

OFFICE OF CHILDREN AND FAMILY SERVICES

MISSION

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

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 40 residential and 8 day placement facilities statewide serving nearly 2,000 youth. The workforce for fiscal year 2003-04 is estimated at 3,703 positions.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Office of Children and Family Services receives 39 percent of its \$3.7 billion budget from State tax dollars and 61 percent from Federal and other funds. The State Operations budget of \$412 million supports the operation of juvenile justice facilities as well as OCFS oversight of child welfare, child care, adult protection and other related programs. The 2003-04 Executive Budget reduces State Operations General Fund support for OCFS by \$41.7 million through a series of cost savings measures that range from maximization of Federal funding to a restructuring of the Agency's juvenile justice programs.

As part of an overall effort to streamline and strengthen State agency services in 2003-04, the OCFS State Operations budget also reflects several organizational mergers. First, the Council on Children and Families will be merged into OCFS, establishing the Office's lead role in coordinating State and local services for children and families. In addition, the Commission for the Blind and Visually Handicapped will be moved from OCFS to the Department of Labor (DOL) along with the State Education Department's VESID program. This restructuring will establish a single entity to provide vocational rehabilitation services to the disabled while leveraging DOL's broad expertise in the operation of employment and training programs. Finally, the budget proposes elimination of the Foster Care Commission on the Quality of Care since the Commission's role duplicates the existing oversight and monitoring responsibilities of OCFS.

The Local Assistance budget of \$3.26 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 \$20 million support the maintenance of the State-operated juvenile justice facilities in order to provide a safe living environment, appropriate education, recreation and vocational program space; and an appropriate level of security for youth while they are in residential care.

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The Executive Budget provides more than \$1.6 billion in State and Federal funding to support the comprehensive child welfare financing reform enacted in 2002-03. This reform is intended to encourage local governments to invest in preventive services necessary to reduce out-of-home placement of children. Specific elements of this recently implemented initiative include:

- **Open-ended Funding for Child Welfare Services:** The centerpiece of the child welfare financing system is the provision of 65 percent State reimbursement for community-based preventive services that avert the placement of children in foster

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care or juvenile justice facilities. State funding at a 65 percent level is also available for child protective services, aftercare services, independent living activities, and local administration costs related to adoptions. The Budget includes an increase of \$20.5 million in 2003-04, from \$324.4 million to \$344.9 million, to support this child welfare funding source.

- **Investments in Child Welfare Quality Enhancement:** OCFS will again distribute \$2 million in Temporary Assistance for Needy Families (TANF) funding to counties and not-for-profit groups in 2003-04 to promote the development of innovative child welfare service delivery models. During 2003-04, special emphasis in the use of these funds will be placed on enhancing the quality of medical care for foster children.
- **A Flexible Foster Care Block Grant:** The Executive Budget continues funding for a \$364.5 million Foster Care Block Grant that provides counties with a clear incentive to reduce the number of children in foster care. Under the Block Grant, savings resulting from reduced use of foster care can be reinvested in locally-designed child welfare initiatives that strengthen preventive services or better serve high-needs children. An additional \$9 million in General Fund support, an increase of \$6 million, is available outside the Foster Care Block Grant to fund the full annual cost of a 3 percent COLA for direct care workers in foster care agencies that took effect December 1, 2002.

Within the TANF Block Grant, \$286 million is set aside for children and their families facing emergency situations. The Executive Budget also provides \$7 million, a \$2.4 million increase, in TANF funding to support the full cost of locally-developed services necessary to prevent placement of persons-in need of supervision (PINS) in costly institutional settings such as non-secure detention. In addition, the 2003-04 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 Budget includes \$167 million for the State's share of subsidies provided to families who adopt children with special needs. These funds will support approximately 46,000 children in adoptive homes.

An increase of \$5.4 million, from \$43 million to \$48.4 million, is provided to support the maintenance costs (e.g. food, shelter) of disabled children placed by school district committees on special education (CSEs) in private residential education programs during the regular school year. Under legislation submitted with the Budget, school districts would become financially responsible for 20 percent of the maintenance costs associated with their CSE placement decisions.

The Executive Budget eliminates \$1.6 million in General Fund support for the Home Visiting program while preserving \$16 million in TANF funding for this program. OCFS will offset the \$1.6 million General Fund reduction in 2003-04 through the use of special revenue funds.

