

AFDC – Foster Care

DESCRIPTION OF MAJOR SERVICES

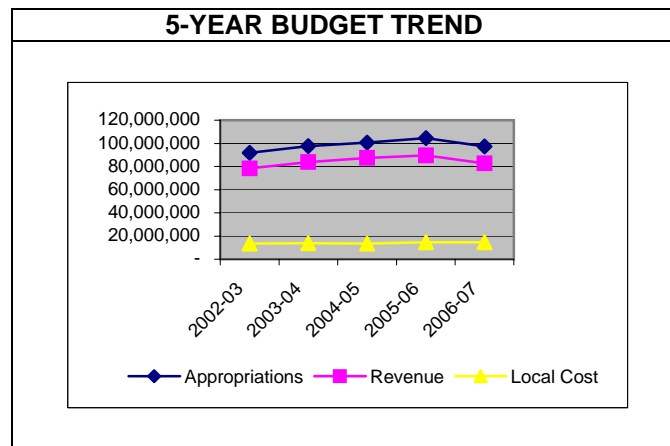
This program provides aid payments for children living in foster homes and group-care facilities. The Foster Care caseload consists of cases from both the Department of Children's Services (DCS) (approximately 90%) and Probation (approximately 10%). The cost of Probation related foster care cases is approximately 4.5 times greater than DCS cases due to the higher levels of care required for these juveniles.

There are two funding eligibility criteria in the Foster Care Program, federal (federal, state and county participation) and non-federal (state and county only). Foster Care placements are generally eligible for federal financial participation if the parents meet the previous Aid to Families with Dependent Children (AFDC) Program criteria.

- For federally eligible (federal) cases, the cost-sharing ratios are approximately 43% federal, 22% state, and 35% county.
- For non-federally eligible (non-federal) cases, the cost-sharing ratio is 40% state and 60% county.
- All county share-of-cost is mandated and is reimbursed from Social Services Realignment and the county general fund.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Modified Budget	2005-06 Actual
Appropriation	91,022,763	96,259,224	96,488,529	104,436,782	94,195,015
Departmental Revenue	77,072,926	82,481,186	82,904,560	89,700,112	79,357,104
Local Cost	13,929,837	13,778,038	13,583,969	14,736,670	14,837,911

Expenditures for the Foster Care program were \$10.2 million below 2005-06 budget. This can be attributed to:

- ◆ Caseload Decreases - Foster Care caseload has experienced a slow, steady decline in recent years, partly due to cases moving out of the Foster Care program and into the Kin-Gap program. A decrease in the number of petitions filed also contributes to caseload decline. A sudden decrease in Federal cases during the 1st half of 2005-06 contributed to most of the \$10.2 million expenditure savings. While the number of Federal cases had been budgeted to decrease less than 1% during 2005-06 they actually decreased 7%.



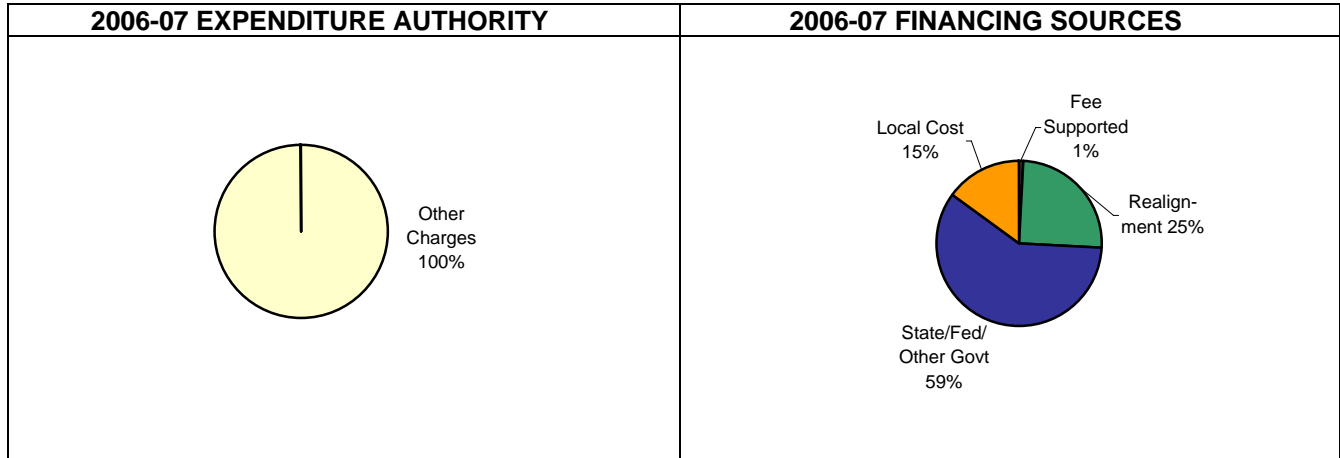
- ◆ Slower than projected increases in case costs - In FY 2004-05, the Department of Children's Services implemented a "Family to Family" program. One of its goals is to place children foster homes within their own neighborhoods. This reduces the need for placements in more costly FFAs and Group Homes. This appears to have slowed the increase in cost per case. Compared to the prior year, 2005-06 case costs for Federal cases increased less than 1% (a 5% increase had been budgeted) and case costs for Non-Federal cases decreased 7%.

