

OFFICE OF CHILDREN AND FAMILY SERVICES

MISSION

The Office of Children and Family Services (OCFS) was established in 1998 to strengthen services to children and families. The Office is committed to promoting the well-being and safety of children, families and communities.

ORGANIZATION AND STAFFING

The Office of Children and Family Services is headquartered in Rensselaer with regional offices throughout the State. These offices provide operational support and policy direction to local social services districts and youth bureaus. The Office is also responsible for the operation of 48 residential and day placement facilities statewide serving over 2,200 youth. The workforce for fiscal year 2001-02 is estimated at 4,534 positions.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Office of Children and Family Services receives 40 percent of its \$3.4 billion budget from State tax dollars and 60 percent from Federal and other funds. The State Operations Budget of \$464.6 million supports oversight of child welfare, child care, adult protection and domestic violence programs, among others. In addition, the State Operations Budget supports the continued operation of the agency's network of juvenile justice facilities.

The Local Assistance Budget of \$2.8 billion provides payments to local governments and not-for-profit providers for programs such as foster care, adoption, child protective services, delinquency prevention and child care.

Capital projects appropriations of \$94.7 million primarily support the maintenance and construction of the State-operated juvenile justice facilities in order to provide a safe living environment, provide appropriate education, recreation and vocational program space, and maintain an appropriate level of security for youth while they are in residential care.

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The Executive Budget provides more than \$1.3 billion in State and Federal funding to support a comprehensive reform in the financing of child welfare services designed to encourage local governments to invest in the preventive services necessary to reduce the out-of-home placement of children. Specific elements of this reform initiative include:

- **Open-ended Funding for Prevention and Other Key Services:** Under Governor Pataki's Child Welfare Reform proposal, preventive services provided by counties will be removed from any block grant limitations and reimbursed, without limit, at a 65 percent rate. Child Protective Services, aftercare services, independent living activities, and local adoption services and administration costs related to adoptions will also receive 65 percent State aid. The Budget includes \$267 million for this new funding category in 2001-02 — an amount that is expected to grow steadily as counties increase their investment in services necessary to prevent foster care placement.
- **Investments in Child Welfare Quality Enhancement:** OCFS will distribute \$6 million in additional State and TANF funding to counties and not-for-profit groups in 2001-02 to promote the creation of innovative child welfare service delivery models and expand training programs for local and voluntary agency staff.

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- **A Flexible Foster Care Block Grant:** The Governor's Child Welfare Reform proposal will provide counties with a \$364.5 million Foster Care Block Grant that creates an even greater incentive to reduce the number of children in foster care. Under the new Block Grant, counties will be able to reinvest savings resulting from reduced use of foster care in locally-designed child welfare initiatives that strengthen preventive services or better serve high-needs children.

Within the Federal Temporary Assistance to Needy Families (TANF) Block Grant, \$216 million in TANF funds are set aside for children and their families facing emergency situations. This recommendation reflects continued use of TANF funding to reimburse local governments for Juvenile Delinquent/Persons in Need of Supervision (JD/PINS) Foster Care and other local foster care expenditures. In addition, the SFY 2001-02 recommendation maintains the transfer of Federal TANF funds to the Federal Title XX Social Services Block Grant at \$244 million to support locally provided services to children and families.

The Executive Budget continues to provide local governments with funding to support implementation of the Federal Adoption and Safe Families Act (ASFA). This legislation provides important safeguards for protecting children placed in foster care and ensuring timely resolution of foster care placements through accelerated permanency planning hearings and other mandated case actions. The recommendation includes \$2.7 million for State and local ASFA implementation activities, including staff training, fingerprinting of persons applying to be foster care and adoptive parents, and administrative hearings.

The Budget includes \$130 million for the State's share of subsidies provided to families who adopt special needs children. These funds will support approximately 40,000 children in adoptive homes, including 4,700 children adopted last year; it is anticipated that a similar number will be adopted in 2001-02. In addition, the Budget continues to set aside \$1 million to help parents cover the legal costs they incur when they adopt children who have been awaiting final placement for longer than six months.

CHILD CARE

The Executive Budget includes Federal, State and local funding of \$840 million for the Child Care Block Grant, over three times the amount funded in its first year, SFY 1995-96. The Block Grant supports child care subsidies for low-income families and families in transition from welfare to employment. Those transitioning from welfare are guaranteed subsidized child care for 12 months after leaving Family Assistance. The State also guarantees child care to public assistance recipients with children up to age 13 when such care is required for the parent/guardian to go to work. Each social services district receives a single grant that enables it to tailor its expenditures to meet local needs and to comply with mandated work participation requirements for Family Assistance recipients.

Under the Child Care Block Grant, districts' ability to plan for and meet district-specific child care needs has increased. To foster even greater local flexibility, a new \$200 million Child Care Reserve Fund was established in 1999-2000. This Fund may be accessed by local social services districts over a three-year period as their child care demands change. The Executive Budget anticipates that approximately \$71 million will be allocated from the Child Care Reserve Fund in 2001-02.