CHILD CARE

The Executive Budget increases funding for the State Child Care Block Grant by \$17 million to \$929 million. Using a combination of Federal, State, local and available prior year funding, the Block Grant supports child care subsidies for public assistance and low-income families. Subsidized child care is guaranteed for public assistance recipients with children up to age 13, when such care is required for the parent/guardian to engage in work activities. Families transitioning from welfare to work are guaranteed subsidized child care for up to 12 months after leaving Family Assistance. The State also provides subsidized child care to families at risk of becoming dependent on Family Assistance. 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.

As provided by the Governor's Child Care Quality Act, the Executive Budget includes \$18.5 million to fingerprint all regulated child care providers and to expand oversight and monitoring activities. In addition, \$2.5 million is set aside to support child care programs meeting the special needs of migrant workers' children.

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The Executive Budget also continues Advantage After-School programs funded in 2002-03. This program offers educational and recreational after-school activities for elementary, middle and high school students and funds community-based organizations demonstrating the ability to work collaboratively with schools, child care providers and other community providers for after-school programming. Total funding for Advantage Schools will be \$20.2 million in 2003-04 and will be fully supported through Federal TANF funds.

YOUTH FACILITIES

The Youth Facilities Program includes the Office's 40 residential facilities and 8 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 2003-04 Executive Budget initiates a multi-year reform of the OCFS juvenile justice program that will reduce overall State spending through a targeted expansion of community-based services and a reduction in the number of State-operated youth facility beds. OCFS will invest \$3.3 million in a new community-based intensive supervision program designed for non-violent youths to reduce the rate of recidivism among participants through the use of local non-profit agencies to provide services ranging from family-based counseling to specialized after-school programs. Combined with a declining facility population, the proposed community-based intensive supervision initiative will allow OCFS to reduce its facility capacity by approximately 250 beds in 2003-04. Juvenile justice reforms also include the transfer of certain juvenile offenders from OCFS secure facilities to the Department of Correctional Services. These youth have committed the most serious violent crimes, are 20 years old, and would otherwise be transferred to the Department of Correctional Services on their 21st birthday.

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. While General Fund support for CONNECTIONS is reduced by \$15 million during 2003-04, this reduction is fully offset with additional Federal funding. Once completed, CONNECTIONS will provide for the electronic transmission of reports of child abuse or neglect from the State's Child Abuse Hotline to local governments to enhance case management and afford children and families greater protections.

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 funding to counties and municipalities, and community-based not-for-profit agencies for the provision of youth development and delinquency prevention programs. State fiscal difficulties necessitate a reduction in the Youth Development Delinquency Prevention program and the Special Delinquency Prevention Program. Even with the required reductions, these programs would still provide more than \$37 million in annual delinquency prevention program funding.

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The State Child Abuse Hotline receives approximately 330,000 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 most needy and 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.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2002-03	Appropriations Recommended 2003-04	Change	Reappropriations Recommended 2003-04
State Operations	471,251,600	412,089,000	(59,162,600)	267,550,000
Aid To Localities	3,016,767,422	3,264,447,000	247,679,578	2,640,831,800
Capital Projects	14,410,000	20,030,000	5,620,000	67,693,000
Total	3,502,429,022	3,696,566,000	194,136,978	2,976,074,800

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

Full-Time Equivalent Positions (FTE)

Program	2002-03 Estimated FTEs 03/31/03	2003-04 Estimated FTEs 03/31/04	FTE Change
Central Administration			
General Fund	376	357	(19)
Special Revenue Funds - Federal	0	6	6
Special Revenue Funds - Other	78	79	1
Child Care			
General Fund	34	0	(34)
Special Revenue Funds - Federal	201	235	34
Commission for the Blind and Visually Handicapped			
General Fund	14	0	(14)
Special Revenue Funds - Federal	161	0	(161)
Fiduciary Funds	3	0	(3)
Employment and Disability Assistance Account			
Special Revenue Funds - Federal	11	11	0
Family and Children Services			
General Fund	429	416	(13)
Special Revenue Funds - Federal	73	73	0
National and Community Service, Office of Special Revenue Funds - Federal	9	9	0
Systems Support			
General Fund	146	142	(4)
Training and Development			
Special Revenue Funds - Other	47	52	5
Youth Facilities			
General Fund	2,698	2,323	(375)
Total	4,280	3,703	(577)

