

AFDC – Foster Care

DESCRIPTION OF MAJOR SERVICES

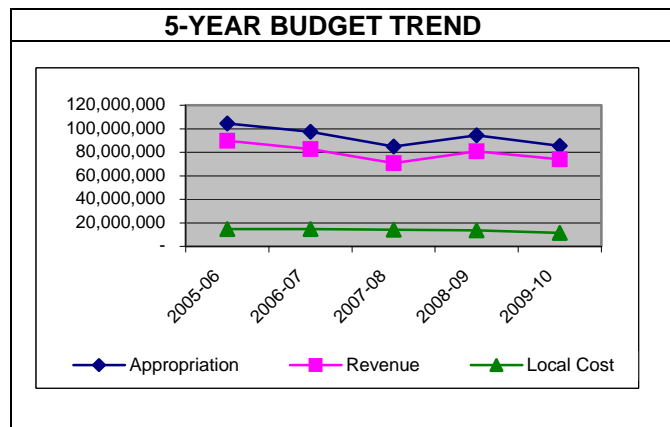
This program provides aid payments for children living in foster homes and group-care facilities. The Foster Care caseload consists of cases from both Children and Family Services (CFS) (approximately 90%) and Probation (approximately 10%). The cost of Probation related foster care cases is approximately 4.5 times greater than CFS 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 now approximately 44% federal, 22.5% state, and 33.5% 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. Services for this program are provided by staff budgeted in the Human Services (HS) Administration budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Estimate
Appropriation	94,195,015	85,014,346	84,900,721	94,087,086	82,402,303
Departmental Revenue	79,357,104	70,199,472	70,622,768	80,826,584	69,117,939
Local Cost	14,837,911	14,814,874	14,277,953	13,260,502	13,284,364

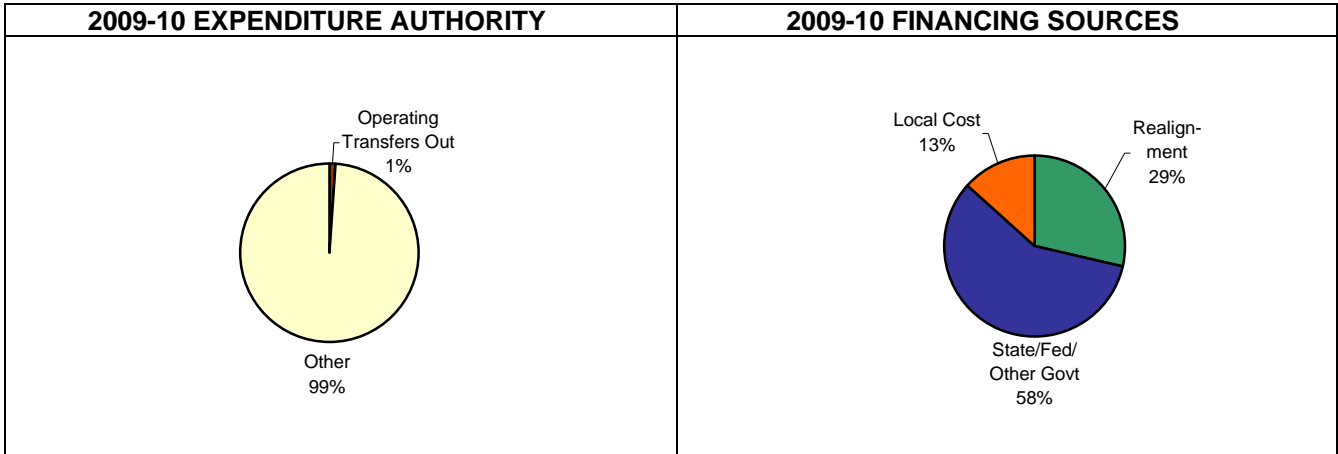
Foster Care has experienced a slow but steady decline in recent years, partly due to cases shifting from the Foster Care program into the Kin-Gap program. A decrease in the number of petitions filed also contributes to the caseload decline.