As provided by the Child Care Quality Act signed by Governor Pataki in September 2000, the Executive Budget includes over \$18 million to fingerprint all regulated child care providers, expand oversight and monitoring activities, and increase the percentage of inspections for registered programs from 20 percent to 50 percent.

During 2001-02 the Office will continue implementation of the new Child Care Facilities Construction Program funds. First authorized in 1999-2000, this \$30 million bond-financed program will make grants available to child care providers to build or rehabilitate child care centers.

The Executive Budget also provides \$30 million to support the Advantage After-School initiative, a program offered from the end of classes to the early evening hours during the school year. This recommended funding level includes a \$10 million increase over 2000-01 and supports the first step in a five year effort to ensure that all school districts have access to after-school services. Advantage after-school funds are provided to community-based organizations demonstrating the ability to work collaboratively with schools, child care providers and/or other organizations or businesses for after-school programming.

YOUTH FACILITIES

The Youth Facilities Program includes the Office's 48 residential facilities and day placement centers serving youth placed by the Family Courts or directed by the Criminal Courts. Through a broad array of programs, the Office provides rehabilitative services that include counseling, education and training designed to promote positive youth development and foster a youth's return to the community as a law-abiding and productive citizen.

The Executive Budget recommendations improve the quality of OCFS programs while targeting services to those youth most likely to benefit. Major recommendations will:

- Provide \$73 million in bond financed funding to construct a new secure center to replace the Harlem Valley Secure Center. The proposed center will be a state-of-the-art facility for supervising youth offenders and providing rehabilitative services.
- Provide \$220,000 to expand the treatment program for youth adjudicated as sex offenders.
- Transfer certain Juvenile Offenders, who would otherwise not be released before their 21st birthday, to the Department of Correctional Services. Correctional Services currently supervises over 3,600 youth under the age of 21 who were sentenced by the Criminal Court, and provides a range of rehabilitative and youth development services. Many of these youth are convicted of crimes identical to those of juveniles sentenced to OCFS through the Criminal Court.
- Strengthen community-based transition programs for youth released from residential care by converting existing community residential homes to evening reporting centers. This action will result in full year savings of \$680,000. The evening reporting centers offer specialized services aimed at reducing recidivism that include intensive supervision, after-school programming and job training.
- Provide OCFS with \$20,000 to support planning costs associated with the creation of two locally-operated Juvenile Justice Centers. This innovative new program model will help prevent recidivism by providing youth who enter the criminal justice system with integrated services at a single local site including detention, juvenile court, placement and aftercare.

SYSTEMS

The Executive Budget includes approximately \$60 million in State and Federal funding to operate and continue development of CONNECTIONS, the State's child welfare information system.

CONNECTIONS provides for the electronic transmission of reports of child abuse or neglect from the State's Child Abuse Hotline to local governments. This enables local caseworkers to intervene quickly with as much information as possible, affording greater protections for children and enhanced case management. Under CONNECTIONS, overdue child protective investigations in New York City have been virtually eliminated - declining from a peak of 30,000 prior to CONNECTIONS implementation to approximately 100 in August 2000.

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The Executive Budget also provides funding through the Office for Technology for the OCFS' Day Care Licensing and the Service Provider Procurement E-Government initiatives. The Day Care Licensing initiative will be a cooperative effort with the Governor's Office of Regulatory Reform and will allow applicants for day care licenses to complete initial application information on the Internet. The Service Provider Procurement initiative is a multi-agency project that will allow OCFS to electronically issue procurements, receive and respond to bidders questions, review proposals, and announce awards.

PROGRAM HIGHLIGHTS

The Office of Children and Family Services supervises the State's system of family support and child welfare services to help families live independently. County departments of social services and, in many cases, community-based local organizations administer most programs that identify and protect abused and neglected children; provide counseling and other services to strengthen families and avoid foster care; place children in foster care as needed; reunite children and families; find permanent adoptive parents for children who cannot be reunited with birth families; prepare teens for independent living and protect vulnerable adults from family violence. The Office also provides significant funding to counties and municipalities, and community-based not-for-profit agencies for the provision of youth development and delinquency prevention programs.

The State Child Abuse Hotline receives more than 315,000 calls each year reporting alleged child maltreatment or abuse through a toll-free 800 telephone number. As a result, the State initiates investigations of these allegations, which are conducted by county protective services staff and/or local law enforcement agencies. The Register maintains a master database of those found culpable of child abuse so that employers, such as day care centers, can screen out potential employees with a history of familial child abuse.

OCFS also oversees a variety of programs serving the State's neediest and most vulnerable adult residents. Many of these programs serve the public assistance population and play an important role as the State and its localities implement welfare reform. Programs include oversight of locally-administered adult protective services and programs providing services to victims of domestic violence, including emergency shelters and community-based crisis intervention.

