legislature, Regular Session, 2017.** The bill amended the Family Code, Government Code, and Human Resources Code effectively removing the Department of Family and Protective Services (DFPS) from the Health and Human Services System, and establishing DFPS as an independent agency that reports to the Governor. DFPS was mandated to enter into a contract with HHSC for administrative and specified information-related services. The Family and Protective Services Council was reestablished to make departmental recommendations to the commissioner, and the Senate confirmation of the DFPS Commissioner was mandated in this bill.

The bill reversed a portion of Senate Bill 200, Eighty-fourth Legislature, Regular Session, 2015 and therefore required the retention of investigations of alleged abuse, neglect, or exploitation occurring at a child-care facility, including residential childcare facility, at DFPS.

Since enactment of HB 5, DFPS continues to contract with HHSC and established a Steering Committee and sub-committees to address overlap between the two agencies.

### Supplemental Schedule 6: Summary and Analysis of Report Required by DFPS Rider 21, Foster Care Redesign (2018-19 GAA)

**Overall conclusion:** The data from the DFPS Rider 21 report does not indicate that Community-based Care is leading to better outcome for foster children nor does it indicate the CBC provider's performance is clearly improving over time.

#### Is the change to Community Based Care (CBC) leading to better outcomes for foster children compared to the legacy system?

Currently, the data does not indicate that community based care is leading to better outcomes than the legacy system.

The chart below compares the fiscal year 2018 third quarter performance of Region 3B CBC to the rest of the state (Statewide Non-CBC) and to the last year the legacy system handled all of region 3B (Region 3B Legacy fiscal year 2013). The results are mixed. CBC outperformed both comparisons in only one measure, underperformed both in two, and outperformed one and underperformed the other in three measures.

Performance Measures in Rider 21 Report Measurement criteria	Region 3B Legacy FY13*	Region 3B CBC Only FY18 Q3	Statewide Non-CBC FY18 Q3
<b>Children/youth are safe from abuse and neglect</b> % children who do not experience abuse/neglect, or exploitation while placed with the SSCC*	99.77%	99.71%	99.76%
<b>Children/youth have stability in their placements</b> SSCC Foster Care placements per child	1.46	1.38	1.36
<b>Children/youth are placed in the least restrictive environment</b> % of paid Foster Care days in Family Foster Homes	77.8%	78.2%	76.1%
<b>Children/youth are placed in their home communities</b> % of children placed within 50 miles of their home	75.3%	72.3%	61.9%
<b>Children/youth are placed with siblings</b> % cases where all siblings are placed together (on last day of performance period)	72.5%	61.3%	64.9%
<b>Children/youth are prepared for successful adulthood</b> % youth turning 18 who have completed PAL Life Skills Training	83.1%	84.3%	92.9%

**Is the performance of ACH improving over time? How does it measure to contractual performance measures?**

ACH's performance trends are mixed. ACH is trending better in two performance measures, trending worse in two, and results are up and down in the remaining two measures. ACH's performance against the contractual performance measures is also mixed. ACH has met or exceeded three measures and failed to meet two. The measure for "Children have stability in their placements" is measured differently in the contract than in the Rider 21 report.

<b>Performance Measures in Rider 21 Report</b> Measurement criteria	<b>Contract Target</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18 Q3</b>
<b>Children/youth are safe from abuse and neglect</b> % children who do not experience abuse/neglect, or exploitation while placed with the SSCC*	100%	99.93%	99.91%	99.88%	99.71%
<b>Children/youth have stability in their placements</b> SSCC Foster Care placements per child *(Measurement was changed. Contract measures % with 2 or fewer placements, report measures placements per child)	92.4%*	1.48	1.55	1.50	1.38
<b>Children/youth are placed in the least restrictive environment</b> % of paid Foster Care days in Family Foster Homes	76.8%	73.1%	74.2%	77.0%	78.2%
<b>Children/youth are placed in their home communities</b> % of children placed within 50 miles of their home	72.3%	75.3%	74.3%	72.8%	72.3%
<b>Children/youth are placed with siblings</b> % cases where all siblings are placed together (on last day of performance period)	71.1%	58.8%	59.9%	64.0%	61.3%
<b>Children/youth are prepared for successful adulthood</b> % youth turning 18 who have completed PAL Life Skills Training	72.6%	76.3%	85.5%	95.9%	84.3%

**What actions is DFPS taking to address ACH's performance deficiencies?**

DFPS has taken corrective contract action with ACH for quality improvement plans related to 1) placement of sibling groups together, 2) placement within 50 miles of removal home, and 3) placement stability. These quality improvement plans have largely focused on developing new capacity (i.e., adding foster care placement options). Due to inadequate therapeutic foster care placement capacity within region 3B, ACH is also contracting with a therapeutic foster home care program and is opening a second residential treatment center with 32 beds that will be available by second quarter of fiscal year 2019.

ACH submitted their strategies for improving performance in the above-mentioned areas. DFPS has reviewed and accepted the quality improvement plans and anticipates an improvement in performance as a result of these strategies.

**Does DFPS draw any conclusions from the report?**

DFPS presents the information, but does not reach any conclusions about the effectiveness of CBC. They indicate that they need more time to reach any conclusions. They note *"Outcome measurement requires time. Chapin Hall data and performance experts define "sufficient" time as a minimum of two years of full implementation with additional time required to collect data on those children and families' experience and outcomes from entry to exit. Full implementation means implementation of CBC where the SSCC serves the families of children in their care and provides case management services and kinship services. No SSCC has reached full implementation. Further, major systemic changes may not be observable until more catchment areas become a part of the redesigned system and fully implement CBC."*

According to this, they need two years of data after full implementation (and no SSCC has reached full implementation yet) before they can reach any conclusions.

## Supplemental Schedule 7: Goals Included in Court Opinion

### General

- 1) Caregiver must allow DFPS staff member and foster child the opportunity to speak privately
- 2) DPS files must become more efficient so that each child has an organized case file
- 3) DFPS shall maintain updated photographs of each child
- 4) DFPS shall maintain a 24 hour hotline to receive reports of abuse and neglect
- 5) DFPS shall improve programs for children who will age out of foster care
- 6) All children shall be entitled to an attorney *ad litem* and CASA volunteer

### Caseworkers

- 1) DFPS must track caseloads on a child-only basis and cannot include in the calculation secondary workers
- 2) DFPS must complete workload studies to determine the time required for caseworkers to adequately perform their tasks
- 3) Special Master shall recommend a manageable caseload amount
- 4) DFPS must hire enough caseworkers to ensure that caseloads are maintained at this manageable level
- 5) Special Master recommends secondary and I See You workers should be maintained

### Child Care Investigations

- 1) DFPS must complete workload studies to determine the time required for caseworkers to adequately perform their tasks
- 2) Special Master shall recommend a manageable caseload amount
- 3) Performance Management must conduct case readings to assess licensing investigations
- 4) Special Master shall recommend provisions to solve unwillingness to institute corrective actions against facilities
- 5) DFPS shall track child-on-child abuse

### Inadequate Placement Array

- 1) DFPS shall not allow unrelated children more than one service level apart to be placed in the same room
- 2) Special Master shall recommend appropriate age ranges for unrelated children placed in the same room
- 3) DFPS shall track how many placements are single-child homes and prioritize placement of children needing placement in those homes
- 4) DFPS shall conduct a formal statewide needs assessment to determine adequate placement array
- 5) DFPS shall track how many children are in each residential facility
- 6) DFPS can continue to pursue Foster Care Redesign only if the Special Master recommends and the Court agrees that it meets the statewide needs assessment
- 7) Special Master shall recommend provisions to address children being removed from placement where they are succeeding because their care level was altered

### Foster Group Home

- 1) Special Master shall recommend if they should continue to operate
- 2) If the can continue to operate, the Special Master shall recommend necessary provisions as needed

### Other

The Special Master shall recommend any provision beyond the Court's Goals that are deemed necessary to address the violations outlined in the Opinion

Source: Court Opinion Entered December 2015 on Stuckenberg v. Abbott (Civil Action No. 2:11-CV-84)

Source: Fifth Circuit Court Opinion Entered October 2018 on Stuckenberg v. Abbott (Civil Action No. 2:11-CV-84)

**Family and Protective Services, Department of  
FTE Highlights - House**

<b>Full-Time-Equivalent Positions</b>	<b>Expended 2017</b>	<b>Estimated 2018</b>	<b>Budgeted 2019</b>	<b>Recommended 2020</b>	<b>Recommended 2021</b>
Cap	12,885.6	12,402.2	12,457.5	12,495.2	12,629.2
Actual/Budgeted based on LBB Staff Projections	12,776.5	12,182.9	12,417.5	NA	NA

**Schedule of Exempt Positions (Cap)**

Commissioner, Group 7	\$220,000	\$231,893	\$231,893	\$231,893	\$231,893
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Notes:

a) The State Auditor's Office Report, Executive Compensation at State Agencies (Report No. 18-705, August 2018), indicates a market average salary of \$265,059 for the Commissioner at the Department of Family and Protective Services and recommends a change from the current Group 7 classification to Group 8. The agency is not requesting any changes to its exempt position.

