

Office of the
Legislative Fiscal Analyst

FY 2005 Budget Recommendations

Joint Appropriations Subcommittee for
Commerce and Revenue

Utah Department of Workforce Services

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1.0 Department of Workforce Services

Summary

The 1996 Legislature passed House Bill 375, “The Department of Workforce Services,” to combine and integrate job placement, job training, and welfare functions in Utah. This integration assumed that states would receive federal block grant funding for the welfare programs, affording Utah increased flexibility and effectiveness in serving clients. In 1997 the Legislature finished creating the department and authorized an official start up date of July 1, 1997. Utah created a public/private partnership to accomplish the goals of welfare reform. The department now operates 49 employment and eligibility centers. The department’s organization is still in flux.

	Analyst FY 2005 Base	Analyst FY 2005 Changes	Analyst FY 2005 Total
Financing			
General Fund	53,037,900		53,037,900
Federal Funds	200,862,000		200,862,000
Dedicated Credits	2,746,800		2,746,800
Trust and Agency Funds	2,160,000		2,160,000
Transfers	2,763,800		2,763,800
Total	\$261,570,500	\$0	\$261,570,500
Programs			
Workforce Services	261,570,500		261,570,500
Total	\$261,570,500	\$0	\$261,570,500
FTE/Other			
Total FTE	1,963		1,963

Recommendation

The Analyst recommends a total budget of \$261,570,500 as shown above.

The Department has experimented with extended hours at their West Valley Employment Center. Department wide implementation will be difficult throughout the state because some offices have very small staffs. Preliminary results seem promising and since longer hours assist the working poor and underemployed, the Analyst recommends that the Legislature encourage the practice with the following intent:

To help the working poor and underemployed, the Legislature encourages the Department of Workforce Services to expand the trial implementation of longer office hours and to implement longer office hours when Department management finds it advisable.

In section 2.0 the Analyst will recommend building blocks for end of session consideration.

Workforce Services Efficiency

This table shows the efficiency ratio of Administration & Operations to Client Payments in FY 03. It also shows the relative size of each program and the total size of the Department. (Food Stamps and Unemployment Insurance are not usually shown in the budget.)

Workforce Services	
	2003
Operating Expenses	
Administration & Operations	181,047,400
Total	\$181,047,400
Client Payments	
TANF	52,097,000
Food Stamp Cash Out/E&T	2,028,200
Refugee Programs	1,641,200
General Assistance	6,518,400
Workforce Investment	5,000,000
Displaced Homemaker	7,000
Child Care	32,083,400
Medicaid	35,000
TAA/NAFTA	9,200,000
Other	15,000
Subtotal in Budget	\$108,625,200
Unemployment Insurance	324,039,700
Food Stamps	91,468,600
Subtotal Off-budget	\$415,508,300
Total of all Client Payments	\$524,133,500
Grand Total of all Spending	\$705,180,900
Operating/Client Payments Ratio	34.5%

The Department has a “maintenance-of-effort” requirement to keep a specific level of General Fund in program budgets. Any reduction below the specified amount could result in a total loss of federal funds. Utah has already realized a number of savings due to increased client employment, reduced welfare caseload, and administrative consolidations. Because federal employment requirements were met early, and continue to be met, the agency has its General Fund “maintenance-of-effort” requirement amount reduced to 75 percent. There are two General Fund programs not involved in maintenance of effort: General Assistance and Child Care.

Mission Statement

“The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive, employment-related and supportive services responsive to the needs of employers, job seekers, and the community.”

Vision Statement

The Department’s Vision Statement is “We will set the national standard of a high-quality workforce by being the employment connecting point for employers, job seekers, and the community.”

2.0 Budget Highlights: Department of Workforce Services

2.1 Reauthorization Update (Thanks to Sarah Brenna)

Temporary Assistance for Needy Families (TANF) Reauthorization

TANF and Child Care are currently being funded through a continuing resolution that expires March 31, 2004.

On February 13, 2003, the House passed H.R. 4, the Personal Responsibility, Work, and Family Promotion Act of 2003.

On September 10, 2003, the Senate Finance Committee passed its TANF reauthorization legislation known as Personal Responsibility and Individual Development for Everyone (PRIDE). It closely follows many of the administration's proposals and the House's TANF bill (H.R. 4).

Both the House and Senate versions maintain current TANF funding of \$16.5 billion (no inflationary increases) and extend supplemental grants.

Both versions increase state work participation rates from 50% to 70% by 2007.

Both versions propose increases to weekly work hours but differ in the amount. The house version proposes 40 whereas the Senate version proposes a minimum of 34 for families with children age six and over and 24 for those with children under age six. Both versions give some sort of "partial" credit for fewer hours. We will end up with something in between.