Through the Commission for the Blind and Visually Handicapped, the Office provides, directly or through contract, services to help visually handicapped people live independently and achieve self-sufficiency through employment. The Commission also assists over 3,900 children and elderly individuals with services such as orientation and mobility, social casework, adaptive equipment, interpreter services, low-vision examinations, diagnostic examinations and intensive adaptive skills training.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2000-01	Appropriations Recommended 2001-02	Change	Reappropriations Recommended 2001-02
State Operations	483,119,100	464,571,000	(18,548,100)	270,927,000
Aid To Localities	2,873,733,769	2,830,032,000	(43,701,769)	2,044,290,400
Capital Projects	44,800,000	94,700,000	49,900,000	100,992,000
Total	<u>3,401,652,869</u>	<u>3,389,303,000</u>	<u>(12,349,869)</u>	<u>2,416,209,400</u>

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ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2000-01 Estimated FTEs 03/31/01	2001-02 Estimated FTEs 03/31/02	FTE Change
Central Administration			
General Fund	374	374	0
Special Revenue Funds - Other	74	74	0
Child Care			
General Fund	34	34	0
Special Revenue Funds - Federal	175	255	80
Commission for the Blind and Visually Handicapped			
General Fund	14	14	0
Special Revenue Funds - Federal	162	162	0
Expendable Trust Funds	3	3	0
Family and Children Services			
General Fund	434	440	6
Special Revenue Funds - Federal	84	84	0
Systems Support			
General Fund	175	193	18
Training and Development			
Special Revenue Funds - Other	60	60	0
Youth Facilities			
General Fund	2,888	2,841	(47)
Total	4,477	4,534	57

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2000-01	Recommended 2001-02	Change
General Fund	255,488,100	260,572,000	5,083,900
Special Revenue Funds - Federal	113,364,000	82,248,000	(31,116,000)
Special Revenue Funds - Other	110,425,000	117,926,000	7,501,000
Enterprise Funds	500,000	500,000	0
Internal Service Funds	100,000	100,000	0
Fiduciary Funds	3,242,000	3,225,000	(17,000)
Total	483,119,100	464,571,000	(18,548,100)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(14,378,000)		
Special Revenue Funds - Federal	(1,607,000)		
Special Revenue Funds - Other	(752,000)		
Expendable Trust Funds	(17,000)		
Transfer(s) To			
National and Community Service			
Special Revenue Funds - Federal	53,000		
Appropriated 2000-01	466,418,100		

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Central Administration			
General Fund	33,909,100	34,601,000	691,900
Special Revenue Funds - Other	9,544,000	16,000,000	6,456,000
Internal Service Funds	100,000	100,000	0
Fiduciary Funds	1,825,000	1,825,000	0
Child Care			
General Fund	2,609,800	2,725,000	115,200
Special Revenue Funds - Federal	11,272,000	14,800,000	3,528,000
Children's Services			
Special Revenue Funds - Federal	0	0	0
Commission for the Blind and Visually Handicapped			
General Fund	8,427,664	8,428,000	336
Special Revenue Funds - Federal	22,971,000	24,648,000	1,677,000
Special Revenue Funds - Other	500,000	500,000	0
Fiduciary Funds	1,417,000	1,400,000	(17,000)
Departmental Administrative Reimbursement			
General Fund	(32,093,000)	(30,093,000)	2,000,000
Special Revenue Funds - Other	38,593,000	30,093,000	(8,500,000)
Family and Children Services			
General Fund	30,790,342	31,013,000	222,658
Special Revenue Funds - Federal	18,121,000	17,800,000	(321,000)
Special Revenue Funds - Other	1,046,000	1,046,000	0
Systems Support			
General Fund	55,014,194	52,893,000	(2,121,194)
Special Revenue Funds - Federal	25,000,000	25,000,000	0
Special Revenue Funds - Other	10,000,000	10,000,000	0
Training and Development			
General Fund	10,000,000	11,000,000	1,000,000
Special Revenue Funds - Federal	36,000,000	0	(36,000,000)
Special Revenue Funds - Other	50,442,000	60,287,000	9,845,000
Enterprise Funds	200,000	200,000	0
Youth Facilities			
General Fund	146,830,000	150,005,000	3,175,000
Special Revenue Funds - Other	300,000	0	(300,000)
Enterprise Funds	300,000	300,000	0
Total	<u>483,119,100</u>	<u>464,571,000</u>	<u>(18,548,100)</u>

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STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2001-02 RECOMMENDED (dollars)

Program	Total Personal Service		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	20,501,000	(528,900)	19,329,000	(762,700)
Child Care	1,742,000	82,500	1,742,000	82,500
Family and Children Services	20,028,000	14,658	19,165,000	(85,742)
Systems Support	7,012,000	(3,404,194)	6,902,000	(3,489,194)
Youth Facilities	123,303,000	809,000	111,253,000	(1,453,600)
Total	172,586,000	(3,026,936)	158,391,000	(5,708,736)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	1,025,000	216,900	147,000	16,900
Child Care	0	0	0	0
Family and Children Services	6,000	800	857,000	99,600
Systems Support	0	0	110,000	85,000
Youth Facilities	6,145,000	946,300	5,905,000	1,316,300
Total	7,176,000	1,164,000	7,019,000	1,517,800

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2001-02 RECOMMENDED (dollars)