**Family and Protective Services, Department of  
Performance Measure Highlights - House**

	<b>Expended 2017</b>	<b>Estimated 2018</b>	<b>Budgeted 2019</b>	<b>Recommended 2020</b>	<b>Recommended 2021</b>
<ul style="list-style-type: none"> <li><i>Average Hold Time for Statewide Intake Phone Calls (English)</i></li> </ul> <p><i>Measure Explanation: This measure reports the average hold time in minutes to talk with a statewide intake employee. Recommendations for 2020-21 maintain LBB projected performance with current FTE levels.</i></p>	10.5	12.0	13.8	8.5	8.5
<ul style="list-style-type: none"> <li><i>CPS Daily Caseload per Worker: Investigations</i></li> </ul> <p><i>Measure Explanation: This measure reports the average daily caseload for CPS investigation caseworkers. Recommendations for 2020-21 maintain LBB projected performance.</i></p>	14.5	13.3	13.6	13.6	13.6
<ul style="list-style-type: none"> <li><i>CPS Daily Caseload per Worker: Family-Based Safety Services</i></li> </ul> <p><i>Measure Explanation: This measure reports the average daily caseload for family-based safety services caseworkers. Recommendations for 2020-21 maintain LBB projected.</i></p>	13.4	11.4	10.4	10.2	10.2
<ul style="list-style-type: none"> <li><i>CPS Daily Caseload per Worker: Substitute Care Services</i></li> </ul> <p><i>Measure Explanation: This measures report the average daily caseload for substitute care caseworkers. Recommendations for 2020-21 maintain LBB projected performance.</i></p>	27.8	26.5	26.4	25.0	25.0
<ul style="list-style-type: none"> <li><i>Average Number of Days of TWC Foster Day Care Paid per Month</i></li> </ul> <p><i>Measure Explanation: This measure reports the average number of days of foster child day care provided to DFPS children each month. The amounts included for fiscal year 2017-2021 are based on LBB projections.</i></p>	51,100	56,482	58,075	50,953	51,536
<ul style="list-style-type: none"> <li><i>Average Number of Days of TWC Relative Day Care Paid per Month</i></li> </ul> <p><i>Measure Explanation: This measure reports the average number of days of relative child day care provided to DFPS children each month. The amounts included for fiscal year 2017-2021 are based on LBB projections.</i></p>	43,027	36,685	35,838	35,979	35,971



**Family and Protective Services, Department of  
Performance Measure Highlights - House**

• Average Number of Days of TWC Protective Day Care Paid per Month	166,258	208,191	233,180	234,008	234,018
<i>Measure Explanation: This measure reports the average number of days of protective child day care provided to DFPS children each month. The amounts included for fiscal year 2017-2021 are based on LBB projections.</i>					
• Average Daily Cost for TWC Foster Day Care Services	23.66	23.87	24.64	24.99	25.34
<i>Measure Explanation: This measure reports the average cost of one day of day services provided to a child in foster care. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Daily Cost for TWC Relative Day Care Services	21.99	22.27	22.97	23.27	23.58
<i>Measure Explanation: This measure reports the average cost of one day of day services provided to a child in relative care. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Daily Cost for TWC Protective Day Care Services	22.37	22.52	23.11	23.34	23.58
<i>Measure Explanation: This measure reports the average cost of one day of day services provided to a child in protective care. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Number of FPS-Paid Days of Foster Care per Month	490,810	509,941	512,955	519,848	523,920
<i>Measure Explanation: This measure reports the average number of days of paid foster care provided per month at all levels. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Number of Children (FTE) Served in FPS-Paid Foster Care per Month	16,135	16,764	16,864	17,044	17,224
<i>Measure Explanation: This measure reports the average number of children (FTEs) served in paid foster care per month at all levels. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					

**Family and Protective Services, Department of  
Performance Measure Highlights - House**

• Average Monthly FPS Expenditures for Foster Care	36,708,438	42,524,562	42,814,988	43,339,212	43,473,147
<i>Measure Explanation: This measure reports the average total expenditures for FPS paid foster care provided each month at all levels. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Monthly FPS Payment per Foster Child (FTE)	2,275.05	2,536.63	2,538.91	2,542.81	2,523.98
<i>Measure Explanation: This measure reports the average monthly expenditure per child (FTE) served in FPS-paid foster care per month at all levels. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Number of Children Provided Adoption Subsidy per Month	48,535	49,962	51,471	50,376	52,209
<i>Measure Explanation: This measure reports the average number of children receiving adoption subsidy payments per month. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Monthly Payment per Adoption Subsidy	419.63	418.85	418.68	419.25	420.03
<i>Measure Explanation: This measure reports the average expenditure per adoption subsidy payment per month. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Monthly Number of Children: Permanency Care Assistance	3,426	4,177	4,865	3,927	4,461
<i>Measure Explanation: This measure is the average number of children receiving permanency care assistance per month. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					
• Average Monthly Permanency Care Assistance Payment per Child	404.28	405.00	405.39	405.59	405.79
<i>Measure Explanation: This measure reports the average expenditure for permanency care assistance payments per child per month. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i>					

**Family and Protective Services, Department of  
Performance Measure Highlights - House**

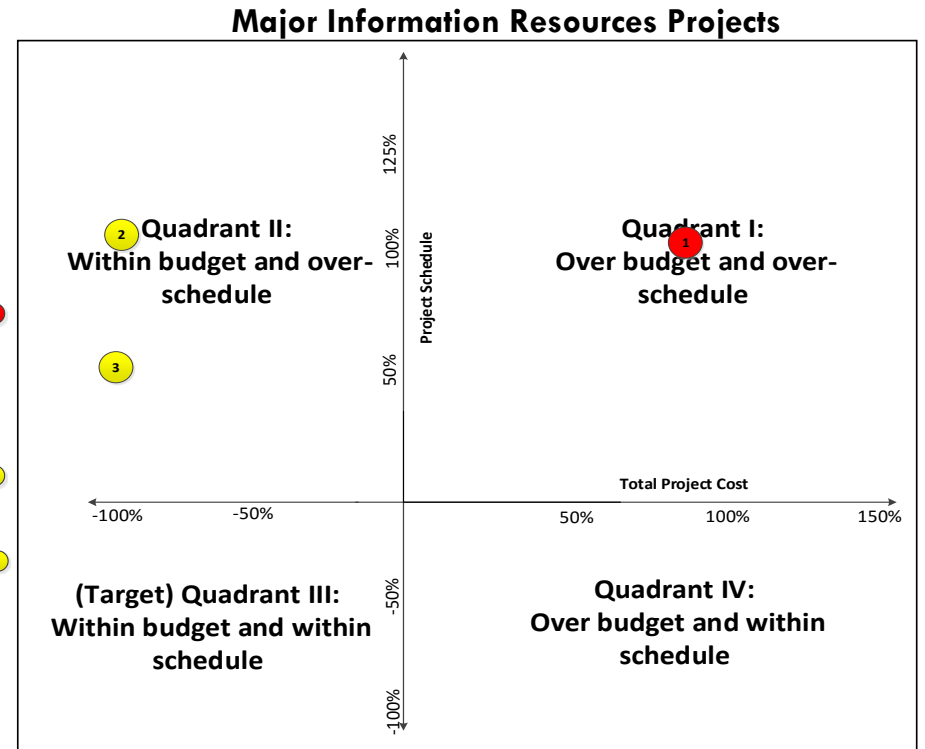
<ul style="list-style-type: none"> <li>Average Monthly Number of Children: Caregiver Monetary Assistance</li> </ul>	NA	8,017	8,990	9,283	9,511
<p><i>Measure Explanation: This measure reports the average number of children receiving monetary assistance per month. The amounts included for fiscal years 2017-2021 are based on LBB projections.</i></p>					
<ul style="list-style-type: none"> <li>Average Monthly Cost per Child Receiving Monetary Assistance from the Relative and Other Designated Caregiver Program</li> </ul>	NA	351.37	351.32	352.29	351.33
<p><i>Measure Explanation: This measure reports the average monthly expenditure for relative an other designated caregiver assistance payments for each child. The amounts included for fiscal year 2017-2021 are based on LBB projections.</i></p>					
<ul style="list-style-type: none"> <li>APS Daily Caseload per Worker (In-Home)</li> </ul>	33.8	30.5	29.1	30.0	30.9
<p><i>Measure Explanation: This measure reports the average daily caseload for APS in-home caseworkers. Recommendations for 2017-2021 maintain LBB projected performance with current FTE levels.</i></p>					

