



# Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #218

## TANF Program Reduction Options (DCF -- Economic Support and Child Care)

[LFB 2011-13 Budget Summary: Page 105, #9; Page 106, #10; and Page 107, #13 and #15]

### CURRENT LAW

Under current law, funds from the temporary assistance for needy families (TANF) block grant and child care development block grant (CCDBG) are used for a variety of programs to assist low-income families.

### GOVERNOR

The following table shows base level funding, the Governor's recommended funding levels, and the proposed change to base for the TANF-related programs discussed in this paper.

**TABLE 1**

### TANF Programs Included in Paper Base Funding and Funding Under the Bill

<u>Program</u>	<u>Base Funding</u>	<u>Governor</u>		<u>Change to Base</u>	
		<u>2011-12</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2012-13</u>
Children First	\$1,140,000	\$1,140,000	\$1,140,000	\$0	\$0
Child Welfare Prevention Services	1,489,600	1,489,600	1,489,600	0	0
State Administration of Child Care*	19,041,500	20,061,700	20,143,400	1,020,200	1,101,900
State Administration of Public Assistance	12,196,800	12,322,400	12,322,400	125,600	125,600
Automated Attendance Tracking System	1,000,000	1,000,000	1,000,000	0	0
Quality Care for Quality Kids	<u>5,884,600</u>	<u>5,884,600</u>	<u>5,884,600</u>	<u>0</u>	<u>0</u>
Total	\$40,752,500	\$41,898,300	\$41,980,000	\$1,145,800	\$1,227,500

\*Does not include child care or automated attendance tracking system.

## **DISCUSSION POINTS**

1. As shown in a separate reestimate paper [LFB Paper #210], Wisconsin Works (W-2) and TANF-related programs show an estimated balance of \$10.9 million at the end of the 2011-13 biennium and an annual structural deficit of \$13.2 million going into the 2013-15 biennium. In addition, the Governor, in the bill, would provide the Department of Children and Families (DCF) with the authority to implement several cost saving measures in the Wisconsin Shares program, including increasing parent copayments, decreasing income eligibility, decreasing provider reimbursement rates, and implementing a waiting list. Finally, several Committee members have indicated an interest in restoring the transitional jobs demonstration project. If the demonstration project were restored, it would cost approximately \$12 million for each year the project is extended.

2. The Committee may not wish to adopt some or all of the cost saving measures for the Wisconsin Shares program and could consider eliminating or reducing funding for several other programs in order to restore or increase funding for Wisconsin Shares, the transitional jobs demonstration project, or other TANF-related programs. These are discussed below.

### **Children First**

3. The bill would maintain base funding of \$1,140,000 FED annually for the children first program (Alternative A1). The program provides job training and work experience to low-income or underemployed noncustodial parents to help them meet their child support financial obligations. A noncustodial parent who has no current means of meeting a child support obligation may be ordered by a court into the program. Children first participants often face significant barriers to meaningful employment, including low educational achievement, poor work histories, alcohol and/or drug abuse problems, and criminal records. The program is administered through partnerships between county child support agencies, W-2 agencies, and the county or tribal judicial system. It currently operates in 30 counties and one tribe.

4. Under the program, DCF reimburses the county child support or W-2 agency at a rate of up to \$400 per participant. Currently, about 3,000 persons participate in the program per year. Costs above those reimbursed by DCF are funded by the county.

5. The Committee could reduce the reimbursement rate from \$400 per participant to \$200 per participant and reduce funding by \$570,000 FED annually (Alternative A2). Prior to 2000, the reimbursement rate was \$200. However, the rate was increased to the current level under 1999 Wisconsin Act 9 (the 1999-01 biennial budget act) in recognition of the actual costs of the program.

6. Alternatively, the Committee could eliminate the children first program and reduce funding by \$1,140,000 FED annually to restore or increase funding for other TANF-related programs (Alternative A3).

7. However, in the past, concerns have been raised about the need to provide additional services to noncustodial parents to enable them to provide enhanced financial support to their children. Increased child support payments could help some families achieve self-sufficiency and be less reliant on public assistance programs.