Program	Total Nonpersonal Service		Supplies and Materials	
	Amount	Change	Amount	Change
Central Administration	14,100,000	1,220,800	214,000	6,000
Child Care	983,000	32,700	76,000	2,000
Commission for the Blind and Visually Handicapped	8,428,000	336	0	0
Family and Children Services	10,985,000	208,000	589,000	11,500
Systems Support	45,881,000	1,283,000	347,000	7,000
Training and Development	11,000,000	1,000,000	0	0
Youth Facilities	26,702,000	2,366,000	11,075,000	509,700
Total	118,079,000	6,110,836	12,301,000	536,200

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Central Administration	917,000	162,000	10,842,000	1,524,800
Child Care	197,000	13,000	680,000	17,700
Family and Children Services	387,000	30,500	7,880,000	266,000
Systems Support	104,000	5,000	9,690,000	6,971,000
Youth Facilities	951,000	127,000	13,224,000	1,488,200
Total	2,556,000	337,500	42,316,000	10,267,700

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	694,000	558,000	1,433,000	(1,030,000)
Child Care	30,000	0	0	0
Commission for the Blind and Visually Handicapped	0	0	8,428,000	336
Family and Children Services	29,000	0	2,100,000	(100,000)
Systems Support	140,000	0	35,600,000	(5,700,000)
Training and Development	0	0	11,000,000	1,000,000
Youth Facilities	1,223,000	12,100	229,000	229,000
Total	2,116,000	570,100	58,790,000	(5,600,664)

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STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2001-02 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Administration	17,925,000	6,456,000	0	0
Child Care	14,800,000	3,528,000	0	0
Commission for the Blind and Visually Handicapped	26,548,000	1,660,000	0	0
Family and Children Services	18,846,000	(321,000)	0	0
Systems Support	35,000,000	0	0	0
Training and Development	60,487,000	(26,155,000)	1,662,000	0
Youth Facilities	300,000	(300,000)	0	0
Total	173,906,000	(15,132,000)	1,662,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	1,925,000	0	16,000,000	6,456,000
Child Care	0	0	14,800,000	3,528,000
Commission for the Blind and Visually Handicapped	0	0	26,548,000	1,660,000
Family and Children Services	5,000,000	(263,000)	13,846,000	(58,000)
Systems Support	0	0	35,000,000	0
Training and Development	2,646,000	0	56,179,000	(26,155,000)
Youth Facilities	300,000	(300,000)	0	0
Total	9,871,000	(563,000)	162,373,000	(14,569,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2000-01	Recommended 2001-02	Change
General Fund	1,071,313,769	1,107,594,000	36,280,231
Special Revenue Funds - Federal	1,777,890,000	1,703,908,000	(73,982,000)
Special Revenue Funds - Other	21,000,000	15,000,000	(6,000,000)
Fiduciary Funds	3,530,000	3,530,000	0
Total	2,873,733,769	2,830,032,000	(43,701,769)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2000-01	Recommended 2001-02	Change
Child Care			
General Fund	96,066,000	96,066,000	0
Special Revenue Funds - Federal	644,000,000	624,000,000	(20,000,000)
Family and Children Services			
General Fund	946,000,900	1,006,528,000	60,527,100
Special Revenue Funds - Federal	1,105,452,000	1,051,470,000	(53,982,000)
Special Revenue Funds - Other	21,000,000	15,000,000	(6,000,000)
Fiduciary Funds	3,530,000	3,530,000	0
Training and Development			
General Fund	5,000,000	5,000,000	0
Special Revenue Funds - Federal	28,438,000	28,438,000	0
Community Projects			
General Fund	24,246,869	0	(24,246,869)
Total	2,873,733,769	2,830,032,000	(43,701,769)

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CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2000-01	Recommended 2001-02	Change	Reappropriations 2001-02
Design and Construction Supervision				
Youth Facilities Improvement Fund	1,000,000	0	(1,000,000)	2,000,000
Child Care Facilities Development Program				
Capital Projects Fund	15,000,000	0	(15,000,000)	30,000,000
Maintenance and Improvement of Facilities				
Capital Projects Fund	1,900,000	3,300,000	1,400,000	6,150,000
Youth Facilities Improvement Fund	7,700,000	11,900,000	4,200,000	22,739,000
Executive Direction and Administrative Services				
Capital Projects Fund	0	0	0	700,000
Misc. Capital Projects	7,000,000	0	(7,000,000)	7,000,000
Youth Facilities Improvement Fund	0	0	0	539,000
New Construction				
Youth Facilities Improvement Fund	9,200,000	72,800,000	63,600,000	9,200,000
Program Improvement or Program Change				
Youth Facilities Improvement Fund	3,000,000	6,700,000	3,700,000	13,776,000
Youth Center				
Capital Projects Fund	0	0	0	8,466,000
Rehabilitative Services				
Youth Facilities Improvement Fund	0	0	0	422,000
Total	<u>44,800,000</u>	<u>94,700,000</u>	<u>49,900,000</u>	<u>100,992,000</u>

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

MISSION

The Office of Temporary and Disability Assistance (OTDA), working in close collaboration with the Department of Labor and Office of Children and Family Services, helps needy adults and families achieve economic self-sufficiency through work, job training, and child support enforcement. The Office also provides economic assistance to aged and disabled persons who are unable to work, transitional support to welfare recipients while they are working toward self-sufficiency, and supportive services to low income households to help them avoid welfare dependency.