**Department of Family and Protective Services (DFPS)  
Quality Assurance Team Highlights - House**

Of DFPS's 4 major information resource projects monitored by the Quality Assurance Team, 1 is over budget and behind schedule, and 2 are behind schedule. Details on these projects are listed below.

**Summary of Total Costs (in millions) and Time Frames reported to the Quality Assurance Team\***

Project Name	Original Projected Cost	Current Projected Cost	Under / (Over) Initial Project Cost	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Months Ahead of / (Behind) Schedule	% Complete
<b>Capital Budget Rider 2, CPS Transformation 84-R</b>								
1 Information Management Protecting Adults and Children in Texas system (IMPACT) Modernization Project	\$44.6	\$81.2	(\$36.6)	\$48.5	53	107	(54)	66% ●
2 Child Protective Services (CPS) Transformation	\$23.1	\$2.7	\$20.4	\$2.7	29	59	(30)	43% ●
3 Preventing Sex Trafficking and Strengthening Families Act - Implementation of HR4980	\$6.2	\$0.6	\$5.6	\$0.3	29	44	(15)	72% ●
<b>Project Totals</b>	<b>\$29.3</b>	<b>\$3.3</b>	<b>(\$10.6)</b>	<b>\$3.0</b>				



**Note: Costs have changed drastically across these projects due to DFPS allocating costs across Phase 1, Phase 2 and for the completion of IMPACT Modernization, CPS Transformation, and HR 4980 Preventing Sex Trafficking. This was a decision by an agency-developed methodology across their capital budget.**

- Legend**
- Project exceeds budget OR schedule
  - Project is over budget and behind schedule

\*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Comptroller of Public Accounts, Department of Information Resources, Legislative Budget Board and the State Auditor's Office (Advisory Only).

**Department of Family and Protective Services (DFPS)  
Quality Assurance Team Highlights - House**

**Significant Project Highlights**

**1 Information Management Protecting Adults and Children in Texas system (IMPACT) Modernization**

The project began in fiscal year 2014 as a 53 month project and was appropriated \$21.1 million in All Funds for project development. QAT identified the project as high risk due to the estimated costs, schedule and scope complexity.

In August 2015, DFPS identified coding defects in Phase I that caused the function to be inoperable as intended. The agency revised the work plan in July 2016 and executed a contract amendment that extended the duration for the vendor to correct the defects. Phase I was closed out in March 2017, approximately one year late. These events caused phase II to start in January 2017, nine months later than planned.

By May 2017, the agency missed several milestones and deliverables in Phase II. Also, required monthly monitoring reports ceased and the agency did not submit other requested information. However, the agency submitted Independent Verification and Validation (IV&V) reports that were reviewed by QAT and system performance issues were noted that indicated the vendor would not be able to complete phase II within the contracted period. The new estimated projected completion date is August 2022; 54 months behind schedule.

**2 Child Protective Services (CPS) Transformation**

The CPS Transformation Project is an ongoing self-improvement initiative that puts into practice the combined recommendations of CPS regional/state office staff, a contracted CPS Operational Review, the Sunset Commission Staff Report, and a Casey Family Programs' study of children in foster care in Harris County. These reviews highlighted critical problems facing the CPS program including poor staff retention and the need for practice changes and tools to improve services to families. The project also contains modifications for casework management to the web-enabled IMPACT system.

The project began in fiscal year 2016 as a 29 month development project. As a result of the delays with the IMPACT Modernization project this project is also delayed. Projected completion is now estimated to be completed in August 2020; 30 months behind schedule.

**3 Preventing Sex Trafficking and Strengthening Families Act**

The Project was initiated due to the Preventing Sex Trafficking and Strengthening Families Act (Public Law 113-183). This law amends the title IV-E program to address sex trafficking, locating missing children in foster care, amends title IV-E/IV-B case review and planning requirements, and reauthorizes and amends the Adoption Incentives Program and Family Connections Grants. The law also includes additional Adoption and Foster Care Analysis Reporting to Congress. DFPS seeks to make changes to its official case management system (IMPACT) to allow the agency to comply with the law.

DFPS began the project in fiscal year 2016 as a 29 month development project. As a result of the delays with the IMPACT Modernization project this project is also delayed. Projected completion is now estimated to be completed in May 2019; 15 months behind schedule.

**QAT Budget Highlights (in millions)**

<b>Project Name</b>	<b>2018-19 Base</b>	<b>2020-21 Requested</b>	<b>2020-21 Recommended</b>
1 IMPACT Modernization	\$15.7	\$12.0	\$12.0
2 CPS Transformation	\$2.3	\$0.0	\$0.0
3 Preventing Sex Trafficking and Strengthening Families Act	\$2.2	\$0.0	\$0.0
<b>Total</b>	<b>\$20.2</b>	<b>\$12.0</b>	<b>\$12.0</b>

\* Note:

In the Capital Budget Rider for the 2018-18 GAA, IMPACT Modernization included funding for projects #2 and #3. These projects are itemized in the 2018-19 Base.

Requested amounts for 2020-21 include all baseline and exceptional item funding requested by the agency.

**Department of family and Protective Services (DFPS)  
Quality Assurance Team (QAT) Highlights - House**

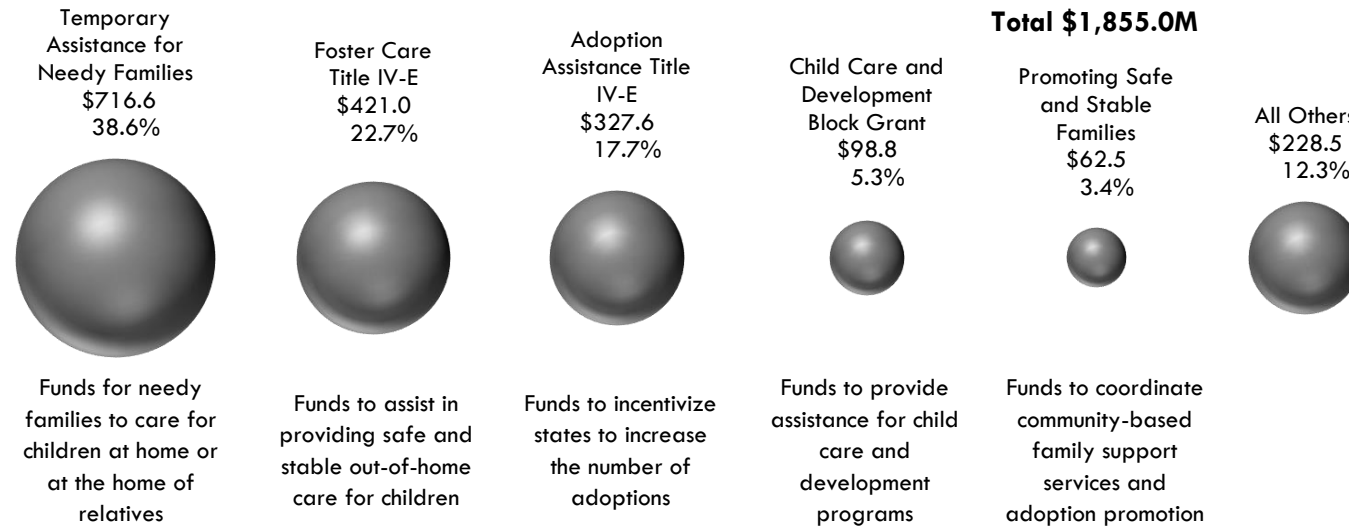
**DFPS has four projects subject to QAT oversight. The one project below is within budget and on schedule as reported to the Quality Assurance Team.\***