## **Child Welfare Prevention Services**

8. The bill would maintain TANF funding for child welfare prevention services at \$1,489,600 FED annually (Alternative B1). The TANF funding was first provided in 2000-01 and replaced GPR funding that was previously budgeted for the program. State (GPR) funding was initially provided as part of the state's assumption of child welfare responsibilities in Milwaukee County on January 1, 1998. The state agreed to continue funding this contract as part of its child welfare costs in Milwaukee County, since the county had supported these services prior to the state's assumption of child welfare activities in the county.

9. The TANF funding supports two initiatives to reduce the incidence of child abuse and neglect in Milwaukee County: (a) home visiting for at-risk pregnant women and families residing in parts of Milwaukee County (\$812,100); and (b) community-based grants for prevention services (\$577,500). In order to maximize federal matching funds, \$100,000 of these TANF funds are currently being used for the Bureau of Milwaukee Child Welfare (BMCW). In exchange, \$90,000 GPR from BMCW and federal medical assistance matching funds of \$90,000, for a total of \$180,000, supports the UW-Extension to train individuals who provide home visiting services.

10. DCF allocated \$812,100 of the 2010-11 home visiting program funding to the City of Milwaukee Public Health Department. DCF allocated all of the \$577,500 in community-based grants to the Brighter Futures Initiative in Milwaukee County. Of the Brighter Future funds, \$387,800 was awarded to Community Advocates. The remainder was provided to La Causa in the City of Milwaukee to fund the Crisis Nursery (\$189,700).

11. The Milwaukee Public Health Department administers the home visiting program in Milwaukee, known as Empowering Families Milwaukee (EFM). The \$812,100 in home visiting program funds help support, along with local tax levy and federal medical assistance matching funds, 16 MDH staff positions (six social workers and 10 public health nurses). In addition, subcontracts with three community-based organizations (La Causa, Children's Service Society, and Vincent Family Resource Center) provide four community health workers. These organizations provide home visiting services, along with Milwaukee Public Health Department staff, to eight zip code areas in Milwaukee County. EFM provides initial services to pregnant women and women with infants up to two months old who are at risk of poor birth or early childhood outcomes and reside in one of the eight zip codes. Services can be provided until the infant reaches five years of age. The program serves 275 to 300 families.

12. It should be noted that DCF's contract with the Milwaukee Public Health Department expires on June 30, 2011. With additional home visiting funds provided on a competitive basis under the Patient Protection and Affordable Care Act of 2011, DCF has issued a request for proposals for communities to provide evidence-based home visiting services to high-need families in at-risk communities, including Milwaukee. All of the TANF funds will continue to be used for Milwaukee County, and may be used for EFM. The new contracts will begin July 1, 2011. The additional home visiting funds are provided over a five-year period. The state's first grant amount is \$1.2 million.

13. The Brighter Futures program seeks to: (a) prevent and reduce the incidence of

youth violence and other delinquent behavior; (b) prevent and reduce the incidence of youth alcohol and other drug use and abuse; (c) prevent and reduce the incidence of child abuse and neglect; (d) prevent and reduce the incidence of non-marital pregnancy and increase the use of abstinence to prevent non-marital pregnancy; and (e) increase adolescent self-sufficiency by encouraging high school graduation, vocational preparedness, improved social and other interpersonal skills, and responsible decision-making.

14. The Committee could consider reducing or eliminating funding for the program in order to provide TANF funds for other purposes. The Committee could choose to reduce funding for one or both prevention programs (Alternatives B2 through B4). Deleting all of the TANF funds for this program would free up \$1,489,600 annually that could be used to offset the structural deficit, replace other revenue sources, or increase funding for other programs.

15. Eliminating these funds, however, would reduce the number of services available for parents and families in Milwaukee County to prevent the incidence of child abuse and neglect.

### **State Administration of Child Care and Other Public Assistance Programs**

16. The bill would provide increases in funding for child care state administration and licensing (\$1,020,200 in 2011-12 and \$1,101,900 in 2012-13) and for state administration of public assistance programs (\$125,600 annually).