ORGANIZATION AND STAFFING

Core responsibilities of the Office include providing policy and technical support to social services districts responsible for implementing welfare reform and administering programs that serve the homeless and refugees. Through its Division of Disability Determinations, the agency also evaluates the medical eligibility of disability claimants for Supplemental Security Income and Social Security Disability Insurance.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

A total of \$4.8 billion is recommended from all funding sources in SFY 2001-02 to support State Operations and Aid to Localities programs including Family Assistance, Safety Net, Supplemental Security Income (SSI), Food Assistance Program, Home Energy Assistance (HEAP), child support enforcement and food stamp administration.

Aid to Localities is funded by \$4.3 billion in Federal funds, General Fund dollars, and other revenue. Within this amount, the General Fund cost for direct welfare programs — Family Assistance and Safety Net — will decrease by approximately \$277 million in 2001-02 reflecting continued welfare caseload declines and the availability of Federal funding. Partially offsetting this decrease are increases in General Fund spending for Supplemental Security Income (SSI) for the aged and disabled. Special Revenue Funds - Other for Aid to Localities programs will increase by \$323 million. This increase does not reflect programmatic revision but rather results from a technical change in the financing of the Earned Income Tax Credit for households eligible for Temporary Assistance for Needy Families funding.

For State Operations, an appropriation of approximately \$531 million is recommended from all funding sources. These funds will support a workforce of approximately 2,569, including 1,360 federally funded positions in the Division of Disability Determinations.

The recommended \$83 million General Fund appropriation includes funding for staff and other costs related to the oversight of social services district administration of public assistance and child support enforcement programs; administrative hearings for public assistance, Food Stamp, and Medicaid applicants and recipients; and operation of the major computer systems supporting public assistance programs. Approximately \$429 million in Federal funds and other revenues are recommended for the administration of the Division of Disability Determinations, the Home Energy Assistance program (HEAP), and the Bureau of Refugee and Immigration Affairs.

Approximately \$65 million in State and Federal funding is appropriated for the cost of redesigning the Welfare Management System (WMS), continued development of the

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Welfare-to-Work Caseload Management System, and related human services systems initiatives. WMS is the primary data management tool used by districts to support eligibility determinations and other critical welfare administration activities.

Specific priorities for the Office of Temporary and Disability Assistance for 2001-02 are as follows:

- In partnership with local social services districts, the Department of Labor and the Office of Children and Family Services, operate programs enacted through the State Welfare Reform Act of 1997 so that recipients can transition to work and self-sufficiency and at-risk households can avoid welfare dependency;
- Build upon the substantial accomplishments of recent years by further strengthening child support enforcement to increase parental financial support for children;
- Improve, redesign, and more effectively use technology, information, and communication to support program operations; and
- Continue to strengthen program integrity and anti-fraud activities throughout the welfare system.

PROGRAM HIGHLIGHTS

The welfare system in New York State has changed in basic philosophy and approach, bringing to fruition the overall objectives of State welfare reform. These changes include transforming welfare into a system of temporary income support while recipients secure employment and child support payments; promoting individual responsibility; and providing social services districts with the flexibility, incentives, and rewards they need to effectively administer a work-oriented welfare system. The system has evolved from one that focused primarily on determining client eligibility and distributing benefit payments to one that now focuses on securing alternative non-welfare means of income support such as employment, child support, or temporary assistance.

OTDA programs also emphasize prevention of welfare dependency by providing work supports and services to at-risk households. These activities help families address life events that could otherwise jeopardize continued employment.

These new emphases have resulted in a dramatic decline in welfare caseloads. The total public assistance caseload in New York State in 2001-02 is projected at 740,000 recipients, a decrease of 36,000 persons from 2000-01. When compared to caseload levels in January 1995, welfare caseloads are projected to decline by over 916,000 recipients as of March 31, 2002, or by approximately 56 percent.

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The Family Assistance program provides employment assessments, support services and time-limited cash assistance to eligible families with children while the parent acquires the necessary work skills to secure and retain employment.

With certain statutorily prescribed exceptions, those who receive benefits must participate in work activities to remain eligible. Cash benefits for Family Assistance participants are limited to a cumulative period of five years. If the head of a Family Assistance household is unable to become employed during this period, the family is limited to non-cash benefits through the Safety Net program (discussed below) while the head of household continues to search for a job. Some long-term Family Assistance cases will reach this five year limit on assistance during 2001-02.

All Family Assistance participants must undergo an assessment of their employability skills and training needs and, unless disabled, must participate in assigned work activities. Participants are covered by a larger and greatly strengthened earned income disregard

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than was historically the case and may retain a higher level of savings and other resources to help the transition from welfare. These measures help the new welfare system to foster recipient self-sufficiency.

