



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #365

Extend Project Positions (DHFS -- Departmentwide)

Bill Section

[LFB 2007-09 Budget Summary: Page 233, #5 (part)]

CURRENT LAW

The Department of Health and Family Services (DHFS) is one of several state agencies that receive funding from federal agencies as reimbursement of indirect costs of grants and contracts. "Indirect cost reimbursements" are defined in state statute as moneys received by an agency from the federal government as reimbursement for indirect costs of administration of a federal grant or contract for which no specific use is mandated by the federal government. Agencies that receive indirect cost reimbursements may use these funds for: (a) administrative purposes; (b) program purposes; (c) funding of positions; (d) payment of federal aid disallowances; or (e) other purposes authorized by law.

All federal funding DHFS receives from this source is credited to an appropriation that supports general administrative costs of the agency. If DHFS does not use indirect cost reimbursements for the purposes specified in statute, the DHFS Secretary must request the Secretary of the Department of Administration to transfer the reimbursement to the general fund.

GOVERNOR

Provide \$155,600 FED in 2007-08 and \$112,300 FED in 2008-09 to: (a) extend 1.0 FED agency liaison project position, which serves as the Milwaukee faith-based coordinator position, from July 1, 2007, to March 27, 2010 (\$112,300 FED annually); and (b) extend 1.0 FED agency liaison project position, which serves as a special assistant to the Secretary on program issues, from July 1, 2007, to February 28, 2008 (\$43,300 FED in 2007-08).

DISCUSSION POINTS

Office of Community and Faith-Based Partnerships

1. On July 15, 2006, under Executive Order #158, the Governor created the Office on Community and Faith-Based Partnerships. The order directed the Office to:

- Facilitate coordination of state government efforts relating to community and faith-based initiatives, expand opportunities for community and faith-based organizations to address social needs in Wisconsin, and identify obstacles to effective and efficient collaboration;
- Provide a single point of contact for community and faith-based organizations to receive information, assistance and referrals related to community and faith-based programs within state government;
- Work with community and faith-based organizations to promote service activities and assist the organizations in identifying and applying for federal grants;
- Identify, promote, and share innovative and model community and faith-based programs, initiatives and best practices among community and faith-based organizations;
- Provide technical assistance, education, information and other support to community and faith-based organizations;
- In collaboration with state agencies, monitor the effectiveness of service provision using funds distributed to community and faith-based organizations; and
- Identify, promote and share innovative and model community and faith-based programs, initiatives and practices with peers throughout the state.

The order directed DHFS to provide basic staff support to the Office, and all state agencies to provide information and assistance to the Office at its request.

2. The Office consists of one position, the Director, which is budgeted in DHFS and supported with federal indirect funds. The Director works with community and faith-based organizations to assist in addressing unmet human service needs for Wisconsin's most vulnerable residents. Since July, the Director has met with over 100 community and faith-based organizations, state agencies and federal agencies. In addition, the Office has participated in seven monthly state liaison meetings with the White House Office of Faith-Based and Community Initiatives to inform state offices of grant opportunities, best practices among other state offices and agencies, and to provide a forum for guest speakers.

3. In October, 2006, the Office hosted a conference on Community and Faith-Based Partnerships, which was attended by over 150 individuals. State agencies presented information to assist these organizations in accessing state government resources. The Office is planning two additional conferences, one in May, 2007, to serve organizations from in the Fox Valley area, and

one in September, 2007, which will be held in the Wisconsin Dells to serve organizations in the southwestern and northwestern areas of the state.

4. In addition, the Office has participated in workshops, coordinated efforts for state employees to participate in service projects on Dr. Martin Luther King, Jr. Day ("A Day On, Not a Day Off"), and has created a website that includes related information (<http://www.cfbp.wisconsin.gov/>). The Office is based in the City of Milwaukee.

