



Senate Ways and Means Subcommittee
on Social Services

February 11, 2013

Testimony on the Budget

Presented by:

Phyllis Gilmore, Secretary

Kansas Department for Children and Families

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February 11, 2013

Testimony of:

Phyllis Gilmore, Secretary

Kansas Department for Children and Families

Topeka, Kansas

Presented to:

The Honorable Jim Denning, and Honorable Members
of the Senate Ways and Means Social Services Subcommittee:

DCF testimony on Budget

Chairman Denning, Vice-Chair Powell, Ranking Member Kelly and Honored Members:

Good afternoon,

I am Phyllis Gilmore, Secretary of the Kansas Department for Children and Families. I want to thank you for this opportunity to discuss the department's current budget for FY 2013, and the Governor's proposed FY 2014 budget.

Our department continues to work to improve the lives and children of families across the State of Kansas, and to find efficiencies as we do so. I value your input and any recommendations that you may have on how we can deliver more efficiently and be good stewards of the public funds we administer. We believe strong families make a strong Kansas.

I am proud of our agency's accomplishments over the past 11 months that I have been Secretary.

I plan to deliver a brief overview of the Governor's budget proposals for our department, and then stand to answer any questions you may have.

FY 2014 BUDGET REQUEST

The Governor's Budget requests \$608 million All Funds (\$223.5 million SGF) for DCF in FY14. This request breaks down as follows:

- \$205.7 million All Funds (\$112.2 million SGF) for Prevention and Protection Services, that is, direct delivery of social services such as child welfare, Adult Protective Services and adoption direct assistance to Kansans
- \$139.5 million All Funds (\$23.1 million SGF) for Economic and Employment Services. This assistance includes programs such as Temporary Assistance for Needy Families and child care assistance
- \$41 million All Funds (\$6.7 million SGF) for Vocational Rehabilitation Services
- \$42.1 million All Funds (\$18.6 million SGF) for Administration, expenditures such as salaries, postage, utilities, rent. Administration includes all IT projects, Strategic Development and Faith Based Initiatives, Legal Services, Audit Services, and Human Resources
- \$127.5 million All Funds (\$62.7 million SGF) for Regional Offices operations
- \$24.1 million All Funds (\$6,000 SGF) for other services and programs, specifically the Kansas Council on Developmental Disabilities, the Children's Cabinet and capital improvements
- \$27.1 million All Funds (\$8 million Fee Fund) for Child Support Services

In our submitted budget we made the following adjustments:

- Added \$22.1 million SGF and decreased the same amount in Children's Initiative Fund (CIF) due to the projected decline in tobacco revenue
- Removed the FY 2012 re-appropriated funds

- Reduced federal funds by \$32.7 million due to an estimated decline in LIEAP funding of \$18.1 million, declines in TANF Cash Assistance and Child Care caseloads and completion of the KEES Project

The Governor agreed to these base budget initiatives and made the following additional adjustments:

- Included results of the Fall Consensus Caseload Meeting. \$300,000 All Funds (\$2.6 million SGF)
- Accepted the reduced resource of (\$5.7 million All Funds and \$3.2 million SGF) to reduce administration through other operating expense reductions and holding open positions vacant longer
- Accepted the reduced resource to change the Child Care work requirement to 28 hours/week. (\$7.9 million AF and \$4.8 million SGF) (The Governor's budget originally changed the Child Care assistance work requirement to 30 hours a week, but the agency has decided to provide the roughly \$500,000 additional expenditure because the federal Affordable Care Act requires employers to provide health insurance coverage to employees who work 30 or more hours a week. This will discourage employers from increasing the hours of part-time employees such as those who receive Child Care assistance under TANF.)
- Accepted the Children's Cabinet reduced resource to reduce Early Childhood Block Grants by 10 percent (\$1.5 million SGF)
- Reduced SGF by \$20.6 million and shifted expenditures to the CIF to reverse the projected decline in tobacco revenues made in our submitted budget
- Added \$7-million CIF to the Children's Cabinet for the Kansas Reads to Excel program

The Governor's FY 2015 Budget for Department for Children and Families (DCF) is \$611.4 million All Funds and \$227.7 million SGF

- Salary expenditures were increased because of health insurance and other salary indices increases
- Foster Care was increased \$2.8 million and TANF Cash Assistance was decreased \$600,000

I am pleased to answer any questions.

Respectfully submitted,

Phyllis Gilmore
Secretary