DCYF Legislative Update: COVID-19 Budget Ramifications

Welcome to today’s webinar.

Please remember to mute your phone and computer upon entry.

We will begin shortly. Thank you!

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DCYF Legislative Update: COVID-19 Budget Ramifications

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Agenda

- State Budget Picture Overview
- DCYF Budget Overview
- OFM Budget and Timeline Directions
- Process and Timeline
Washington State Budget Overview

- Public Schools, $14,002,270, 50%
- HCA, $3,101,232, 11%
- Higher Ed, $2,151,609, 8%
- Other DSHS, $1,938,958, 7%
- Corrections, $1,253,459, 5%
- Bond Debt, $1,226,315, 4%
- DCYF, $1,064,123, 4%
- Natural Resources, $254,077, 1%
- Other, $1,291,616, 5%
- Long Term Care, $1,488,964, 5%

Washington State Department of Children, Youth & Families
OFM currently projects a $1.9 billion budget gap in SFY 2021

All 2021 NGFS Appropriation

Items that are excluded for reduction include:
- Basic Education
- Bond Payments
- Legislative and Judicial Branch Agencies
The majority of increases in state spending is with public schools.
DCYF’s SFY 2021 Budget

- Federal, 520,580,390, 32%
- Other Funds, 46,439,908, 3%
- GF-S Total, 1,035,762,000, 65%

- Child Welfare Total, 408,986,000, 39%
- Early Learning Total, 392,222,814, 38%
- Juvenile Rehab Total, 111,895,000, 11%

- Program Support Total, 122,658,186, 12%
DCYF’s SFY 2021 Budget

- Child Welfare
- Juvenile Rehab
- Early Learning
- Program Support

GF-S Total, Federal, Other Funds

Washington State Department of Children, Youth & Families
Near General Fund State Historical Trends

- Child Welfare
- Early Learning
- Juvenile Rehab

NGFS (in thousands)


Washington State Department of CHILDREN, YOUTH & FAMILIES
Projected 2021 Child Welfare Budget

Federal, 229,181,067, 35%
GF-S Total, 408,986,000, 63%
Other Funds, 12,150,003, 2%

Regional Services, 120,000,000, 29%
Adoption Support, 56,851,000, 14%
Foster Care, 99,734,000, 25%
In-Home Services, 32,223,000, 8%
Headquarters Staff (Policy, Background Check Admin Reviews, IV-E and SSI Eligibility), 19,973,000, 5%

Domestic Violence, 1,454,000, 0%
Licensing, 17,000,000, 4%
BRS, 61,751,000, 15%
Projected 2021 Juvenile Justice Budget

GF-S Total, 111,895,000, 94%

Federal, 1,737,000, 2%

Other Funds, 5,173,000, 4%

Community Facilities, 11,770,000, 10%

Institutions, 53,978,000, 48%

Juvenile Services-Pass through to County Courts, 17,524,000, 16%

Statewide Programs (JR to 25), 14,037,000, 13%

Office of Juvenile Justice, 2,045,000, 2%

Headquarters Staff, 2,879,000, 3%

Transportation, 590,000, 0%

Parole Services, 9,072,000, 8%
Projected 2021 Early Learning Budget

GF-S Total, 392,222,814, 63%

- Federal, 208,115,323, 33%
- Other Funds, 27,111,905, 4%

- ECEAP, 149,961,026, 38%
- Subsidy, 98,127,006, 25%
- Quality Practice and Prof Growth (Eligibility, Scholarships), 43,647,852, 11%
- Partnerships and Collaboration (ESIT, Home Visiting, ECLIPSE), 99,506,670, 26%
- Licensing, 980,260, 0%

Washington State Department of CHILDREN, YOUTH & FAMILIES
Projected 2021 Program Support Budget

- **GF-S Total, 122,658,186, 59%**
  - Federal, 81,547,000, 40%
  - Other Funds, 2,005,000, 1%

- **Central Services (DES, AG, SAO, etc), 66,606,825, 54%**
  - Headquarters staff, 27,962,826, 23%
  - Information Technology, 14,224,535, 12%
  - Leased Facilities, 13,864,000, 11%
Realities

• Next revenue and caseload forecast June 17
  • Current projected -$7 billion in revenue collections over the next 3 years
  • FY 21 projected shortfall is $2-3 billion

• Office of Financial Management released immediate combined savings options target on May 14th

• The total reduction is $1.9 billion for FY 21 across all Executive Cabinet Agencies

• DCYF must submit $155 million savings options – 15% of near-general fund budget

• Partial State Agency Hiring & Contracts Freeze
Savings Targets

- Identify under-expenditures, premium adjustments and efficiencies
- Focus mainly on Near General Fund accounts, but consider all accounts
- Use other funds in lieu of General Fund-State whenever possible
- Reduce, delay or eliminate programs
- Identify programs or services that do not meet DCYF’s core mission
- Look for opportunities to immediately realize savings through program changes that you anticipate proposing in your 2021–23 budget requests
OFM Budget Savings Directions

Additional Considerations

• Central services charge programs (would the action drive up central service costs?)
• Offsets to savings (does the reduction to one program move the problem and cost to another program?)
• Overlapping programs (does the reduction cross programs and/or agencies?)
• Timing of savings (how long would implementation of reductions actually take?)
• Are legislative changes required to implement any of the savings options?
Process & Timelines

• Hiring freeze effective May 18\textsuperscript{th}
• DCYF staff are developing reduction options across the agency. These are due May 22\textsuperscript{nd}.
• DCYF Leadership will evaluate options and develop final recommendations by May 29\textsuperscript{th}.
• DCYF savings recommendations due to OFM by June 1\textsuperscript{st}
• DCYF Recommendations Overview webinar June 3, 2020
Thank you!

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