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

Fund Type	Available 2002-03	Recommended 2003-04	Change
General Fund	252,926,600	211,188,500	(41,738,100)
Special Revenue Funds - Federal	89,744,000	62,558,000	(27,186,000)
Special Revenue Funds - Other	124,456,000	135,029,000	10,573,000
Enterprise Funds	500,000	500,000	0
Internal Service Funds	100,000	100,000	0
Fiduciary Funds	3,525,000	2,713,500	(811,500)
Total	<u>471,251,600</u>	<u>412,089,000</u>	<u>(59,162,600)</u>

Adjustments:

Prior Year Deficiency			
Children and Family Services Office of			
General Fund	5,999,700		
Transfer(s) From			
Children and Families, Council on			
General Fund	(1,007,000)		
Special Revenue Funds - Federal	(1,600,000)		
Special Revenue Funds - Other	(225,000)		
Expendable Trust Funds	(300,000)		
Appropriated 2002-03	<u>474,119,300</u>		

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

Program	Available 2002-03	Recommended 2003-04	Change
Central Administration			
General Fund	35,293,400	32,841,400	(2,452,000)
Special Revenue Funds - Federal	1,600,000	1,986,000	386,000
Special Revenue Funds - Other	16,225,000	16,075,000	(150,000)
Internal Service Funds	100,000	100,000	0
Fiduciary Funds	2,125,000	2,012,500	(112,500)
Child Care			
General Fund	2,805,900	0	(2,805,900)
Special Revenue Funds - Federal	14,800,000	0	(14,800,000)
Commission for the Blind and Visually Handicapped			
General Fund	8,455,000	4,228,000	(4,227,000)
Special Revenue Funds - Federal	25,544,000	12,772,000	(12,772,000)
Special Revenue Funds - Other	500,000	250,000	(250,000)
Fiduciary Funds	1,400,000	701,000	(699,000)
Departmental Administrative Reimbursement			
General Fund	(32,843,000)	(42,643,000)	(9,800,000)
Special Revenue Funds - Other	39,343,000	49,143,000	9,800,000
Family and Children Services			
General Fund	30,453,300	30,003,100	(450,200)
Special Revenue Funds - Federal	17,800,000	17,800,000	0
Special Revenue Funds - Other	1,046,000	1,046,000	0
Systems Support			
General Fund	48,252,000	32,151,000	(16,101,000)
Special Revenue Funds - Federal	30,000,000	30,000,000	0
Special Revenue Funds - Other	10,000,000	15,000,000	5,000,000
Training and Development			
General Fund	9,420,000	7,514,000	(1,906,000)
Special Revenue Funds - Other	57,342,000	53,515,000	(3,827,000)
Enterprise Funds	200,000	200,000	0
Youth Facilities			
General Fund	151,090,000	147,094,000	(3,996,000)
Enterprise Funds	300,000	300,000	0
Total	<u>471,251,600</u>	<u>412,089,000</u>	<u>(59,162,600)</u>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2003-04 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	20,711,000	(1,634,900)	19,342,000	(1,633,900)
Child Care	0	(1,854,300)	0	(1,854,300)
Family and Children Services	21,197,000	(74,200)	20,270,100	(74,200)
Systems Support	5,725,000	(1,876,000)	5,604,000	(1,887,000)
Youth Facilities	119,558,000	(4,381,000)	108,308,000	(3,963,000)
Total	<u>167,191,000</u>	<u>(9,820,400)</u>	<u>153,524,100</u>	<u>(9,412,400)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	1,130,000	104,000	239,000	(105,000)
Child Care	0	0	0	0
Family and Children Services	6,000	0	920,900	0
Systems Support	0	0	121,000	11,000
Youth Facilities	5,559,000	(204,000)	5,691,000	(214,000)
Total	<u>6,695,000</u>	<u>(100,000)</u>	<u>6,971,900</u>	<u>(308,000)</u>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2003-04 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Central Administration	12,130,400	(817,100)	208,000	(18,200)
Child Care	0	(951,600)	0	(74,300)
Commission for the Blind and Visually Handicapped	4,228,000	(4,227,000)	0	0
Family and Children Services	8,806,100	(376,000)	589,000	0
Systems Support	26,426,000	(14,225,000)	225,000	(122,000)
Training and Development	7,514,000	(1,906,000)	0	0
Youth Facilities	27,536,000	385,000	10,589,000	(486,000)
Total	86,640,500	(22,117,700)	11,611,000	(700,500)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Central Administration	534,000	(400,000)	9,115,900	(58,600)
Child Care	0	(185,400)	0	(662,100)
Commission for the Blind and Visually Handicapped	0	0	0	0
Family and Children Services	360,000	(27,000)	7,828,100	(9,000)
Systems Support	50,000	(54,000)	10,526,000	866,000
Training and Development	0	0	0	0
Youth Facilities	912,000	(39,000)	13,380,000	(522,000)
Total	1,856,000	(705,400)	40,850,000	(385,700)