While federal caseload and grant costs are estimated to be significantly lower than budget, non-federal caseload and grant costs are estimated to be slightly higher than budget. This is, in part, due to a change in the eligibility status of emergency assistance cases from federal to non-federal eligibility. As a result, estimated appropriation and departmental revenue for 2008-09 is estimated to be \$11.7 million less than modified budget, which includes an estimated reduction of \$3.5 million in Social Services Realignment.

Slight changes in revenue classification may cause this budget unit to exceed modified local cost by approximately \$25,000. Local cost savings in other HS Subsistence budget units will be utilized to allow HS to remain within local cost allocations.



ANALYSIS OF PROPOSED BUDGET



GROUP: Human Services
DEPARTMENT: AFDC - Foster Care
FUND: General

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

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Estimate	2008-09 Final Budget	2009-10 Proposed Budget	Change From 2008-09 Final Budget
Appropriation							
Other Charges	93,317,246	85,014,346	84,900,721	81,902,303	94,387,086	84,500,144	(9,886,942)
Transfers	877,769	-	-	-	-	-	-
Total Appropriation	94,195,015	85,014,346	84,900,721	81,902,303	94,387,086	84,500,144	(9,886,942)
Operating Transfers Out	-	-	-	500,000	-	1,000,000	1,000,000
Total Requirements	94,195,015	85,014,346	84,900,721	82,402,303	94,387,086	85,500,144	(8,886,942)
Departmental Revenue							
Realignment	20,934,763	19,736,012	18,081,672	20,901,819	24,377,815	24,335,437	(42,378)
State, Fed or Gov't Aid	57,335,742	49,706,375	51,495,632	47,416,120	55,648,769	48,971,216	(6,677,553)
Current Services	1,060,578	742,337	1,030,425	800,000	800,000	800,000	-
Other Revenue	26,021	14,748	15,039	-	-	-	-
Total Revenue	79,357,104	70,199,472	70,622,768	69,117,939	80,826,584	74,106,653	(6,719,931)
Local Cost	14,837,911	14,814,874	14,277,953	13,284,364	13,560,502	11,393,491	(2,167,011)

Total appropriation for 2009-10 is \$85.5 million, a \$8.9 million decrease and is primarily due to a 25% decrease in federal caseload from the 2008-09 budget. Appropriation consists of:

Other charges of \$84.5 million representing aid payments for children living in foster homes and group-care facilities. Included are expenditures of \$1.2 million for the Transitional Housing Program-Plus (THPP-Plus) that is used to provide support services to youth exiting foster care. The THPP-Plus program is 100% state funded.

Operating transfers out of \$1,000,000, which is in support of a new program this year; the Wraparound Reinvestment Fund (SIN BHI). This fund consists of amounts retained from payments made to contracted Wraparound program agencies. Contracts stipulate that the county will retain 5-10% of the monthly Wraparound Foster Care payment made to these agencies and that these funds be re-invested in a Child Welfare Services Program.

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. This decline has stabilized for non-federal cases, and based on growth in 2008-09, non-federal caseload is projected to increase 17% from the 2008-09 budget.

Costs of Foster Care cases continue to increase. While the average grant for federal cases is projected to remain constant, the average grant for non-federal cases is projected to increase 14% from the 2008-09 budget.



As a result of the decrease in expenditures, revenue is projected to decrease \$6.7 million from 2008-09 budget.

The required local share for this program will be temporarily reduced as a result of a component of the Federal Economic Stimulus legislation passed in March 2009. This legislation temporarily increases the Federal Medical Assistance Percentage (FMAP), which effectively reduces the state and local share.

Estimated local cost savings of \$2.2 million in this budget unit was used to adjust local cost allocations in other HS Subsistence budget units for 2009-10 and allows HS to remain with local cost allocations, overall.