<b>Project Name</b>	<b>Project Cost (In Millions)</b>	<b>Expenditures to Date</b>	<b>% Complete</b>	<b>Timeline in Months</b>	<b>Project Status</b>
Prevention and Early Intervention (PEI) Replacement	\$ 3.3	\$ 2.7	100.0%	19	<p>The agency implemented a integrated system to support programs that track and report on PEI programs while offering secure data storage. In addition, the system captures PEI contract client data and allows enhancements to be easily made regarding new legislative requirements.</p> <p>The PEI Replacement project began in fiscal year 2016 with an initial cost of \$3.7 million and finished date of March 31, 2017. The project was implemented on time and budget. However, the agency has not submitted a Post Implementation Review of Business Outcomes which is required by Government Code 2054 within six months after project implementation (September 2017). The agency has not responded to QAT's request for this missed reporting requirement.</p>

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\*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Comptroller of Public Accounts, Department of Information Resources, Legislative Budget Board and the State Auditor’s Office (Advisory Only).

**Family and Protective Services, Department of**  
 Summary of Federal Funds (2020 - 21) - House



**Selected Federal Fiscal and Policy Issues**

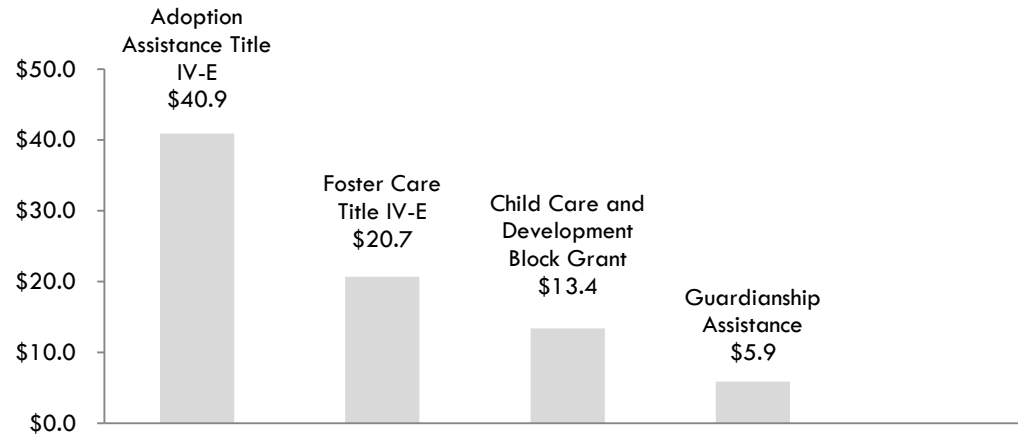
1. Federal Funds estimates include an increase of \$80.3 million for Adoption Assistance, Foster Care, Child Care and Development Block Grants, and Guardianship Assistance compared to the 2018-19 biennium.

The increase is primarily due to a more favorable FMAP and caseload growth anticipated in the 2020-21 biennium for these programs.

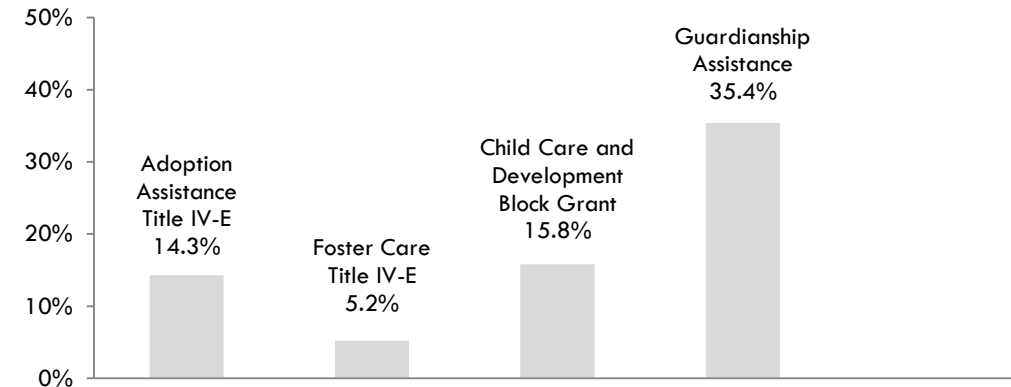
2. The Family First Prevention Services Act (FFPSA) was passed by Congress in February 2018. The FFPSA changes the way Title IV-E funds can be spent by states; the impact of which has yet to be determined. (See Selected Fiscal and Policy Issue #5.)

Programs with Significant Federal Funding Changes from 2018 - 19

**Program Change-by Amount (In Millions)**



**Program Change-by Percentage**



**Family and Protective Services, Department of  
Rider Highlights - House**

**Modification of Existing Riders**

2. **Capital Budget Rider.** Recommendations reflect deletion of several projects completed in the current biennium and continuation of several standard projects.
5. **Foster Care Payments, Adoption Subsidies, and Permanency Care Assistance Payments.** Recommendations revise rider name and consolidate certain limitations related to transfers. Recommendations no longer allow transfers out of B.1.9, Foster Care Payments. Certain requirements related to foster care rates are moved to Rider 27, Informational Listing and Limitations: Foster Care Rates.
6. **Other Reporting Requirements.** Recommendations remove requirement to provide notification of state plan amendment or waivers for Medicaid and Temporary Assistance for Needy Families (TANF). Recommendations include new requirement to provide notification for any federal petition disapprovals and any loss of federal funding due to noncompliance with federal regulation and move a requirement that DFPS provide actual and projected caseloads and related expenditures from Special Provisions.
7. **Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care.** Recommendations consolidate certain requirements related to day care and restrict the transfer of appropriations into or out of B.1.3, TWC Contracted Day Care.
9. **Appropriation Transfer Between Fiscal Years.** Recommendations add Strategy B.1.12, Community-based Care Payments to allow for the transfer of appropriation for foster care payments in the new strategy from fiscal year 2021 to fiscal year 2020 with written approval of the LBB and the Governor.
11. **Reporting Requirement on Child Removals by Race and Ethnic Group.** Recommendations revise rider name and text to clarify content of report.
13. **Reimbursement of Advisory Committee Members.** Recommendations identify strategies that contain funding and add the Family and Protective Services Council to continue authority to reimburse the council provided by LBB approval (August 9, 2018) of request pursuant to Article IX, Sec. 5.08, Travel of Advisory Committee Members (2018-19 General Appropriations Act).
15. **Child and Family Services Review Process.** Recommendations revise rider name to clarify rider.
16. **Community-based Care.** Recommendations revise rider name to align with name change from foster care redesign to community-based care. Requirements related to independent evaluation and transfer limitations are moved to Rider 30, Limitations: Community-based Care Payments.
18. **Limitation on Transfers: Relative Caregiver Payments.** Recommendations remove limitations related to adoption subsidies and permanency care assistance, which were moved to Rider 5, Foster Care Payments, Adoption Subsidies, and Permanency Care Assistance Payments. Recommendations identify amounts included for post-permanency payments and include language providing a mechanism to prevent reductions in daily payment rates due to unanticipated increases in post-permanency payments.
21. **Family Finding Collaboration.** Recommendations revise rider to correct statutory reference and reflect foster care redesign name change to Community-based Care.



- 22. **Prevention Outcomes.** Recommendations revise rider to remove redundant references to appropriations.
- 24. **High Risk Pay.** Recommendations revise rider to update name of caseworker position.
- 27. **Informational Listing and Limitations: Foster Care Rates.** Recommendations revise rider name and identify foster care rates assumed in the recommendations, including those for Community-based Care. Certain provisions related to foster care rates are moved from Rider 5, Foster Care Payments, Adoption Subsidies, and Permanency Care Assistance Payments.

