

1993-94 SESSION  
COMMITTEE HEARING  
RECORDS

Committee Name:

Joint Committee on  
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR\_RCP\_pt01a
- 05hrAC-EdR\_RCP\_pt01b
- 05hrAC-EdR\_RCP\_pt02

➤ Appointments ... Appt

➤ \*\*

➤ Clearinghouse Rules ... CRule

➤ \*\*

➤ Committee Hearings ... CH

➤ \*\*

➤ Committee Reports ... CR

➤ \*\*

➤ Executive Sessions ... ES

➤ \*\*

➤ Hearing Records ... HR

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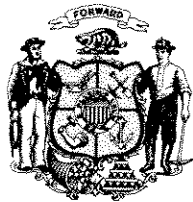
➤ Miscellaneous ... Misc

➤ 93hrJC-Fi\_Misc\_pt35

➤ Record of Comm. Proceedings ... RCP

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Tommy G. Thompson  
Governor  
Gerald Whitburn  
Secretary



Mailing Address:  
1 West Wilson Street  
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Madison, WI 53707-7850  
Telephone (608) 266-3681

## State of Wisconsin Department of Health and Social Services

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March 1, 1993

The Honorable Gary R. George  
Co-Chair, Joint Committee on Finance  
Room 115 South, State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882

Dear Senator George:

Enclosed is the Report on Adoptive Placements and Costs for Calendar Year 1992. Section 46.03(18)(a), Wisconsin Statutes, requires the Department to annually report the number of adoptive placements and the costs related to those placements.

The figures for calendar year 1992 are as follows:

Number of Adoptive Placements	272
Cost of Adoption Placement Services	\$1,314,009
Average Cost Per Adoptive Placement	\$ 4,831

The calendar year 1992 Department report to the Joint Committee on Finance is attached for your review. A full description of Department activity, comparisons to previous years and cost methodology are included in the attached report.

Sincerely,

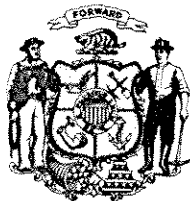
A handwritten signature in black ink, appearing to read "Gerald Whitburn".

Gerald Whitburn  
Secretary

Attachment

cc: Representative Barbara Linton

Tommy G. Thompson  
Governor  
Gerald Whitburn  
Secretary



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## State of Wisconsin Department of Health and Social Services

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March 1, 1993

The Honorable Barbara Linton  
Co-Chair, Joint Committee on Finance  
P.O. Box 8952  
Room 127 S, State Capitol  
Madison, WI 53708-8952

Dear Representative Linton:

Enclosed is the Report on Adoptive Placements and Costs for Calendar Year 1992. Section 46.03(18)(a), Wisconsin Statutes, requires the Department to annually report the number of adoptive placements and the costs related to those placements.

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Sincerely,

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Gerald Whitburn  
Secretary

Attachment

cc: Senator Gary George

**ADOPTIVE PLACEMENTS AND COSTS REPORT  
FOR CALENDAR YEAR 1992**

**DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
DIVISION OF COMMUNITY SERVICES**

**MARCH 1993**

## ADOPTIVE PLACEMENTS AND COSTS REPORT FOR CALENDAR YEAR 1992

### INTRODUCTION

Section 46.03(18)(a), Wisconsin Statutes, requires the Department to annually report the number of adoptive placements and the costs related to those placements. The figures for calendar year 1992 are as follows:

Number of Adoptive Placements	272
Cost of Adoption Services	\$ 1,314,009
Average Cost Per Adoptive Placement	\$ 4,831

During 1992 the Department placed 272 special needs children for adoption at an average cost per case of \$4,831, a decrease of \$1,011 from 1991 and \$31 less than 1990. The decrease in average cost was largely due to a greater number of placements made by Department staff in 1992 (up by 51 children from 1991). Placement totals and average costs have varied widely in recent years (see page 3).

### BACKGROUND INFORMATION

This report reflects costs for child placement and adoption services provided by the section chief, regional adoption social work staff and unit supervisors at nine regional and district offices operated by the Division of Community Services. All Division regional offices, except Milwaukee, have an adoption placement unit. The placement totals in this report do not include placements made by the Milwaukee County Department of Social Services or licensed adoption agencies.

In addition to adoption placement services, regional adoption units performed permanency planning/consultation services for local courts and agencies, including case reviews under s. 48.38, Wis. Stats., for children in county operated foster care programs. The Department also provides limited post-adoption services to Wisconsin families who adopted through the Department or agencies in other states.