Local social services districts are required to meet Federal work activity participation targets. The Federal Department of Health and Human Services (DHHS) recently announced that New York exceeded these Federal standards for Federal Fiscal Year 1999. Reflecting scheduled increases in work participation requirements in Federal law, for FFY 2001, districts must place at least 45 percent of all Family Assistance cases in an allowable work activity for not less than 30 hours per week. State law places the focus of participant employment plans directly on work or work-like activities such as job training, community service, or workfare. This approach will position the State to continue to meet or exceed required employment targets in future years. Under Federal law, the targets increase incrementally until the year 2002 when 50 percent of the Family Assistance caseload must participate in work activities for not less than 30 hours per week.

The Governor's welfare reform program also fosters individual responsibility to help break the cycle of long-term dependency. All applicants and recipients are required to participate in screening and assessment to determine if the need for welfare results from use of illegal drugs or excessive consumption of alcoholic beverages. If a participant is unable to work because of such circumstances, he or she is referred to an appropriate treatment program and welfare benefits are restricted to non-cash assistance. Teen parents must attend high school or other approved education programs to receive welfare benefits.

Welfare reform also requires each social services district to screen its Family Assistance caseload for domestic violence. Acting through its designated domestic violence liaison, each district informs the individual of voluntary services which may be available. Districts waive application of welfare program rules, including but not limited to child support cooperation, work requirements, and residency requirements, if the district determines that these provisions would cause further risk or make it more difficult for the person to escape domestic violence.

The Governor's welfare reform program has strengthened child support enforcement. Improvements include automated updating of child support awards to reflect inflation; interstate reciprocity in child support proceedings; a strengthened role for child support staff in welfare case processing; and administrative authority for social services districts to order genetic tests, subpoena information, and collect relevant data from Federal, State and local agencies. These measures have helped to increase total child support collections to their current level of over \$1 billion.

For SFY 2001-02, the Governor is proposing to increase the maximum monthly amount of child support (from \$50 to \$100) that can be passed-through to a custodial parent receiving family assistance and to strengthen provisions relating to medical support enforcement. The Executive Budget would continue to re-invest Federal incentive bonuses in child support initiatives to strengthen performance in "hard-to-collect" cases, update asset information on non-custodial parents, expand private health care coverage for children in support cases, and expand the "Celebrating Fatherhood" media campaign to encourage voluntary compliance. These initiatives will further strengthen the child support enforcement system, thus helping to ensure that parents provide for the income support of their children.

Welfare reform also protects taxpayer investments in the welfare system by strengthening sanctions for persons who refuse to comply with work requirements and prohibiting welfare payments to fugitive felons, persons who have been convicted of a felony and failed to abide by the terms of their probation or parole, or who have been convicted of fraudulently seeking to obtain benefits in two or more states.

TEMPORARY AND DISABILITY ASSISTANCE

SAFETY NET PROGRAM

Article XVII of the State Constitution requires the State and its social services districts to provide for the needy. State welfare reform meets this obligation through the Safety Net program for persons who are not eligible for Family Assistance or Supplemental Security Income.

Safety Net participants, primarily single adults and childless couples, can receive cash allowances for a two year period after which benefits can be provided on a non-cash basis. Other groups that may receive non-cash benefits include families that have exhausted their five year limit on Family Assistance, certain non-citizens, households where the adult is unable to work because of substance abuse, and households where the adult has refused to participate in drug/alcohol screening or treatment. In addition to providing for essential needs, the Safety Net is a work program which provides such services as job search, work training, and workfare. Unless prevented from doing so by a physical or mental disability, Safety Net participants must engage in assigned work activities to receive assistance.

DISABILITY ASSISTANCE

Participants in both Family Assistance and Safety Net can be exempt from work assignments, or given limited work activities, if necessary because of a medically verifiable physical or mental impairment. The social services district is responsible for determining if such a disability exists. In making this determination, the district must consider information provided by the participant's treating physician, but also can conduct its own medical examination.

SUPPLEMENTAL SECURITY INCOME

Federal Supplemental Security Income (SSI) provides cash assistance to the aged, visually handicapped, and disabled. New York's SSI benefit, is \$617 per month for an individual living alone in the community, including a scheduled January 2001 cost-of-living adjustment in the Federal portion of the grant. The State's SSI benefit currently is one of the highest nationally. The 2001-02 recommendation of \$626 million funds the State cost of SSI benefits for a projected 619,100 recipients.

STATE FOOD ASSISTANCE PROGRAM

New York's Food Assistance Program (FAP) purchases food stamps on behalf of immigrants age 60 through 67. Under provisions of Federal law, this vulnerable population no longer is eligible for federally funded food stamp benefits.

State statute authorizing FAP is scheduled to sunset on October 1, 2001. The 2001-02 Aid to Localities recommendation will extend FAP and will provide \$8.2 million in combined State and local funds for benefits to an estimated 5,000 immigrant seniors.

