GENERAL AGENCY INFORMATION

Kansas Department of Social and Rehabilitation Services (SRS)

AGENCY MISSION:

To protect children and promote adult self-sufficiency.

AGENCY VISION:

a. Strengthen and preserve families (reduce childhood poverty, strengthening families, promoting responsible fatherhood, enhancing adoption)
b. Remove disincentives to marriage
c. Facilitate prompt private sector employment
d. Collaboration with community and faith-based organizations (including schools, churches, businesses, and community organizations)
e. Exhibit strong system of accountability within the agency

AGENCY GUIDING PRINCIPLES:

All of us, everyday, working on behalf of and with Kansans are guided by these principles:

- Act with integrity and respect in our work with customers, partners, and each other;
- Champion customer success;
- Demonstrate leadership without regard to position or title; embrace responsibility, take risks, make decisions, and act to overcome challenges;
- Strive for continuous improvement;
- Demonstrate passion for our mission; and
- Recognize the value of partnerships both within the agency and with community partners to stretch capacity and achieve extraordinary results.

STATUTORY HISTORY:

The Kansas Constitution (Article 7, Section 4) provides for relief to be given to individuals who have claims upon the aid of society. Until 1936, providing such aid was the responsibility of the county governments. The Constitution was amended in 1936 to allow the state to participate in relief programs, and in 1937, the State Welfare Department was created. The Department, supervised by the Board of Social Welfare, was empowered to participate in the programs offered by the Federal Social Security Act (SSA) and to establish welfare programs for the care of the needy.

In 1939, the Division of Institutional Management was created within the Department to supervise the operation of the state hospitals. In 1953, the Department of Social Welfare was reorganized to create two divisions, Social Welfare and Institutional Management. In 1968, the Legislature provided for the transfer of the Division of Vocational Rehabilitation from the Board of Vocational Education Department.

The 1973 Legislature created a Department of Social and Rehabilitation Services to replace the Board of Social Welfare, pursuant to the issuance of Governor's Executive Reorganization Order No. 1. In addition, the 1973 Legislature provided that the Department would administer and the State would finance assistance programs in lieu of the counties.

The Department was expanded in 1979 to include programs for Alcohol and Drug Abuse Services, Income Maintenance, and Medical Services.

In 1996, (S.L. 1996, Chap. 271) legislation was enacted that authorized the Secretary of SRS to organize the Department in a manner the Secretary determined most efficient. The responsibility for administration of long-term care programs for Kansans over the age of 65 was transferred to the Kansas Department on Aging (KSA 75-5321a and KSA 75-5945 et seq.).

In 1997, the Legislature transferred all programs for juvenile offenders, including authority for administration of the State youth centers, from SRS to the Juvenile Justice Authority (KSA 75-7001 et seq.) and renamed those Juvenile Correctional Facilities.

Pursuant to 2005 House Substitute 272, most Medicaid health care services were moved to the Division of Health Policy and Finance (DHPF), that became the Kansas Health Policy Authority, and now is Division of Health Care Finance within Kansas Department of Health and Environment. SRS retained a significant portion of specialized Medicaid services for persons with physical and developmental disabilities, as well as mental health and substance abuse services.

Effective March 3, 2011, by Executive Order No. 11-04, the duties of Human Resources transferred to the Department of Administration to establish and increase efficiency, uniformity, and fairness in employment policies, procedures, and practices within the Executive Branch of state government.

AGENCY OVERVIEW:

This section of the budget contains a high level overview of the services we provide, individuals we serve, factors that influenced our budget decisions, and agency initiatives and issues.

SRS is an umbrella agency that partners with and provides funding and leadership for all areas related to the social welfare of Kansans. We are looked to for guidance and policy direction. Whether the agency delivers services through in-house resources or through contracting with its allies and partners, SRS remains ultimately responsible.