17. The increases in child care state administration and licensing would support: (a) fraud detection and prevention activities (\$135,300 in 2011-12 and \$146,900 in 2012-13); (b) Milwaukee Early Care Administration, which administers Wisconsin Shares in Milwaukee County following the state takeover of these activities (\$252,100 in 2011-12 and \$265,300 in 2012-13); (c) fringe benefits due to a higher rate for child care licensors (\$250,000 annually); (d) compensation and health insurance reserve amounts (\$223,500 in 2011-12 and \$286,100 in 2012-13); (e) an increase in child care licensing (\$8,300 annually); and (f) standard budget adjustments and administration of YoungStar (\$131,300 in 2011-12 and \$125,600 in 2012-13). The amount of funding provided under the bill exceeds these additional expenditures by \$19,700 annually.

18. The funding level provided in the 2011-13 biennium for state administration of public assistance programs is intended to offset reductions due to standard budget adjustments and the realignment of positions and funding. However, the amount of funding included in the bill exceeds these reductions by \$125,600 annually.

19. Provisions of 2009 Wisconsin Act 28 implemented a requirement that state employees take eight days of unpaid annual leave (furlough) in each year of the 2009-11 biennium. This requirement would no longer be in effect during the 2011-13 biennium. As a result, the cost savings from eight days of unpaid annual leave for the entire Department are added back in standard budget adjustments.

20. However, these furlough-related costs with respect to child care state administration and state administration of public assistance programs were also added back in the decision item related to TANF programs. As a result, \$145,300 annually in expenditure authority related to the elimination of furlough days for child care state administration employees and state administration

of public assistance programs employees has been added into DCF's budget twice. Similar to the agency request, the bill would add back these funds twice (Alternative C1).

21. The Committee could eliminate \$145,300 annually to reflect that the increased costs due to the elimination of furlough days has already been added back in the standard budget adjustments and, therefore, should not be added back again in the decision item related to TANF programs (Alternative C2).

### **Automated Attendance Tracking System**

22. Provisions of 2009 Wisconsin Act 2 provided \$500,000 FED in 2008-09 to implement a system to automatically track child care attendance in licensed child care centers. The design was not fully developed, but was envisioned as a "swipe card" system that would allow for the electronic recording and monitoring of attendance at licensed child care facilities. The Department of Administration (DOA) indicated that implementation of this system would address concerns regarding reimbursement of child care providers for children who are not receiving child care or who have parents that may not be legitimately employed.

23. Under the Governor's 2009-11 biennial budget bill, \$500,000 GPR annually was provided to continue to design and implement this automated attendance tracking system (AATS). Instead, the Committee placed the \$1,000,000 GPR in its general program supplementation appropriation. The Committee required DCF to request these funds under s. 13.10 of the statutes in order to implement the AATS. DCF was required to provide a detailed plan of how the AATS would work and how the funds, if released, would be spent.

24. In December, 2010, DCF requested release of these funds. DCF had contracted with the vendor Controltec, Inc. Under the contract, the AATS would have been implemented in three phases: (a) a pilot program to test the system; (b) expand the system state-wide; and (c) ongoing administration. The contract period included the pilot project and a 36-month period after the pilot project was completed for the roll-out and ongoing administration. The contracted costs over the contract period would have totaled \$6.5 million.

25. The AATS would have recorded attendance at the time a child arrived and departed a child care center. The child, or authorized adult, would have enrolled in the AATS by scanning his or her finger three consecutive times to ensure that the best image was recorded. The scanner would have recorded the fingerprint image, analyzed the minutia points of the print, mapped out the minutia points, discarded the fingerprint image, created a binary code from the mapped minutia points, and stored the code in the vendor's warehouse. The code would then have been linked to the appropriate individual within the AATS. Touch-screen devices with an attached biometric reader would have been installed at participating child care centers. Once enrolled, the child, or an authorized adult, would have placed his or her finger on the scanner upon arrival and departure. When the child or authorized adult scanned his or her finger, the time would have been automatically recorded and stored. Child care providers would have submitted the attendance information to DCF in order to receive payment under the Wisconsin Shares child care subsidy program. Child care providers would have had to review attendance data before submitting the information to DCF for corresponding arrival and departure times.

26. The Committee approved the request to spend \$1,000,000 for the AATS. However, the Committee transferred funding from DCF's economic support federal block grant aids appropriation to its economic support block grant operations appropriation to reallocate underspending in the Wisconsin Shares program, rather than release \$1,000,000 GPR from the Committee's general program supplementation appropriation.