These services and other special assignments are documented by a Department time study, and account for approximately 26% of available adoption staff time. The cost of these services for 1992 was \$461,679 in addition to the amount reported for adoption service costs.

## **PLACEMENTS**

The Department adoption program places priority on adoptions of minority and special needs children, children with physical or emotional needs, large sibling groups, older children and teens, or a combination of any of these. Nearly all of the placements are made in homes developed by the Department or in county foster homes converted to adoptive home status. The Department seldom performs independent or "parent initiated" adoptions because they usually involve normal, healthy infant children. Placement of a child in an alternative home following a disruption of an initial placement made during 1992 or any prior year is considered a separate placement.

## **COST AND METHODOLOGY**

The following methodology was used to determine costs for adoption services in CY 1992:

- The number of professional and supervisory positions working on adoption activities was formulated from Division of Community Services personnel and payroll listings. This information was corroborated by the supervisory staff responsible for the adoption unit. The time spent by the staff performing Interstate Compact responsibilities was not included.
- The salary information was computed by using actual payroll figures for December 1992. To compensate for a mid year pay adjustment averaging 3% an adjustment to the 12 month cost was made by applying a 0.9850 reduction (1.5 %) to the total.
- Fringe costs for program staff and support staff were calculated at 32.76 percent of total salary.
- The number of FTE support staff positions was estimated by calculating the ratio of clerical to program staff in all regional offices statewide (3.82 to 1), then applying that same percentage to the number of adoption staff in each unit.
- Support staff salaries were estimated using PSICM level for the 07 pay range for 1992 (\$8,365) which approximates the median clerical level.
- Supplies and services costs (\$5,302) include rent, travel, training and supplies and services. Rent was calculated at \$2,869 per employee based on the average of actual rental costs at nine office locations. Travel and training costs were computed from actual monies available for unit staff (\$1,886). Supplies and services were prorated using unit budgets for the time period (\$547). Costs were not pro-rated for part-time staff.

- To determine the costs of the program when permanency planning and post-adoption services are excluded, the Department referred to a time study devised to learn the percent of "non-adoption" time reported by employees. This same percentage of costs was deleted from total staff costs to determine the total cost of adoption services.
- Average cost per placement is determined by dividing the total cost of adoption services by the number of children placed by the Department during 1992.
- The estimated cost for adoption services reported does not include maintenance payments to foster or adoptive families prior to adoption or the costs of the Medical Assistance Program. Nor does the reported cost include the Adoption Assistance Program payments made by the Department following adoption of special needs children placed by any Wisconsin public or voluntary placement agency.

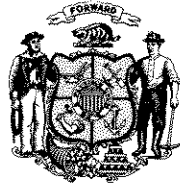
**SUMMARY**

Placements by Department adoption units are up by 51 children or 23% from the previous year (221 in 1991). The cost per placement is down by \$1,011 or 17% from the previous year.

**Comparison of Adoptive Placements and Costs**

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<b>CY</b>	<b><u>1992</u></b>	<b><u>1991</u></b>	<b><u>1990</u></b>	<b><u>1989</u></b>	<b><u>1988</u></b>
Number of Adoptive Placements	272	221	273	237	244
Cost of Adoption Services	\$1,314,009	\$1,291,122	\$1,327,203	\$1,261,617	\$1,265,536
Average Cost of Placements	\$ 4,831	\$ 5,842	\$ 4,862	\$ 5,323	\$ 5,186



TOMMY G. THOMPSON  
GOVERNOR  
JAMES R. KLAUSER  
SECRETARY

March 15, 1993

The Honorable Donald J. Schneider  
Senate Chief Clerk  
235 South, State Capitol  
Madison, WI 53702

The Honorable Thomas T. Melvin  
Assembly Chief Clerk  
211 West, State Capitol  
Madison, WI 53702

Dear Chief Clerk Schneider and Chief Clerk Melvin:

This report is transmitted as required by sec. 20.002(11)(f) of the Wisconsin Statutes, (for distribution to the appropriate standing committees under sec. 13.172(3) Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of February, 1993.

On February 1, 1993 the Elderly Property Tax Deferral Fund balance was \$-68 thousand. This shortfall continued until February 26th when the balance was \$0. The shortfall was due to an excessive General Fund transfer, which was corrected.

The Elderly Property Tax Deferral Fund shortfall was not in excess of the \$400 million ceiling and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by State Finance will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,

A handwritten signature in cursive script, appearing to read "James R. Klauser", with a small "for" written below it.

James R. Klauser  
Secretary