Since its creation in 1973, SRS has provided services to millions of Kansans. Providing such assistance continues today. Thousands of Kansans gain access to important services such as, but not limited to, Mental Health (MH), Addiction and Prevention (AAPS), Home and Community-based Services (HCBS), Cash Assistance, Food Assistance, Energy Assistance, Child Support Enforcement (CSE), and Child Welfare Services through SRS each year.

In FY 2011, SRS' total expenditures were slightly over $1.6 billion which provided income and other benefits to thousands of Kansans. The vast majority of SRS' expenditures go to persons with very low incomes in the form of direct assistance. Over $1.3 billion of the $1.6 billion was used to cover the cost of direct services for consumers. Social service expenditures and the purchases made with these funds have a significant economic impact on our State.

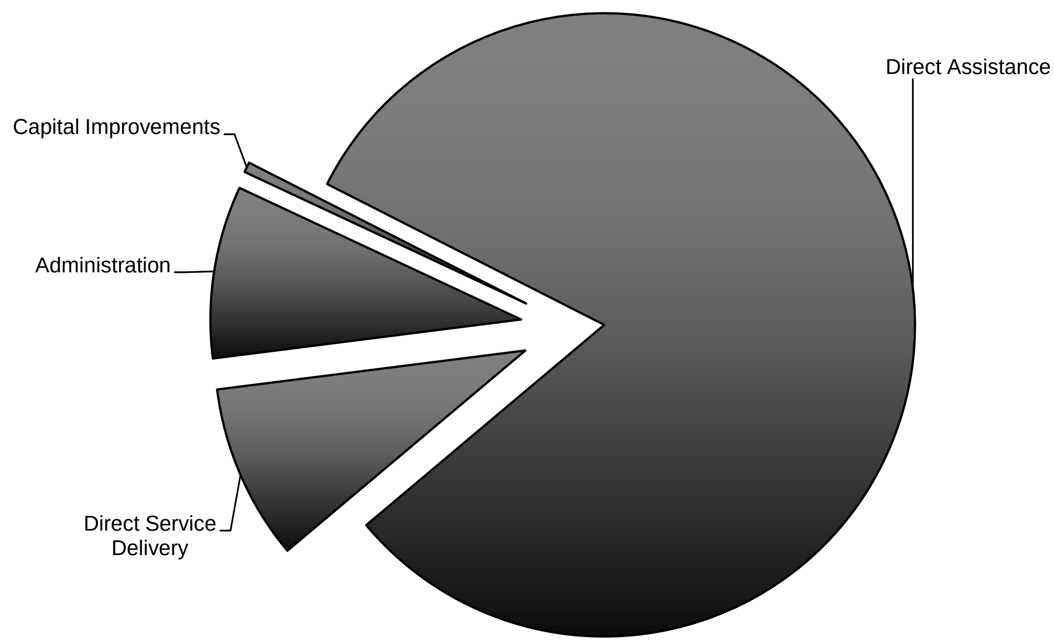
The annual income guidelines for SRS programs range from 23.0 percent to 185.0 percent of the Federal Poverty Level (FPL), with the TAF program the lowest and Child Care Assistance the highest. To qualify for Temporary Assistance for Families (TAF), a family of three can earn no more than $4,836 per year. The income limit for a family of three to be eligible for Child Care is $33,948 per year. In FY 2011, 15,077 average monthly families in Kansas received TAF and 10,741 average monthly families received Child Care. See the Poverty Guidelines chart for more FPL information.

The pie chart on the following page details our FY 2013 request:

SRS Expenditures by Category
FY 2013 Budget - Submitted (in Millions)
Includes Enhancement Requests

Direct Service Delivery		**$142.4**	**9.1%**
Administration		**$139.7**	**8.9%**
Capital Improvements		**$8.2**	**0.5%**
Direct Assistance		**$1,272.5**	**81.4%**
Cash Assistance	$64.1		
Child Care & Employment	$77.5		
Substance Abuse	$40.3		
Mental Health	$304.6		
Developmental & Physical Disability	$540.7		
Children & Family	$212.4		
Rehabilitation Services	$32.8		
Other	$0.1		
Total		**$1,562.8**	

(Totals may not add due to rounding)



BUDGET DEVELOPMENT PROCESS:

Key Values SRS Considered While Developing the Budget:

Developing the FY 2012/2013 budget was challenging. It was difficult because Kansans across the State and across all walks of life rely on SRS to provide the critical services they need to live and work. Whenever there is a recession the number of persons needing these critical services increases. Also, SRS had to consider the implications of past budget reductions on both administration and the service delivery system while ensuring that services remain available to the most vulnerable Kansans.