27. The bill would continue base funding of \$1,000,000 annually for the AATS in DCF's child care state administration allocation (Alternative D1). However, DCF cancelled the contract with Controltec, Inc. for the following reasons: (a) every milestone deadline was missed; (b) recommended hardware configuration for the project changed; and (c) inability to establish and document a working interface with DCF's subsidy payment system and third party systems. Also, in a letter dated March 9, 2011, the DCF Secretary indicated that in addition to these reasons, the biometric scanning would only work effectively with children over the age of four, which would exclude 58% of the children receiving Wisconsin Shares.

28. DCF has indicated that a full review of AATS strategies will be undertaken and another potential AATS implemented. DCF intends to issue a request for information by June 30, 2011, to evaluate technologies available to support automated attendance and billing processes. DCF is attempting to incorporate feasible and efficient strategies for business operations to ensure that state and federal dollars in Wisconsin Shares are used properly.

29. Given that DCF is pursuing alternative AATS strategies, the Committee could place \$1,000,000 FED annually in its federal funds general program supplementation appropriation and require DCF to return to the Committee with a new AATS plan under a 14-day passive review process in order to access these funds for an AATS (Alternative D2).

30. On the other hand, the Committee could delete this funding for the AATS, since there is no current plan for an AATS, and use the funds to restore or increase funding for other TANF programs (Alternative D3).

### **Quality Care for Quality Kids**

31. The CCDBG provides funding for child care services for low-income families and to improve the quality and supply of child care for all families. There are a number of federal provisions related to the states' use of CCDBG funds. One of these provisions requires states to spend a minimum of 4% of their child care allotments for consumer education activities for parents and the public, to increase parental choice, and to improve quality and availability (including resource and referral services).

32. DCF estimates that the state would need to spend \$11.5 million in 2011-12 and \$11.2 million in 2012-13 to satisfy this 4% spending requirement. Both child care licensing (\$8.9 million annually) and the child care quality rating system (\$7.6 million in 2011-12 and \$7.3 million in 2012-13) combined would satisfy this requirement.

33. Under the bill, funding for other programs to improve child care quality and availability would be funded at the base level of \$5,884,600 annually. These programs include: (a) child care resource and referral agencies; (b) child care scholarships and bonuses; (c) child care

information center; and (d) training and technical assistance. Although federal regulations require funding for resource and referral agencies, there is no specified amount that must be spent. As a result, funding for one or more of these quality and availability programs could be reduced to provide funding for other TANF-related programs. The following table shows funding for these programs under the bill (Alternative E1), with a 25% reduction (Alternative E2), and with a 50% reduction (Alternative E3).

**TABLE 2**  
**Quality Care for Quality Kids Expenditures**  
**Funding Levels Under Alternatives E1, E2, and E3**

<u>Program</u>	Alternative E1		Alternative E2		Alternative E3	
	Governor's Proposal		25% Reduction		50% Reduction	
	<u>2011-12</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2012-13</u>
Child Care Resource and Referral Agencies	\$1,298,600	\$1,298,600	\$974,000	\$974,000	\$649,300	\$649,300
Child Care Scholarships and Bonuses	3,975,000	3,975,000	2,981,300	2,981,300	1,987,500	1,987,500
Child Care Information Center	120,000	120,000	90,000	90,000	60,000	60,000
Training and Technical Assistance	<u>491,000</u>	<u>491,000</u>	<u>368,300</u>	<u>368,300</u>	<u>245,500</u>	<u>245,500</u>
Total	\$5,884,600	\$5,884,600	\$4,413,600	\$4,413,600	\$2,942,300	\$2,942,300

*Supporting Families Together Association*

34. The Supporting Families Together Association (SFTA) was created in 2007 with the merger of the child care resource and referral network, the child care improvement project, and the family resource centers funded through the Child Abuse and Neglect Prevention Board. SFTA receives CCDBG funding for the child care resource and referral agencies (\$1,298,600 annually) and for training and technical assistance contracts with DCF (\$351,000).

35. There are eight hub and three partner child care resource and referral agencies that serve eight regions, all 72 counties, and 11 tribes throughout the state. These agencies: (a) connect parents with child care services and consumer education to make informed choices in selecting child care; (b) use a strengthening families philosophy to appropriately support families; (c) provide guidance to parents on child development, early learning, child abuse and neglect prevention, health and wellness and early education, and school readiness; (d) develop professionals who care for and educate children; (e) deliver training and professional development, conferences, on-site consultation, and networking opportunities; (f) design, implement, and evaluate child care quality improvement initiatives; and (g) collect, analyze, and share data about early child care and education. According to DCF, \$288,400 annually must be spent on school-age resource and referral activities.