5. The position's responsibilities include: (a) developing, analyzing and preparing reports, procedures and policies for health and human service program areas; (b) advising and providing recommendations to the agency on program issues; (c) fostering collaborative environments for the development and implementation of initiatives; and (d) maintaining an effective system to strengthen interagency liaisons, including with federal and local agencies.

Liaison Position with the Governor's Office

6. The liaison position, also funded with federal indirect funds, was created in March, 2004, to serve as the DHFS liaison to the Governor's office to facilitate sharing of information between the two agencies. The position serves as the special assistant to the Secretary on program issues, policy development, and to perform ad hoc projects. The position serves as a principal advisor to the Secretary on emerging issues, including politically sensitive and controversial matters.

7. The position represents DHFS at public hearings, and at meetings that involve program initiatives and special assignments.

8. DHFS indicates that, due to the broad range of programs DHFS administers, it is not practical for other high-level staff, including the Secretary, the Deputy Secretary, and Division administrators, to provide day-to-day liaison work with the Governor's office. For example, this position works with the Governor's office when that office's input is required for a federal grant application.

Options

9. Support for these two positions is an appropriate use of federal indirect funds, since the positions work with the full range of programs DHFS administers. Further, the federal grant funding DHFS receives recognizes the need to fund some administrative overhead costs of federally-supported programs. If the Committee wishes to maintain these positions, it could adopt the Governor's recommendations.

10. The current statutes direct that surplus federal indirect funds be deposited to the general fund. However, it is unlikely that DHFS will lapse surplus federal indirect funds to the general fund in the 2007-09 biennium. For this reason, if the Committee chooses not to extend one or both of these positions, it could reallocate salary and fringe benefit funding that, in SB 40, would be budgeted to support these positions to instead fund supplies and services costs for the

Department's general program operations appropriation, and reduce GPR support for supplies and services by a corresponding amount.

ALTERNATIVES TO BILL

1. Adopt the Governor's recommendations to provide \$155,600 FED in 2007-08 and \$112,300 FED in 2008-09 to: (a) extend 1.0 FED agency liaison project position, which serves as the Milwaukee faith-based coordinator position, from July 1, 2007, to March 27, 2010 (\$112,300 FED annually); and (b) extend 1.0 FED agency liaison project position, which serves as a special assistant to the Secretary on program issues, from July 1, 2007, to February 28, 2008 (\$43,300 FED in 2007-08).

ALT 1	Change to Bill	Change to Base
	Funding	Funding
FED	\$0	\$267,900

2. Modify the Governor' recommendation by deleting funding for the position that serves as the Director of the Office of Community and Faith Based Partnerships. Transfer \$112,300 FED annually from salaries and fringe benefits to instead support supplies and services in the agency's general management appropriation, and reduce GPR funding for supplies and services by a corresponding amount.

ALT 2	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	-\$224,600	0.00	-\$224,600	0.00
FED	<u>0</u>	<u>-1.00</u>	<u>267,900</u>	<u>-1.00</u>
Total	-\$224,600	-1.00	\$43,300	-1.00

3. Modify the Governor' recommendation by deleting funding for the position that serves as the liaison position to the Governor's Office. Transfer \$43,300 FED in 2007-08 from salaries and fringe benefits to instead support supplies and services in the agency's general management appropriation, and reduce GPR funding for supplies and services by a corresponding amount.

ALT 3	Change to Bill	Change to Base
	Funding	Funding
GPR	-\$43,300	-\$43,300

4. Modify the Governor' recommendation by deleting funding for both the Director of the Office of Community Faith Based Partnerships and the position that serves as the liaison

position to the Governor's Office. Transfer \$155,600 FED in 2007-08 and \$43,300 FED in 2008-09 from salaries and fringe benefits to instead support supplies and services in the agency's general management appropriation, and reduce GPR funding for supplies and services by a corresponding amount.

ALT 4	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	-\$267,900	0.00	-\$267,900	0.00
FED	<u>0</u>	<u>-1.00</u>	<u>0</u>	<u>-1.00</u>
Total	-\$267,900	-1.00	-\$267,900	-1.00

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