#### **New Riders**

- 30. **Limitations: Community-based Care Payments.** Recommendations add rider to identify appropriations for foster care payments, network support payments, and resource transfer payments for Regions 3B, 2, and 8A; provide limitations on transfers in and out of new Strategy B.1.12, Community-based Care Payments; require agency to continue an independent evaluation on processes and outcomes previously included in Rider 16, Foster Care Redesign.
- 31. **Placement Process and Capacity Tracking.** Recommendations add rider requiring DFPS to evaluate and provide a report on the Centralized Placement Units of the legacy system. LBB staff research found that DFPS is unable to determine the number of beds available for children in foster care across more than 300 licensed providers. The agency's current Child Placement Vacancy (CPV) system is not capable of tracking placement staff workload, assignments, or placements secured. Placement coordinators must individually contact licensed providers to find a placement for child. The agency does not have a system or process to analyze placement disruptions and use that information to improve ongoing placement activity and outcomes. DFPS also reports that licensed providers do not give DFPS accurate or timely data about placement availability, despite contract requirements. The agency reports the lack of placement capacity complicates enforcement of these requirements.
- 32. **Rate Limitations.** Recommendations add rider to provide limitations related to payment rates and require the agency to seek approval from the LBB and the Governor to add or change rates if appropriations would be exceeded. Requirements are similar to those included in Special Provisions Related to All Health and Human Services Agencies.

#### **Deleted Riders**

- 4. **Appropriation of Funds from Counties, Cities, and Other Local Sources.** Recommendations move the authority to Special Provisions Relating to All Health and Human Services Agencies, as the Department of State Health Services and Health and Human Services Commission have identical authority.
- 11. **Adult Protective Services and Mental Health and Intellectual Disability Investigations.** Recommendations delete rider due to duplicative requirement for federal funds maximization.
- 12. **Unexpended Balances Within the Biennium for Prevention Services Programs.** Recommendations delete authority for unexpended balances within the biennium with notification and would require the agency to seek approval to transfer unexpended balances within the biennium in accordance with Article IX, Sec.14.05, Unexpended Balance Authority Between Fiscal Years within the Same Biennium.
- 19. **Juvenile Probation Foster Care Candidates.** Recommendations delete requirement for DFPS and the Texas Juvenile Justice Department (TJJD) to maximize certain federal funds since the two agencies implemented policies and practices to address this requirement.

20. **Limitation on Appropriation for Day Care Services.** Recommendations delete rider and transfer limitations to Rider 7, Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care.
27. **At Risk Prevention Program and Services.** Recommendations delete rider due to the duplicative requirement in statute.
32. **Contingency for Senate Bill 1758.** Recommendations delete rider as the provisions of the contingency were met and funding is continued in recommendations.
33. **Contingency for Senate Bill 11.** Recommendations delete rider as the provisions of the contingency were implemented.
34. **Child Protective Services Special Investigators.** Recommendations delete rider since the agency incorporated requirement in its practice.
35. **Contingency for Community-based Foster Care Appropriations.** Recommendations delete rider due to a partial implementation for required outsourced services.
36. **Prevention and Early Intervention Full-time Equivalents.** Recommendations delete rider that identifies funding and FTE for the Office of Child Safety for Child Maltreatment because the agency incorporated requirement in its practice.
38. **Contingency for Senate Bill 203.** Recommendations delete rider as the provisions of the contingency were met and funding is included in the recommendation.
41. **Federal Funds Maximization.** Recommendations delete rider as one time reporting requirement was fulfilled.
43. **Information Management Protecting Adults and Children in Texas (IMPACT) Appropriation.** Recommendations delete rider as one-time funding was implemented.
45. **Study on Provision of Services to Victims of Sex Trafficking in Foster Care.** Recommendations delete one-time reporting requirement.
47. **Contingency for SB 1208.** Recommendations delete rider as the provisions of the contingency were met and funding is included in recommendations.

**Family and Protective Services, Department of  
Items Not Included in Recommendations - House**

		2020-21 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2022-23
		GR & GR-D	All Funds	FTEs			
<b>Agency Exceptional Items - In Agency Priority Order</b>							
1)	Maintain Current Caseloads for Child Protective Services and Child Protective Investigations Caseworkers and Statewide Intake	\$80,383,161	\$86,791,000	634.5	No	No	\$126,590,775
2)	Maintain Current Client Services	\$59,713,888	\$66,133,039	0.0	No	Yes	\$83,986,914
3)	Strengthen Agency Operations	\$10,539,516	\$11,495,499	69.0	No	No	\$16,850,853
4)	Improve Outcomes by Retaining APS Caseworkers and SWI Intake Specialists	\$23,124,406	\$23,856,956	0.0	No	No	\$35,895,534
5)	Child Protective Services Initiatives and Operations	\$17,935,873	\$19,724,766	122.0	No	Yes	\$28,625,130
6)	Sustain and Expand Community Based Care	\$73,878,007	\$79,111,451	147.0	No	Yes	\$111,156,426
7)	Child Protective Investigations Initiatives and Operations	\$9,352,276	\$9,732,317	71.0	No	No	\$12,335,778
8)	Expanded Prevention and Early Intervention Programs	\$29,982,017	\$30,001,276	10.0	No	Yes	\$44,953,395
9)	M.D. Lawsuit	\$22,464,486	\$23,548,843	80.7	No	No	\$252,634
<b>TOTAL Items Not Included in Recommendations</b>		<b>\$327,373,630</b>	<b>\$350,395,147</b>	<b>1,134.2</b>			<b>\$460,647,439</b>

**Family and Protective Services, Department of  
Appendices - House**

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\* Appendix is not included - no significant information to report