36. In 2010-11, SFTA contracts with DCF include: (a) technical assistance to child care programs working towards improving quality, including observation and follow-up, curriculum and assessment practices, professional practices, and learning environments (\$150,000); (b) staff training and follow-up to demonstrate reliability and validity in implementation of environmental rating tools (\$50,000); (c) quality improvement grants for programs that successfully complete

identified quality improvement efforts supported by SFTA (\$61,000); (d) improving the quality of tribal child care programs (\$40,000); and (e) facilitation and/or delivery of training opportunities in the Wisconsin Model Early Learning Standards and Center on Social Emotional Foundations of Early Learning Pyramid Model (\$50,000).

37. With the combined funding, SFTA provided: (a) customized referrals for 16,146 children; (b) technical assistance beyond customized referrals for 65,584 families; (c) 168,201 technical assistance interactions through face-to-face discussions, email exchanges, or phone contact with child care providers; (d) 5,650 hours of consultation or coaching sessions with 1,475 child care providers; and (e) 1,342 trainings with 22,210 participants.

#### *Child Care Scholarships and Bonuses*

38. The teacher education and compensation helps (TEACH) program provides scholarships to child care providers and teachers for educational costs directly related to the child care field. The scholarships cover a portion of the costs of tuition, books, and travel, and provide a raise or a bonus upon completion of a credential. Both recipients and the child care center where the recipient is employed are also expected to contribute toward the educational expenses. In addition, recipients are required to commit to six months to one year to the sponsoring child care center upon completion of the program. In program year 2010, there were 1,302 TEACH participants and 788 new scholarships awarded. The average scholarship of approximately \$4,312 is paid out over the time that the participant completes their program.

39. According to DCF's website, the overall turnover rate of child care providers in Wisconsin is 40%. The turnover rate of TEACH participants is 11%. The turnover rate of TEACH participants during their commitment year is less than 2%. As part of the TEACH program, participants make a commitment to remain in the sponsoring child care program or the field for six months to one year beyond the contract period, depending on the scholarship model.

40. The rewarding education with wages and respect for dedication (REWARD) program provides stipends to child care providers and teachers who attain a certain level of education. To participate in REWARD, participants must meet educational, employment, and longevity requirements. The stipend increases with the level of education. Stipend amounts are based on which step an individual is placed in the Registry, which documents and quantifies individuals' credit-based training. There are 17 steps in the system, ranging from entry level training through completed degrees. REWARD awards stipends beginning with level 9. Individuals can reach level 9 with completed credentials or a minimum of 18 credits. In 2010, the stipends ranged from \$200 for level 9 training to \$900 for a doctorate degree (level 17), with an average of \$583.

41. Recipients of a REWARD stipend enter into agreements for a period of twelve months that requires, among other conditions, that the recipient be employed in child care at least 20 hour per week during the duration of the agreement. According to a 2011 report, from September, 2001, through April, 2011, there have been: (a) 21,195 REWARD stipend payments; (b) 15,793 REWARD agreements; and (c) 5,844 REWARD recipients. The report also indicates that of the amount of REWARD agreements under (b), the revocation rate of these agreements was 2.9%, and

the turnover rate was 1.4%.

### *Child Care Information Center*

42. The child care information center (CCIC) is a mail-order lending library and information center that serves those who work in the field of child care and early education. The CCIC provides free information services, library services, and customized learning packets to help Wisconsin child care professionals. The CCIC is administered by the Department of Public Instruction's (DPI) reference and loan library.

43. In 2010, the CCIC had: (a) 741 books on loan; (b) 5,104 articles distributed; (c) 15,781 child care choices brochures distributed; (d) 2,361 Wisconsin Shares brochures distributed; and (e) 74,240 other brochures distributed. In addition, the CCIC has 1,144 audiovisuals on loan. The CCIC also handles approximately 1,700 questions, 1,800 referrals, and 2,900 client-staff contacts per year. The CCIC loans or distributes over 12,200 items, and distributes an electronic newsletter to over 31,600 child care and early education programs, staff, teacher educators, and others. Finally, the CCIC maintains a website for individuals to review or download materials that had been distributed through the mail in the past.