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Central Administration	385,200	(308,800)	5,800	0
Child Care	0	(29,800)	0	0
Commission for the Blind and Visually Handicapped	0	0	0	0
Family and Children Services	29,000	0	0	0
Systems Support	225,000	85,000	0	0
Training and Development	0	0	0	0
Youth Facilities	1,168,000	(55,000)	0	0
Total	1,807,200	(308,600)	5,800	0

Program	Maintenance Undistributed	
	Amount	Change
Central Administration	1,881,500	(31,500)
Child Care	0	0
Commission for the Blind and Visually Handicapped	4,228,000	(4,227,000)
Family and Children Services	0	(340,000)
Systems Support	15,400,000	(15,000,000)
Training and Development	7,514,000	(1,906,000)
Youth Facilities	1,487,000	1,487,000
Total	30,510,500	(20,017,500)

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STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2003-04 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Administration	20,173,500	123,500	0	0
Child Care	0	(14,800,000)	0	0
Commission for the Blind and Visually Handicapped	13,723,000	(13,721,000)	0	0
Family and Children Services	18,846,000	0	0	0
Systems Support	45,000,000	5,000,000	0	0
Training and Development	53,715,000	(3,827,000)	1,662,000	0
Youth Facilities	300,000	0	0	0
Total	151,757,500	(27,224,500)	1,662,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	1,812,500	(112,500)	18,361,000	236,000
Child Care	0	0	0	(14,800,000)
Commission for the Blind and Visually Handicapped	0	0	13,723,000	(13,721,000)
Family and Children Services	5,000,000	0	13,846,000	0
Systems Support	0	0	45,000,000	5,000,000
Training and Development	3,224,000	773,000	48,829,000	(4,600,000)
Youth Facilities	300,000	0	0	0
Total	10,336,500	660,500	139,759,000	(27,885,000)

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

Fund Type	Available 2002-03	Recommended 2003-04	Change
General Fund	1,191,479,422	1,226,359,000	34,879,578
Special Revenue Funds - Federal	1,804,508,000	2,022,308,000	217,800,000
Special Revenue Funds - Other	17,250,000	12,250,000	(5,000,000)
Fiduciary Funds	3,530,000	3,530,000	0
Total	3,016,767,422	3,264,447,000	247,679,578

Adjustments:	
Prior Year Deficiency	
Children and Family Services Office of	
General Fund	93,440,000
Appropriated 2002-03	<u>3,110,207,422</u>

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

Program	Available 2002-03	Recommended 2003-04	Change
Child Care			
General Fund	96,066,000	96,066,000	0
Special Revenue Funds - Federal	660,400,000	768,000,000	107,600,000
Special Revenue Funds - Other	250,000	250,000	0
Family and Children Services			
General Fund	1,069,654,600	1,125,293,000	55,638,400
Special Revenue Funds - Federal	1,115,670,000	1,225,870,000	110,200,000
Special Revenue Funds - Other	17,000,000	12,000,000	(5,000,000)
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	20,758,822	0	(20,758,822)
Total	<u>3,016,767,422</u>	<u>3,264,447,000</u>	<u>247,679,578</u>

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

Comprehensive Construction Program	Available 2002-03	Recommended 2003-04	Change	Reappropriations 2003-04
Design and Construction Supervision				
Youth Facilities Improvement Fund	3,000,000	4,000,000	1,000,000	4,000,000
Child Care Facilities Development Program				
Capital Projects Fund - Authority Bonds	0	0	0	8,724,000
Maintenance and Improvement of Facilities				
Capital Projects Fund	1,935,000	2,930,000	995,000	6,779,000
Youth Facilities Improvement Fund	9,475,000	11,000,000	1,525,000	22,406,000
Executive Direction and Administrative Services				
Capital Projects Fund	0	0	0	498,000
Misc. Capital Projects	0	0	0	7,000,000
Program Improvement or Program Change				
Youth Facilities Improvement Fund	0	2,100,000	2,100,000	11,686,000
Youth Center				
Capital Projects Fund	0	0	0	6,600,000
Total	<u>14,410,000</u>	<u>20,030,000</u>	<u>5,620,000</u>	<u>67,693,000</u>