TEMPORARY AND DISABILITY ASSISTANCE

ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2000-01</u>	<u>Appropriations Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations Recommended 2001-02</u>
State Operations	517,225,000	531,683,000	14,458,000	409,890,000
Aid To Localities	4,197,958,500	4,307,792,000	109,833,500	4,228,572,000
Capital Projects	0	0	0	12,611,000
Total	<u>4,715,183,500</u>	<u>4,839,475,000</u>	<u>124,291,500</u>	<u>4,651,073,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

<u>Program</u>	<u>2000-01 Estimated FTEs 03/31/01</u>	<u>2001-02 Estimated FTEs 03/31/02</u>	<u>FTE Change</u>
Administration			
General Fund	180	175	(5)
Special Revenue Funds - Federal	135	135	0
Special Revenue Funds - Other	63	63	0
Child Support Enforcement			
Special Revenue Funds - Other	61	61	0
Disability Determinations			
Special Revenue Funds - Federal	1,360	1,360	0
Special Revenue Funds - Other	111	111	0
Executive Direction			
General Fund	20	19	(1)
Legal Affairs			
General Fund	160	160	0
System Support and Information Services			
General Fund	114	111	(3)
Special Revenue Funds - Federal	16	16	0
Special Revenue Funds - Other	55	55	0
Temporary and Disability Assistance Programs			
General Fund	46	46	0
Special Revenue Funds - Federal	21	21	0
Special Revenue Funds - Other	188	188	0
Transitional Supports and Policy, Division of			
General Fund	35	19	(16)
Special Revenue Funds - Federal	29	29	0
Total	<u>2,594</u>	<u>2,569</u>	<u>(25)</u>

TEMPORARY AND DISABILITY ASSISTANCE

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	82,216,000	83,420,000	1,204,000
Special Revenue Funds - Federal	303,989,000	311,670,000	7,681,000
Special Revenue Funds - Other	130,020,000	135,593,000	5,573,000
Internal Service Funds	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
Total	<u>517,225,000</u>	<u>531,683,000</u>	<u>14,458,000</u>

Adjustments:

Transfer(s) From			
Special Pay Bill			
General Fund	(5,657,000)		
Special Revenue Funds - Federal	(6,119,000)		
Special Revenue Funds - Other	<u>(439,000)</u>		
Appropriated 2000-01	<u>505,010,000</u>		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration			
General Fund	19,912,000	19,901,000	(11,000)
Special Revenue Funds - Federal	7,000,000	7,000,000	0
Special Revenue Funds - Other	18,850,000	18,850,000	0
Internal Service Funds	1,000,000	1,000,000	0
Child Support Enforcement			
Special Revenue Funds - Federal	2,900,000	3,100,000	200,000
Special Revenue Funds - Other	25,000,000	26,117,000	1,117,000
Departmental Administrative Reimbursement			
General Fund	(62,462,000)	(67,357,000)	(4,895,000)
Special Revenue Funds - Other	66,031,000	70,926,000	4,895,000
Disability Determinations			
Special Revenue Funds - Federal	175,319,000	163,300,000	(12,019,000)
Special Revenue Funds - Other	10,839,000	10,400,000	(439,000)
Executive Direction			
General Fund	1,851,500	1,802,000	(49,500)
Legal Affairs			
General Fund	12,632,000	12,811,000	179,000
System Support and Information Services			
General Fund	103,118,000	109,943,000	6,825,000
Special Revenue Funds - Federal	110,000,000	130,000,000	20,000,000
Special Revenue Funds - Other	6,800,000	6,800,000	0
Temporary and Disability Assistance Programs			
General Fund	4,564,400	4,569,000	4,600
Special Revenue Funds - Federal	6,000,000	6,000,000	0
Special Revenue Funds - Other	2,500,000	2,500,000	0
Transitional Supports and Policy, Division of			
General Fund	2,600,100	1,751,000	(849,100)
Special Revenue Funds - Federal	<u>2,770,000</u>	<u>2,270,000</u>	<u>(500,000)</u>
Total	<u>517,225,000</u>	<u>531,683,000</u>	<u>14,458,000</u>

TEMPORARY AND DISABILITY ASSISTANCE

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

Program	Total Personal Service		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	10,110,000	(130,000)	9,996,000	(130,000)
Executive Direction	1,468,000	(39,500)	1,383,500	(39,500)
Legal Affairs	9,882,000	209,000	9,592,000	209,000
System Support and Information Services	6,408,000	(2,261,000)	6,067,400	(2,291,600)
Temporary and Disability Assistance Programs	3,574,000	54,600	3,114,000	54,600
Transitional Supports and Policy, Division of	1,449,000	(755,100)	1,434,000	(755,100)
Total	<u>32,891,000</u>	<u>(2,922,000)</u>	<u>31,586,900</u>	<u>(2,952,600)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	83,600	0	30,400	0
Executive Direction	83,000	0	1,500	0
Legal Affairs	0	0	290,000	0
System Support and Information Services	0	0	340,600	30,600
Temporary and Disability Assistance Programs	440,000	0	20,000	0
Transitional Supports and Policy, Division of	0	0	15,000	0
Total	<u>606,600</u>	<u>0</u>	<u>697,500</u>	<u>30,600</u>