The FY 2011 Legislature reduced the SRS and State Hospital's FY 2012 budgets by $44.7 million SGF and $68.5 million all funds. The majority of these reductions were across-the-board and since this was the third straight year of significant budget cuts the SRS Leadership Team had to make some very difficult decisions. The first step in making those decisions was to look at agency administration costs. However, it was difficult to achieve much savings in that category because during the period of FY 2009 through FY 2011 cuts to staffing and operating expenditures already totaled $29.6 million SGF and $36.2 million all funds. While some additional administrative reductions were made to achieve the target amount program reductions and changes also had to occur. The following adjustments were made:

- Dues, subscriptions, computer and server purchases, salaries, other operating costs, and rents through office closures.
- Three percent reductions to grants and contracts except for leases, Mental Health, Foster Care, Family Preservation, Early Head Start, one-hundred percent federally funded, and commodity contracts.
- Revenue increases in Problem Gaming and implementing a usage fee for the SRS Learning Center.
- Waiver savings from the implementation of a Financial Management System (FMS) and Electronic Timekeeping for Attendant Care Workers.
- Projected savings from Economic and Employment Reform.

The revised FY 2012 and FY 2013 budget request for SRS does not match the Division of Budget allocation. The reason for submitting the budget different than the allocation includes the annualization of the Money Follows the Person program and a shift of funds from SRS to Larned State Hospital for the Sexual Predator Treatment Program (SPTP). The transfer between SRS and Larned State Hospital is offset when looking at all the budgets combined. Below is a chart that details the amounts of these items for SRS and enterprise wide.

Items (Over)/Under DoB Allocation	FY 2012 SGF	FY 2013 SGF
SRS		
Money Follows the Person	(1,210,704)	(1,210,704)
Transfer from SRS to LSH for SPTP expansion	905,000	1,550,000
Total SRS (Over)/Under DoB Allocation	(305,704)	339,296
Hospitals		
Transfer from SRS to LSH for SPTP expansion	(905,000)	(1,550,000)
Total Hospital (Over)/Under Allocation	(905,000)	(1,550,000)
Enterprise Wide (Over)/Under Allowed Allocation	(1,210,704)	(1,210,704)

SUPPLEMENTAL AND ENHANCEMENTS

SRS and the State Hospitals are asking for one capital improvement supplemental to remodel a building to house the growth in the Sexual Predator Treatment Program (STPT). Only two enhancements are being requested, one for strengthening families and one for a Sexual Predator Transition House expansion into a different county. See the Supplemental and Enhancement section for more detail.

SRS AND STATE HOSPITAL FY 2012 AND FY 2013 ISSUES AND INITIATIVES

ISSUES

Budget Control Act of 2011

On August 2, 2011, President Obama signed the Budget Control Act (BCA) of 2011, a bill designed to provide for an increase in the federal debt limit while reducing long-term budget deficits. Among the BCA's major components is a cap on discretionary spending through 2021. The BCA also created a Congressional Joint Select Committee on Deficit Reduction to propose additional deficit reduction over 10 years. The Joint Select Committee on Deficit Reduction's plan could call for reductions of any of the federal funds that the agency receives. If the select committee's proposal does not achieve such savings or if the legislation is not enacted by January 15, 2012 then automatic procedures to reduce spending will be implemented in non-exempt discretionary and mandatory programs. In FY 2012 SRS is projected to receive $310 million of those non-exempt funds which will be at risk of automatic across-the-board reductions if agreement is not achieved.