### *The Registry*

44. In addition to the contracts with SFTA described above, DCF also contracts with the Registry. A contract with the Registry in the amount of \$140,000 in 2010-11: (a) assures accuracy and real-time availability of verified educational qualifications of the child care work force and links this data with DCF; (b) adds demographic information on individual child care providers, through increased use and updates of the center program profile form; (c) offers an enhanced on-line application process; (d) encourages full work force participation on the Registry career ladder; (e) promotes, supports, and encourages child care workers to complete credit-based instruction through professional development planning; (f) identifies training opportunities available to advance professional development of the work force; (g) continues to support and promote the professional development approval system through information sharing and training opportunities to ensure approved trainers and approved technical consultants are available statewide; (h) continues enhancement of the automated system to collect data and create usable, real-time reports that reflect Wisconsin-specific information; and (i) continues to work collaboratively and supportively with other interested statewide agencies and interested stakeholders.

45. Under this contract: (a) 170 credentials were awarded; (b) policy materials and support for child care providers to receive Registry career levels were developed; (c) 8,215 Registry career levels were awarded in 2010; (d) policy on training competencies for YoungStar health and wellness quality indicators were developed; (e) a data exchange of educational qualifications for lead teachers, directors, and family care providers was coordinated with DCF; and (f) report capacity for a training and trainer approval computer system was identified.

46. The Committee could continue to provide base funding for programs to improve quality and availability of child care (Alternative E1). However, in order to free up funds for other TANF programs, the Committee could reduce funding for these programs by \$1,471,000 annually,

which represents a 25% reduction, as shown in the table above (Alternative E2). Alternatively, the Committee could reduce funding by \$2,942,300 annually, which represents half of the base funding, as shown in the table above (Alternative E3).

### **Random Moment Sampling Variance**

47. In a letter to the Co-chairpersons of the Joint Legislative Audit Committee dated March 25, 2011, the Legislative Audit Bureau (LAB) identified up to \$12.0 million in federal funds that the Legislature could either direct DCF to spend on specific public assistance programs or lapse to the general fund. In the letter, the LAB noted that the actual balance as of June 30, 2010, was \$8.4 million and further noted an unaudited cash balance of \$12.0 million as of January 31, 2011. However, DCF has indicated that the actual accumulated amount available is \$9,768,400.

48. These funds are from a variance in federal TANF, child support, and refugee assistance reimbursements to the state from state reimbursements to local agencies for eligible expenditures due to different methodologies in reporting expenditures. Federal block grants and federal matching funds are not distributed to states in lump sums. Instead, the federal Department of Health and Human Services (DHHS) reimburses states for expenditures on eligible activities up to their block grant amount or at the federal matching rate. In a similar manner, local agencies (county departments of human/social services or other agencies) are reimbursed by the state for their expenditures on eligible activities. Reimbursements are deducted from their contract allocation amounts.

49. Local agencies report their expenditures to the state using any generally accepted accounting and cost-allocation methodology to claim reimbursement from the state for their programs. They are subject to audit, programmatic, and contract requirements, and may be reimbursed only for actual costs. There may also be caps on total contract amounts.

50. However, when the state reports expenditures to DHHS, the state uses a methodology called random moment sampling. Rather than sending logs of actual expenditures from every county and agency, the state gathers a statistically valid sample of local expenditures and reports those results to DHHS. DCF emails local workers at random moments in time to ascertain what activity the workers are performing at that moment. From the sample information, assumptions about eligible activities and expenditures are made and reported. DHHS reimburses the states based on the results of the random moment sampling.

51. As a result of these different methodologies, expenditures reported to DHHS are greater than those reported by local agencies. Therefore, DCF has accumulated funds from the random moment sampling because DCF receives more in reimbursements from DHHS than DCF reimburses local agencies for their eligible activities. These funds are no longer subject to federal regulations and are not required to be spent on any specific activity. In other words, this accumulated balance consists of unrestricted funds that may be used for any purpose.

52. These funds have currently been deposited in two TANF-related appropriations, a child support appropriation, and a refugee assistance appropriation in DCF. The budget bill would not expend these funds, and the administration has asked that they be lapsed to the general fund.