\*\* Information is included in the presentation section of the packet

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
<b>STATEWIDE INTAKE SERVICES A.1.1</b>	<b>\$44,906,907</b>	<b>\$45,903,260</b>	<b>\$996,353</b>	<b>2.2%</b>	Recommendations include an increase primarily for salaries related to the agency's plan to hire all vacant positions (\$0.3 million in All Funds) and reflect agency requested reallocation of expenditures related to the Automated Call Distributor (\$0.7 million in All Funds) from Strategy E.1.4, IT Program Support.
GENERAL REVENUE FUNDS	\$19,142,988	\$19,902,310	\$759,322	4.0%	
FEDERAL FUNDS	\$25,763,919	\$26,000,950	\$237,031	0.9%	
<b>Total, Goal A, STATEWIDE INTAKE SERVICES</b>	<b>\$44,906,907</b>	<b>\$45,903,260</b>	<b>\$996,353</b>	<b>2.2%</b>	
<b>CPS DIRECT DELIVERY STAFF B.1.1</b>	<b>\$1,445,087,834</b>	<b>\$1,478,091,278</b>	<b>\$33,003,444</b>	<b>2.3%</b>	Recommendations reflect a net \$33.0 million increase in All Funds to fund additional caseworkers and related staff to maintain certain caseload per caseworker ratios. (See also Selected Fiscal and Policy Issues #3 and #4)
					Recommendations for the LBB 2018-19 Base includes the transfer of \$22.1 million in All Funds primarily for start-up costs and resource transfers payments for Regions 3B, 2, and 8A to new Strategy B.1.12, Community-based Care Payments.
GENERAL REVENUE FUNDS	\$997,423,742	\$1,016,009,208	\$18,585,466	1.9%	
FEDERAL FUNDS	\$438,037,355	\$451,920,150	\$13,882,795	3.2%	
OTHER FUNDS	\$9,626,737	\$10,161,920	\$535,183	5.6%	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
<b>CPS PROGRAM SUPPORT B.1.2</b>	<b>\$90,317,999</b>	<b>\$89,541,930</b>	<b>(\$776,069)</b>	<b>(0.9%)</b>	Recommendations reflect the removal of one-time funding for start-up costs for the Family-based Safety Services pilot program (\$0.3 million in General Revenue), a reduction related to the agency's initiative to reduce background check costs (\$0.3 million in General Revenue), and the agency's request to reallocate contract expenditures related to pre-permanency and post-permanency evaluation to E.1.1, Central Administration (\$0.1 million in Other Funds).
GENERAL REVENUE FUNDS	\$41,062,587	\$38,384,130	(\$2,678,457)	(6.5%)	
FEDERAL FUNDS	\$48,943,216	\$50,951,940	\$2,008,724	4.1%	
OTHER FUNDS	\$312,196	\$205,860	(\$106,336)	(34.1%)	
<b>TWC CONTRACTED DAY CARE B.1.3</b>	<b>\$182,241,960</b>	<b>\$197,539,038</b>	<b>\$15,297,078</b>	<b>8.4%</b>	Recommendations reflect a \$15.3 million increase in All Funds to reflect LBB forecast. The increase is primarily related to maintaining a full biennium rate increase and projected caseload growth. The increase would be funded entirely with Federal Funds, \$1.8 million in additional Title IV-E Federal Funds and \$13.4 million in additional CCDBG Federal Funds. (See also Selected Fiscal and Policy Issue #1).
GENERAL REVENUE FUNDS	\$85,139,039	\$85,139,039	\$0	0.0%	
FEDERAL FUNDS	\$97,102,921	\$112,399,999	\$15,297,078	15.8%	
<b>ADOPTION PURCHASED SERVICES B.1.4</b>	<b>\$21,864,795</b>	<b>\$19,563,842</b>	<b>(\$2,300,953)</b>	<b>(10.5%)</b>	Recommendations includes a decrease of \$2.3 million in All Funds which reflects the agency's request to maintain fiscal year 2019 appropriation levels. (See also Selected Fiscal and Policy Issue #3)
GENERAL REVENUE FUNDS	\$12,547,085	\$9,681,178	(\$2,865,907)	(22.8%)	
FEDERAL FUNDS	\$9,317,710	\$9,882,664	\$564,954	6.1%	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
<b>POST - ADOPTION/POST - PERMANENCY B.1.5</b>	<b>\$8,431,962</b>	<b>\$6,976,442</b>	<b>(\$1,455,520)</b>	<b>(17.3%)</b>	Recommendations reflect a decrease of \$1.3 million in General Revenue primarily for a one-time transfer from B.1.1, CPS Direct Delivery Staff in fiscal year 2018 for additional purchased client services and a decrease of \$0.2 million in General Revenue for the agency's request to maintain 2018-19 All Funds appropriation levels.
GENERAL REVENUE FUNDS	\$3,400,034	\$2,119,414	(\$1,280,620)	(37.7%)	
FEDERAL FUNDS	\$5,031,928	\$4,857,028	(\$174,900)	(3.5%)	
<b>PAL PURCHASED SERVICES B.1.6</b>	<b>\$17,899,148</b>	<b>\$17,987,420</b>	<b>\$88,272</b>	<b>0.5%</b>	Recommendations reflect an increase of \$0.1 million in All Funds related to LBB's recommended reallocation of PAL purchased services expenditures in fiscal year 2018 to new Strategy B.1.12, Community-based Care for the 2020-21 biennium. (See also Selected Fiscal and Policy Issues #3)
GENERAL REVENUE FUNDS	\$2,439,837	\$2,458,259	\$18,422	0.8%	
FEDERAL FUNDS	\$15,457,311	\$15,527,161	\$69,850	0.5%	
<b>SUBSTANCE ABUSE PURCHASED SERVICES B.1.7</b>	<b>\$26,357,005</b>	<b>\$16,344,380</b>	<b>(\$10,012,625)</b>	<b>(38.0%)</b>	Recommendations reflect a decrease of \$10.0 million in General Revenue primarily for a one-time transfer from B.1.1, CPS Direct Delivery Staff in fiscal year 2018 for additional purchased client services. Recommendations maintain 2018-19 appropriated levels.
GENERAL REVENUE FUNDS	\$25,850,547	\$15,837,922	(\$10,012,625)	(38.7%)	
FEDERAL FUNDS	\$506,458	\$506,458	\$0	0.0%	
<b>OTHER CPS PURCHASED SERVICES B.1.8</b>	<b>\$82,617,671</b>	<b>\$78,271,948</b>	<b>(\$4,345,723)</b>	<b>(5.3%)</b>	Recommendations reflect a decrease of \$4.3 million in General Revenue primarily for a one-time transfer from B.1.1, CPS Direct Delivery Staff in fiscal year 2018 for additional purchased client services. Recommendations maintain 2018-19 appropriated levels. (See also Selected Fiscal and Policy Issue #3)
GENERAL REVENUE FUNDS	\$47,296,211	\$42,941,400	(\$4,354,811)	(9.2%)	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
FEDERAL FUNDS	\$35,321,460	\$35,330,548	\$9,088	0.0%	
<b>FOSTER CARE PAYMENTS B.1.9</b>	<b>\$878,870,620</b>	<b>\$779,127,440</b>	<b>(\$99,743,180)</b>	<b>(11.3%)</b>	<p>Recommendations provide \$779.1 million in All Funds (\$343.2 million in General Revenue) for foster care payments to reflect LBB forecast.</p> <p>Recommendations also reflect an LBB reallocation of \$266.9 million in All Funds to new Strategy B.1.12, Community-based Care Payments for foster care and network support payments.</p> <p>Recommendations also reflect \$4.3 million in All Funds (\$4.0 million in General Revenue for Temporary Emergency Placements.</p> <p>(See also Selected Fiscal and Policy Issues #1, #3 and Supplemental Schedule 1)</p>
GENERAL REVENUE FUNDS	\$393,090,709	\$343,247,003	(\$49,843,706)	(12.7%)	
FEDERAL FUNDS	\$484,234,233	\$434,334,759	(\$49,899,474)	(10.3%)	
<b>ADOPTION/PCA PAYMENTS B.1.10</b>	<b>\$565,626,416</b>	<b>\$612,413,881</b>	<b>\$46,787,465</b>	<b>8.3%</b>	<p>Recommendations reflect a net increase of \$46.8 million in All Funds to reflect LBB forecast, primarily due to increased caseload projections for both adoption subsidies and permanency care assistance.</p> <p>(See also Selected Fiscal and Policy Issue #1 and Supplemental Schedule 2)</p>
GENERAL REVENUE FUNDS	\$285,285,049	\$281,904,331	(\$3,380,718)	(1.2%)	Recommendations reflect a net decrease of \$3.4 million in General Revenue related to caseload growth (\$24.3 million), offset by a more favorable Federal Match Assistance Percentage (\$20.2 million) and increased Title IV-E eligibility (\$7.5 million).
FEDERAL FUNDS	\$280,341,367	\$330,509,550	\$50,168,183	17.9%	



**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
<b>RELATIVE CAREGIVER PAYMENTS B.1.11</b>	<b>\$72,847,105</b>	<b>\$80,576,584</b>	<b>\$7,729,479</b>	<b>10.6%</b>	Recommendations include an increase of \$11.8 million in General Revenue to reflect LBB forecast, for projected caseload growth and reduced TANF eligibility. A decline of \$4.1 million in Federal Funds is due to reduced TANF eligibility offset by caseload growth. (See also Selected Fiscal and Policy Issue #1)
GENERAL REVENUE FUNDS	\$46,325,716	\$58,135,164	\$11,809,448	25.5%	
FEDERAL FUNDS	\$26,521,389	\$22,441,420	(\$4,079,969)	(15.4%)	
<b>COMMUNITY-BASED CARE PAYMENTS B.1.12</b>	<b>\$168,873,850</b>	<b>\$326,306,685</b>	<b>\$157,432,835</b>	<b>93.2%</b>	Recommendations provide an increase of \$114.5 million in All funds for foster care payments, \$7.2 million in General Revenue for network support payments and \$38.7 million in All Funds for resource transfer payments. Also included, is a reduction of \$2.0 million in All Funds for one-time start-up costs for Regions 2 and 8A. (See Selected Fiscal and Policy Issues #1 and #3)
GENERAL REVENUE FUNDS	\$92,936,291	\$181,990,315	\$89,054,024	95.8%	
FEDERAL FUNDS	\$75,937,559	\$144,316,370	\$68,378,811	90.0%	
<b>Total, Goal B, CHILD PROTECTIVE SERVICES</b>	<b>\$3,561,036,365</b>	<b>\$3,702,740,868</b>	<b>\$141,704,503</b>	<b>4.0%</b>	
<b>STAR PROGRAM C.1.1</b>	<b>\$48,624,721</b>	<b>\$48,624,721</b>	<b>\$0</b>	<b>0.0%</b>	Recommendations reflect the agency's request to reallocate General Revenue and General Revenue-Dedicated Account No. 5084, Child Abuse and Neglect Operating Fund to Strategy C.1.4, Other At-Risk Prevention Programs to more closely align eligible expenditures with Family Code section, 265.052. Recommendations maintain 2018-19 appropriated levels.
GENERAL REVENUE FUNDS	\$30,248,178	\$41,619,581	\$11,371,403	37.6%	
GR DEDICATED	\$11,371,403	\$0	(\$11,371,403)	(100.0%)	
FEDERAL FUNDS	\$7,005,140	\$7,005,140	\$0	0.0%	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