The aforementioned caseload decreases and cost savings resulted in savings of \$5.6 million of Social Services Realignment Revenue. This savings has helped slow the exhaustion of the Social Services Realignment that had been predicted at the beginning of the 2005-06 budget year.

Year-end accounting entries were made within this budget unit in an effort to save as much Social Services Realignment Revenue as possible while remaining within overall local cost targets (including the Administrative Claim budget unit and all Subsistence budget units). As a result, actual local cost exceeded budget by \$0.1 million.



ANALYSIS OF FINAL BUDGET



GROUP: Human Services System
DEPARTMENT: AFDC - FOSTER CARE
FUND: General

BUDGET UNIT: AAB BHI
FUNCTION: Public Assistance
ACTIVITY: Aid Programs

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2005-06 Final Budget	2006-07 Final Budget	Change From 2005-06 Final Budget
Appropriation							
Other Charges	89,997,261	95,390,547	95,519,773	93,317,246	103,453,482	97,376,873	(6,076,609)
Transfers	1,005,502	868,677	968,756	877,769	983,300	-	(983,300)
Total Appropriation	91,002,763	96,259,224	96,488,529	94,195,015	104,436,782	97,376,873	(7,059,909)
Departmental Revenue							
Realignment	23,294,864	23,778,136	25,839,465	20,934,763	26,529,670	24,345,072	(2,184,598)
State, Fed or Gov't Aid	53,000,334	57,770,706	56,225,689	57,335,742	62,470,442	57,509,758	(4,960,684)
Current Services	745,777	827,040	819,252	1,060,578	700,000	800,000	100,000
Other Revenue	31,951	105,304	20,154	26,021	-	-	-
Total Revenue	77,072,926	82,481,186	82,904,560	79,357,104	89,700,112	82,654,830	(7,045,282)
Local Cost	13,929,837	13,778,038	13,583,969	14,837,911	14,736,670	14,722,043	(14,627)

Foster Care caseload has experienced a decline in recent years, partly due to cases shifting from the Foster Care program into the Kin-Gap program. After experiencing accelerated caseload decreases in the first half of 2005-06, the department projects that the rate of decrease will slow in 2006-07. Federal cases are projected to remain stable at the 2005-06 levels. Non-federal cases are projected to increase less than 1% over the 2005-06 levels.

It is predicted that the costs for these cases will continue to increase. Based on the average increase of the last three years, it is projected that the cost per case in 2006-07 will increase approximately 2% over the actual 2005-06 costs.

FINAL BUDGET CHANGES

The Board approved an appropriation and realignment revenue decrease of \$1,024,000 for the cost of Probation Foster Youth placed in the Fouts Springs Youth Camp. This precludes the need to reimburse Probation from this budget unit and results in equivalent savings in Realignment funds. The Fouts Springs Youth Camp is now funded from general fund financing.