Because they may be used for any purpose, the Committee may direct DCF to lapse these funds to increase the balance of the general fund (Alternative F1).

53. On the other hand, given the structural deficit in the TANF program and given that other TANF programs may need additional funding, the Committee may choose to leave these funds in DCF's appropriations (Alternative F2). These funds would then be available to support programs in DCF and could improve the 2012-13 ending TANF balance by \$9,768,400 or provide additional funding for other TANF-related programs during the 2011-13 biennium.

## ALTERNATIVES

### A. Children First

1. Approve the Governor's proposal to provide base funding of \$1,140,000 FED annually for the children first program.

2. Reduce funding by \$570,000 FED annually to reflect a reduction in the reimbursement rate from \$400 per participant to \$200 per participant.

ALT A2	Change to Bill Funding
FED	- \$1,140,000

3. Reduce funding by \$1,140,000 FED annually to eliminate the children first program. Delete the statutory authority and allocation.

ALT A3	Change to Bill Funding
FED	- \$2,280,000

### B. Child Welfare Prevention Services

1. Approve the Governor's proposal to provide base funding of \$1,489,600 FED annually for child welfare prevention services in Milwaukee County.

2. Reduce funding by \$1,002,100 FED annually to delete funding for the home visiting component of child welfare prevention services. This reduction represents elimination of the TANF funds of \$912,100 annually and the medical assistance matching funds of \$90,000 annually.

ALT B2	Change to Bill Funding
FED	- \$2,004,200

3. Reduce funding by \$577,500 FED annually to delete funding for the community-based grants component of child welfare prevention services.

<b>ALT B3</b>	<b>Change to Bill Funding</b>
FED	- \$1,155,000

4. Reduce funding by \$1,579,600 FED annually to eliminate TANF funding for child welfare prevention services. This amount includes \$90,000 annually in medical assistance matching funds for the UW-Extension. Delete the statutory allocation.

<b>ALT B4</b>	<b>Change to Bill Funding</b>
FED	- \$3,159,200

**C. State Administration of Child Care and Other Public Assistance Programs**

1. Approve the Governor's level of funding for state administration of child care and other public assistance programs. As shown in Table 1, funding for state administration of child care would total \$11,556,200 FED in 2011-12 and \$11,643,600 FED in 2012-13, excluding child care licensing, YoungStar administration, and the AATS. Funding for state administration for public assistance programs would total \$12,322,400 FED annually.

2. Reduce funding by \$145,300 FED annually to reflect that the savings from furlough days during the 2009-11 biennium had been restored in DCF's budget twice.

<b>ALT C2</b>	<b>Change to Bill Funding</b>
FED	- \$290,600

**D. Automated Attendance Tracking System**

1. Approve the Governor's proposal to provide base funding of \$1,000,000 FED annually for the AATS.

2. Transfer \$1,000,000 FED annually from DCF's economic support federal block grant aids appropriation to the Committee's federal funds general program supplementation appropriation and require DCF to submit a new AATS plan under a 14-day passive review process to access these funds.

3. Reduce funding by \$1,000,000 FED annually to delete funding for the AATS.

<b>ALT D3</b>	<b>Change to Bill Funding</b>
FED	- \$2,000,000

**E. Quality Care for Quality Kids**

1. Approve the Governor's proposal to provide \$5,884,600 FED annually for programs to improve child care quality and availability.

2. Reduce funding by \$1,471,000 FED annually to reflect a 25% reduction in funding for programs to improve child care quality and availability.

<b>ALT E2</b>	<b>Change to Bill Funding</b>
FED	- \$2,942,000

3. Reduce funding by \$2,942,300 FED annually to reflect a 50% reduction in funding for programs to improve child care quality and availability.

<b>ALT E3</b>	<b>Change to Bill Funding</b>
FED	- \$5,884,600

**F. Random Moment Sampling Variance**

1. Lapse \$9,768,400 in accumulated random moment sampling variance funds to the general fund from the TANF and CCDBG appropriations on the effective date of the bill.

<b>ALT F1</b>	<b>Change to Bill Revenue</b>
GPR	\$9,768,400

2. Leave the accumulated random moment sampling variance funds in the TANF and CCDBG appropriations to be available for spending in the TANF program.

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