Strategy/Fund Type/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
<b>CYD PROGRAM C.1.2</b>	<b>\$16,845,118</b>	<b>\$16,845,117</b>	<b>(\$1)</b>	<b>(0.0%)</b>	
GENERAL REVENUE FUNDS	\$12,321,903	\$12,321,903	\$0	0.0%	
FEDERAL FUNDS	\$4,523,215	\$4,523,214	(\$1)	(0.0%)	
<b>CHILD ABUSE PREVENTION GRANTS C.1.3</b>	<b>\$7,163,904</b>	<b>\$6,574,786</b>	<b>(\$589,118)</b>	<b>(8.2%)</b>	Recommendations reflect a decrease related to the agency's timing of expending the Community-based Child Abuse Prevention federal grant award. No decline in service levels for this program are expected.
GENERAL REVENUE FUNDS	\$327,383	\$48,838	(\$278,545)	(85.1%)	Recommendations reflect agency requested reallocation to Strategy C.1.6, At-Risk Prevention Program Support to align funding streams with agency's initiatives.
FEDERAL FUNDS	\$6,817,121	\$6,506,548	(\$310,573)	(4.6%)	
<b>OTHER AT-RISK PREVENTION PROGRAMS C.1.4</b>	<b>\$52,018,989</b>	<b>\$59,179,881</b>	<b>\$7,160,892</b>	<b>13.8%</b>	
GENERAL REVENUE FUNDS	\$52,018,989	\$47,808,478	(\$4,210,511)	(8.1%)	Recommendations reflect the agency's request to reallocate \$11.4 million in General Revenue-Dedicated Funds to Strategy C.1.1, STAR Program, offset by a increase of \$7.2 million in All Funds related to the agency's request to reallocate General Revenue from Strategy C.1.5, Home Visiting Program for the programs not eligible for TANF.
GR DEDICATED	\$0	\$11,371,403	\$11,371,403	100.0%	Recommendations reflect the agency's request to reallocate General Revenue Dedicated-Account No. 5084, Child Abuse and Neglect Operating Fund from Strategy C.1.1, Star Program to more closely align eligible expenditures with Family Code section, 265.052.
<b>HOME VISITING PROGRAMS C.1.5</b>	<b>\$70,487,394</b>	<b>\$63,319,104</b>	<b>(\$7,168,290)</b>	<b>(10.2%)</b>	Recommendations reflect the agency's request to reallocate \$7.2 million in General Revenue to Strategy C.1.4, Other At-Risk Prevention Programs and retain TANF eligible programs in this Strategy.
GENERAL REVENUE FUNDS	\$13,595,338	\$6,435,338	(\$7,160,000)	(52.7%)	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
FEDERAL FUNDS	\$56,892,056	\$56,883,766	(\$8,290)	(0.0%)	
<b>AT-RISK PREVENTION PROGRAM SUPPORT C.1.6</b>	<b>\$14,804,380</b>	<b>\$14,881,376</b>	<b>\$76,996</b>	<b>0.5%</b>	
GENERAL REVENUE FUNDS	\$9,098,605	\$9,376,258	\$277,653	3.1%	Recommendations include an increase of \$0.3 million in General Revenue primarily for salaries related to the agency's plan to hire all vacant positions.
FEDERAL FUNDS	\$5,705,775	\$5,505,118	(\$200,657)	(3.5%)	Recommendations include a decrease of \$0.2 million in Federal Funds due to an agency expected reduction in the Community-based Resource Centers, and Maternal, Infant and Early Childhood Home Visiting grant programs.
<b>Total, Goal C, PREVENTION PROGRAMS</b>	<b>\$209,944,506</b>	<b>\$209,424,985</b>	<b>(\$519,521)</b>	<b>(0.2%)</b>	
<b>APS DIRECT DELIVERY STAFF D.1.1</b>	<b>\$95,002,174</b>	<b>\$95,062,104</b>	<b>\$59,930</b>	<b>0.1%</b>	
GENERAL REVENUE FUNDS	\$64,795,597	\$65,090,978	\$295,381	0.5%	
FEDERAL FUNDS	\$30,106,135	\$29,868,488	(\$237,647)	(0.8%)	
OTHER FUNDS	\$100,442	\$102,638	\$2,196	2.2%	
<b>APS PROGRAM SUPPORT D.1.2</b>	<b>\$9,068,326</b>	<b>\$8,969,026</b>	<b>(\$99,300)</b>	<b>(1.1%)</b>	
GENERAL REVENUE FUNDS	\$5,012,565	\$4,717,184	(\$295,381)	(5.9%)	
FEDERAL FUNDS	\$4,039,761	\$4,235,842	\$196,081	4.9%	
<b>APS PURCHASED EMERGENCY CLIENT SVCS D.1.3</b>	<b>\$18,799,637</b>	<b>\$18,799,637</b>	<b>\$0</b>	<b>0.0%</b>	
GENERAL REVENUE FUNDS	\$4,949,523	\$4,949,523	\$0	0.0%	
FEDERAL FUNDS	\$13,850,114	\$13,850,114	\$0	0.0%	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

Strategy/Fund Type/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
<b>Total, Goal D, ADULT PROTECTIVE SERVICES</b>	<b>\$122,870,137</b>	<b>\$122,830,767</b>	<b>(\$39,370)</b>	<b>(0.0%)</b>	Recommendations for Adult Protective Services are slightly below 2018-19 expenditure levels based on the agency's baseline request.
<b>CENTRAL ADMINISTRATION E.1.1</b>	<b>\$53,158,697</b>	<b>\$54,056,596</b>	<b>\$897,899</b>	<b>1.7%</b>	
GENERAL REVENUE FUNDS	\$30,007,869	\$31,621,524	\$1,613,655	5.4%	Recommendations reflect the agency's plan to hire all vacant positions.
FEDERAL FUNDS	\$22,391,272	\$22,301,810	(\$89,462)	(0.4%)	
OTHER FUNDS	\$759,556	\$133,262	(\$626,294)	(82.5%)	Recommendations reflect a decrease of \$0.6 million for the Human Trafficking Initiative Grant with the Governor's Office ending.
<b>OTHER SUPPORT SERVICES E.1.2</b>	<b>\$30,620,252</b>	<b>\$30,731,544</b>	<b>\$111,292</b>	<b>0.4%</b>	Recommendations reflect a decrease of \$0.1 million to reflect the agency's request to reallocate FTEs and related funding to Strategies E.1.1, Central Administration and E.1.4, IT Program Support, offset by an increase of \$0.2 million in expected travel expenses.
GENERAL REVENUE FUNDS	\$19,143,483	\$19,543,632	\$400,149	2.1%	
FEDERAL FUNDS	\$11,410,886	\$11,187,912	(\$222,974)	(2.0%)	
OTHER FUNDS	\$65,883	\$0	(\$65,883)	(100.0%)	
<b>REGIONAL ADMINISTRATION E.1.3</b>	<b>\$1,988,066</b>	<b>\$1,995,026</b>	<b>\$6,960</b>	<b>0.4%</b>	
GENERAL REVENUE FUNDS	\$667,349	\$707,346	\$39,997	6.0%	
FEDERAL FUNDS	\$1,320,717	\$1,287,680	(\$33,037)	(2.5%)	
<b>IT PROGRAM SUPPORT E.1.4</b>	<b>\$85,639,526</b>	<b>\$87,781,540</b>	<b>\$2,142,014</b>	<b>2.5%</b>	Recommendations include an increase of \$2.1 million in All Funds primarily related to the agency's plan to hire all vacant positions. Also, recommendations include a decrease of \$0.7 million in General Revenue for the agency requested reallocation of expenditures related to the Automated Call Distributor to Strategy A.1.1, Statewide Intake Services.
GENERAL REVENUE FUNDS	\$50,749,820	\$50,057,712	(\$692,108)	(1.4%)	
FEDERAL FUNDS	\$33,889,706	\$36,723,828	\$2,834,122	8.4%	