Reauthorizations

Both the Temporary Assistance to Needy Families (TANF) block grant and the Child Care and Development Fund (CCDF) block grant are due to be reauthorized by Congress by October 2011. With the urgency attached to budget reductions under the recent Budget Control Act, it is difficult to assess the likelihood of reauthorization. It is possible that the programs will be extended for another one-year period, or operate under a continuing resolution.

Sexual Predator Treatment Program

The current census of the program is 214 residents and growing, as sexual offenders continue to meet legal criteria as Sexually Violent Predators under KSA 59-29a01. As the program expands, it continues to be challenged by an increasingly violent population and limited resources. The growing resident population has eclipsed the program's ability to respond to fundamental challenges with staffing, and secure housing. As a short term action, Larned State Hospital is increasing funding for staff and opening an additional SPTP unit on the Isaac Ray building on the grounds of Larned State Hospital. This SPTP expansion would allow for 30 high risk residents to be moved into a Restriction Unit setting, thus freeing beds on the main SPTP building. The Sexual Predator Treatment Program (SPTP) continues to grow as residents enter the program and since its inception only two have transitioned out of the program. No new funds have been added for the growth since FY 2006. SRS has managed by using any available savings to increase staff and pay overtime required to manage the growth. However, with the reductions SRS was required to take in FY 2012 it has become extremely difficult to continue this policy. SRS is transferring money to the Larned State Hospital's budget to open a temporary 30 bed unit in Isaac Ray and is asking for a supplemental to begin remodeling of the Meyer building to permanently house those residents.

NEW INITIATIVES

SRS has several new initiatives included in this budget submission for both a partial year of FY 2012 and a full year for FY 2013. These programs are funded with existing resources that will become available through Economic and Employment Reform. These initiatives are designed to achieve a reduction in childhood poverty by strengthening and building healthy families, and reducing fraud in SRS programs.

Improve Child well-being through Differential Response

In traditional child protective services systems there is only one response to all child abuse and neglect reports, which results in a formal disposition indicating whether or not maltreatment occurred. Differential response is an approach that allows child protective services to respond in multiple ways to abuse and neglect allegations. Services required to strengthen and build healthy families are therefore more likely to be sought out and accepted by families in need when they are approached in the least intrusive manner that is necessary. In addition, the agency will convene a series of statewide town hall meetings to engage and gain input from our community partners and stakeholders in developing a more comprehensive plan to reduce childhood poverty and improve child outcomes in Kansas.

Fatherhood - Early Head Start Fatherhood Partnership

Nationwide statistics show that children in father-absent homes are five times more likely to live in poverty. In 2002, 7.8 percent of children in married-couple families were living in poverty, compared to 38.4 percent of children in female-householder families. When children are raised with involved, committed and responsible fathers their positive outcomes are greatly increased. As a part of the Governor's Roadmap to decrease childhood poverty, the agency intends to work with our Early Head Start providers and with SRS clients to enhance fatherhood programs by increased grant opportunities coupled with program development and support.

Fraud Reduction

SRS is expanding its' Fraud Unit to combat fraud in every program area of the agency. The anti-fraud unit will manage related audits and investigations, prepare cases for criminal and civil litigation, and will research, promote, and implement efficient fraud spotting techniques and reporting processes to be followed by appropriate personnel in each program. In just one month alone, SRS has found nearly $2 million of fraud.

Kansas Eligibility Enforcement System (KEES)

SRS expects to begin work on KEES (the Kansas Eligibility Enforcement System) in FY 2012 with an expected completion date in FY 2014. The name given to this system – KEES – represents the expansion of what was formerly known as K-MED (the Kansas Medical Eligibility Determination system). KEES also incorporates other service programs that were part of a project formerly known as Avenues. KEES reaches beyond medical benefits eligibility and provides an integrated eligibility system for other services such as SNAP, TANF and LIEAP. State General Fund for the SRS portion of implementation expenses incurred in FY 2012 and FY 2013 will be covered by an FY 2010 encumbrance for Avenues.