TEMPORARY AND DISABILITY ASSISTANCE

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

Program	Total Nonpersonal Service		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	10,291,000	119,000	150,300	0
Executive Direction	334,000	(10,000)	22,200	0
Legal Affairs	2,929,000	(30,000)	137,500	0
System Support and Information Services	103,535,000	9,086,000	414,100	0
Temporary and Disability Assistance Programs	995,000	(50,000)	18,000	0
Transitional Supports and Policy, Division of	302,000	(94,000)	17,400	0
Total	<u>118,386,000</u>	<u>9,021,000</u>	<u>759,500</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	183,300	0	5,580,900	50,000
Executive Direction	51,100	(10,000)	235,000	0
Legal Affairs	86,100	(30,000)	2,639,400	0
System Support and Information Services	154,100	0	10,354,400	5,557,000
Temporary and Disability Assistance Programs	104,000	(50,000)	822,000	0
Transitional Supports and Policy, Division of	81,500	0	158,800	(94,000)
Total	<u>660,100</u>	<u>(90,000)</u>	<u>19,790,500</u>	<u>5,513,000</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	1,220,500	0	3,156,000	69,000
Executive Direction	25,700	0	0	0
Legal Affairs	66,000	0	0	0
System Support and Information Services	209,400	0	92,403,000	3,529,000
Temporary and Disability Assistance Programs	51,000	0	0	0
Transitional Supports and Policy, Division of	44,300	0	0	0
Total	<u>1,616,900</u>	<u>0</u>	<u>95,559,000</u>	<u>3,598,000</u>

TEMPORARY AND DISABILITY ASSISTANCE

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	26,350,000	0	600,000	0
Child Support Enforcement	29,217,000	1,317,000	0	0
Disability Determinations	173,700,000	(12,458,000)	72,400,000	(3,433,000)
System Support and Information Services	136,800,000	20,000,000	0	0
Temporary and Disability Assistance Programs	8,500,000	0	0	0
Transitional Supports and Policy, Division of	2,270,000	(500,000)	0	0
Total	<u>376,837,000</u>	<u>8,359,000</u>	<u>73,000,000</u>	<u>(3,433,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	250,000	0	25,500,000	0
Child Support Enforcement	0	0	29,217,000	1,317,000
Disability Determinations	90,900,000	(8,586,000)	10,400,000	(439,000)
System Support and Information Services	0	0	136,800,000	20,000,000
Temporary and Disability Assistance Programs	0	0	8,500,000	0
Transitional Supports and Policy, Division of	0	0	2,270,000	(500,000)
Total	<u>91,150,000</u>	<u>(8,586,000)</u>	<u>212,687,000</u>	<u>20,378,000</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2000-01	Recommended 2001-02	Change
General Fund	1,700,858,500	1,433,892,000	(266,966,500)
Special Revenue Funds - Federal	2,400,700,000	2,454,500,000	53,800,000
Special Revenue Funds - Other	86,400,000	409,400,000	323,000,000
Fiduciary Funds	<u>10,000,000</u>	<u>10,000,000</u>	<u>0</u>
Total	<u>4,197,958,500</u>	<u>4,307,792,000</u>	<u>109,833,500</u>

TEMPORARY AND DISABILITY ASSISTANCE

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration			
Special Revenue Funds - Other	65,000,000	65,000,000	0
Child Support Enforcement			
General Fund	27,010,000	30,100,000	3,090,000
Special Revenue Funds - Federal	84,000,000	84,000,000	0
Special Revenue Funds - Other	300,000	300,000	0
Employment Services			
General Fund	49,278,000	50,250,000	972,000
Food Assistance Program			
General Fund	4,100,000	4,100,000	0
Special Revenue Funds - Other	4,100,000	4,100,000	0
Food Stamp Administration Program			
General Fund	113,911,000	123,441,000	9,530,000
Special Revenue Funds - Federal	219,000,000	219,000,000	0
Special Revenue Funds - Other	6,000,000	6,000,000	0
Temporary and Disability Assistance Administration			
General Fund	218,182,000	194,598,000	(23,584,000)
Temporary and Disability Assistance Programs			
General Fund	1,167,800,000	905,653,000	(262,147,000)
Special Revenue Funds - Federal	2,036,200,000	2,098,000,000	61,800,000
Special Revenue Funds - Other	1,000,000	324,000,000	323,000,000
Fiduciary Funds	10,000,000	10,000,000	0
Transitional Supports and Policy, Division of			
General Fund	120,575,000	125,750,000	5,175,000
Special Revenue Funds - Federal	61,500,000	53,500,000	(8,000,000)
Special Revenue Funds - Other	10,000,000	10,000,000	0
Community Projects			
General Fund	2,500	0	(2,500)
Total	<u>4,197,958,500</u>	<u>4,307,792,000</u>	<u>109,833,500</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Comprehensive Construction Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations 2001-02</u>
Information Management Technology Program				
Capital Projects Fund	0	0	0	361,000
Supported Housing Program				
Capital Projects Fund	0	0	0	12,250,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,611,000</u>