**Family and Protective Services, Department of  
Funding Changes and Recommendations - House**

<b>Strategy/Fund Type/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
OTHER FUNDS	\$1,000,000	\$1,000,000	\$0	0.0%	
<b>Total, Goal E, INDIRECT ADMINISTRATION</b>	<b>\$171,406,541</b>	<b>\$174,564,706</b>	<b>\$3,158,165</b>	<b>1.8%</b>	
<b>AGENCY-WIDE AUTOMATED SYSTEMS F.1.1</b>	<b>\$64,927,078</b>	<b>\$48,403,593</b>	<b>(\$16,523,485)</b>	<b>(25.4%)</b>	<p>Recommendations include a decrease for the following:                      \$4.2 million for one-time funding for IMPACT and CLASS capital budget upgrades;                      \$3.8 million of the agency's baseline request for a new capital budget project, Provider Placement Portal;                      \$0.1 million for agency requested additional administrative costs;                      \$6.6 million due to the expected transfer of two capital projects related to Children Care Licensing to HHSC by the end of fiscal 2019; and                      \$2.3 million for IMPACT related contracting ending at the end of fiscal year 2019.</p> <p>Also, included is also an increase of \$0.5 million in All Funds for data centers for current obligations.                      (See also Selected Fiscal and Policy Issues #7 and #8).</p>
GENERAL REVENUE FUNDS	\$44,648,449	\$32,275,508	(\$12,372,941)	(27.7%)	
FEDERAL FUNDS	\$20,278,629	\$16,128,085	(\$4,150,544)	(20.5%)	
<b>Total, Goal F, AGENCY-WIDE AUTOMATED SYSTEMS</b>	<b>\$64,927,078</b>	<b>\$48,403,593</b>	<b>(\$16,523,485)</b>	<b>(25.4%)</b>	
<b>Grand Total, All Agency</b>	<b>\$4,175,091,534</b>	<b>\$4,303,868,179</b>	<b>\$128,776,645</b>	<b>3.1%</b>	

**Family and Protective Services, Department of**  
**Summary of Federal Funds - House**  
(Dollar amounts in Millions)

Appendix B

Program	Est 2018	Bud 2019	Rec 2020	Rec 2021	2018-19 Base	2020-21 Rec	2020-21 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Temporary Assistance for Needy Families	\$354.3	\$350.4	\$358.4	\$358.2	\$704.7	\$716.6	38.6%	\$11.9	1.7%
Foster Care Title IV-E	\$198.0	\$202.3	\$208.7	\$212.3	\$400.3	\$421.0	22.7%	\$20.7	5.2%
Adoption Assistance	\$138.6	\$148.0	\$158.9	\$168.7	\$286.7	\$327.6	17.7%	\$40.9	14.3%
Child Care and Development Block Grant	\$38.3	\$47.1	\$49.2	\$49.6	\$85.4	\$98.8	5.3%	\$13.4	15.8%
Promoting Safe and Stable Families	\$30.5	\$31.3	\$31.3	\$31.3	\$61.8	\$62.5	3.4%	\$0.7	1.2%
Social Services Block Grant	\$29.2	\$29.0	\$29.0	\$29.0	\$58.2	\$58.0	3.1%	(\$0.2)	(0.4%)
Child Welfare Services State Grants	\$24.0	\$24.0	\$24.0	\$24.0	\$48.1	\$48.1	2.6%	\$0.0	0.0%
Maternal, Infant and Early Childhood Home Visiting Grant Program	\$17.1	\$17.2	\$17.2	\$17.2	\$34.3	\$34.4	1.9%	\$0.1	0.3%
Guardianship Assistance	\$7.8	\$9.0	\$10.6	\$12.1	\$16.8	\$22.7	1.2%	\$5.9	35.4%
Medical Assistance Program 50%	\$10.8	\$11.3	\$11.1	\$11.2	\$22.1	\$22.3	1.2%	\$0.3	1.2%
Independent Living	\$8.8	\$8.9	\$9.4	\$9.4	\$17.8	\$18.8	1.0%	\$1.0	5.7%
All Other Grants	\$12.5	\$12.3	\$11.8	\$12.4	\$24.7	\$24.2	1.3%	(\$0.5)	(2.2%)
<b>TOTAL:</b>	<b>\$869.9</b>	<b>\$890.9</b>	<b>\$919.6</b>	<b>\$935.4</b>	<b>\$1,760.7</b>	<b>\$1,855.0</b>	<b>100.0%</b>	<b>\$94.2</b>	<b>5.4%</b>

**Family and Protective Services, Department of  
Summary of Ten Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs				
1)	Reduce Prevention Services	<p><b>According to the agency:</b> The General Revenue reduction of \$10.6 million would impact four Prevention and Early Intervention (PEI) programs that support the development and protection of young children: Services To At-Risk Youth (STAR), Community Youth Development (CYD), Project Healthy Outcomes through Prevention and Early Support (HOPES), and Texas Home Visiting (THV). The biennial impact of these reductions is estimated to be: STAR 3,447 fewer clients served, CYD 5,322 fewer clients served, HOPES 675 fewer clients served, and THV 681 fewer clients served.</p> <p><i>See also Options 3 and 4.</i></p>	\$10,601,280	\$10,601,280	0.0	\$0	*	*	No
2)	Reduce IT Program Support	<p><b>According to the agency:</b> The General Revenue reduction of \$4.9 million would impact IT support for prevention services as well as on-going expenses associated with outsourced services. This reduction would delay important IT projects and may impact services delivery. It may also impact DFPS' ability to completely pay the IT portion of the HHSC Assessment, which may result in either an HHSC shortfall or a reduction in services at DFPS.</p>	\$4,904,004	\$4,904,004	0.0	\$480,396	100%	\$4,904,004	No
3)	Reduce Prevention Services	<p><b>According to the agency:</b> The General Revenue reduction of \$10.6 million would impact four Prevention and Early Intervention (PEI) programs that support the development and protection of young children: Services To At-Risk Youth (STAR), Community Youth Development (CYD), Project Healthy Outcomes through Prevention and Early Support (HOPES), and Texas Home Visiting (THV). The biennial impact of these reductions is estimated to be: STAR 3,447 fewer clients served, CYD 5,322 fewer clients served, HOPES 675 fewer clients served, and THV 681 fewer clients served.</p> <p><i>See also Options 1 and 4. The reduction would be in addition to the reduction in Option 1.</i></p>	\$10,601,280	\$10,601,280	0.0	\$0	*	*	No

**Family and Protective Services, Department of  
Summary of Ten Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Program GR/GR-D Total	Included in Introduced Bill
			GR & GR-D	All Funds	FTEs				
4)	Reduce Prevention Services	<p><b>According to the agency:</b> The reduction includes \$9.5 million in General Revenue and \$1.1 million in General Revenue-Dedicated Account No. 5084, Child Abuse Neglect and Prevention Operating, and would impact four Prevention and Early Intervention (PEI) programs that support the development and protection of young children: Services To At-Risk Youth (STAR), Community Youth Development (CYD), Project Healthy Outcomes through Prevention and Early Support (HOPES), and Texas Home Visiting (THV). The biennial impact of these reductions is estimated to be: STAR 3,447 fewer clients served, CYD 5,322 fewer clients served, HOPES 675 fewer clients served, and THV 681 fewer clients served.</p> <p><i>See also Options 1 and 3. The reduction would be in addition to the reductions in Option 1 and 3.</i></p>	\$10,601,282	\$10,601,282	0.0	\$0	*	*	No

\* Reduction affects multiple program area

<b>TOTAL, 10% Reduction Options</b>			<b>\$36,707,846</b>	<b>\$36,707,846</b>	<b>0.0</b>	<b>\$480,396</b>			
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