Both versions change what counts as work for the base 24 hours.

The House version limits these "direct work" activities to unsubsidized employment, subsidized private or public sector work, on-the-job training, supervised work experienced, and supervised community service.

The Senate version uses the current 9 priority activities (unsubsidized jobs, subsidized private jobs, subsidized public jobs, work experience, on-the-job training, job search (6 weeks), community service, vocational education training (12 months), and child care for TANF recipients) plus a three "non-priority" activities (job skills training, completion of secondary school, and education directly related to work).

For the remaining 16 – 20 hours, depending on what the final bill says, additional activities could include substance abuse counseling, rehabilitation treatment, work-related education or training, job search or job readiness. The Senate version adds adult literacy programs, post-secondary education, or other barrier removal activities defined by the state.

Items still up in the air:

How much time can someone spend in training?

How much child care will be available for states because of the increase in work activities?

Workforce Investment Act (WIA) Reauthorization

In May, the House passed **HR 1261**, the “Workforce Reinvestment and Adult Education Act of 2003”

Last week, the full Senate passed S. 1627, the “Workforce Investment Act Amendments of 2003”

Modifications include changes to state level workforce investment boards

Both change board composition (Senate includes a heavy reliance on state agency partners and more diversified business interests)

Business leadership of state and local boards is maintained

New state-level board responsibilities such as developing policies on the role and certification of one-stops, cost allocations among one-stop partners, outreach, technology improvements and sharing best practices

Both versions change the percentage of youth that can be served while in or out of school. Current law allows 70% of funds to be used for in-school youth. The House version places greater emphasis on out of school youth (only 30% can be used for in school youth). The Senate version allows 60% of funds (only a 10% decrease) to be used for in school youth.

Both versions improve the vendor selection process for youth.

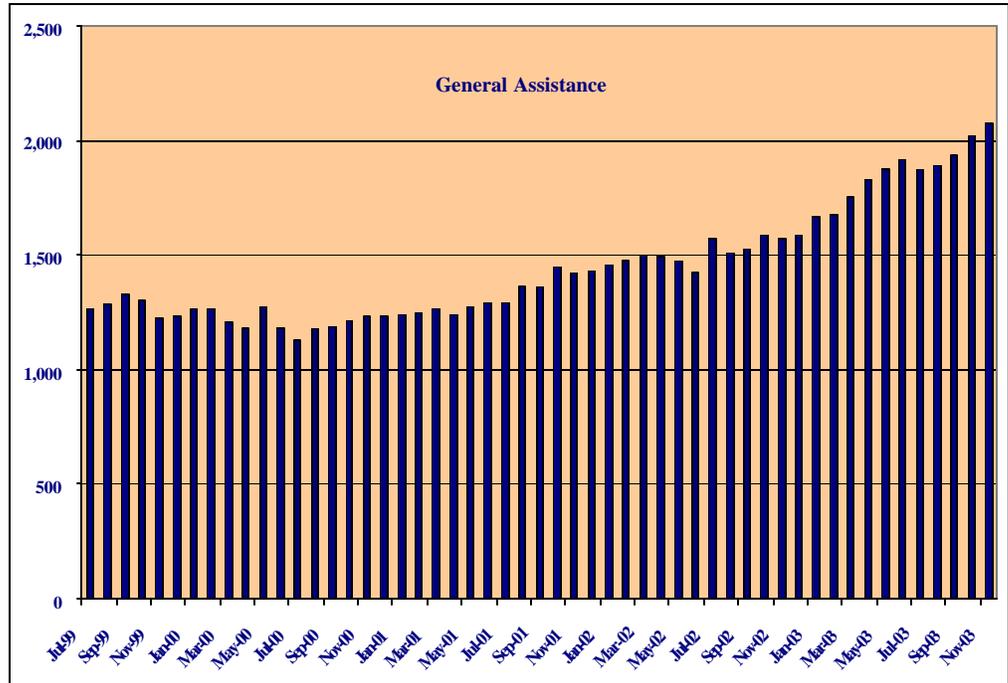
2.2 General Assistance Funding

Continued Caseload Growth (Request \$2,424,300 on-going)

Since the summer of 2000, cases have steadily increased to more than 2,000 (an 83% increase). During the December '02 Special Session the Legislature cut the program \$1,366,900 (\$1,000,000 of this cut was restored one-time for SFY2004 only). For SFY2005 DWS requests a restoration of the \$1,366,900 cut. DWS estimates that it will need an additional \$1,057,400 for caseload increases for a total of \$2,424,300.

Performance Measure

Caseloads have increased dramatically.



2.3 Food Stamp Funding

Ongoing federal match rate change – Employment & Training (\$454,800 ongoing)

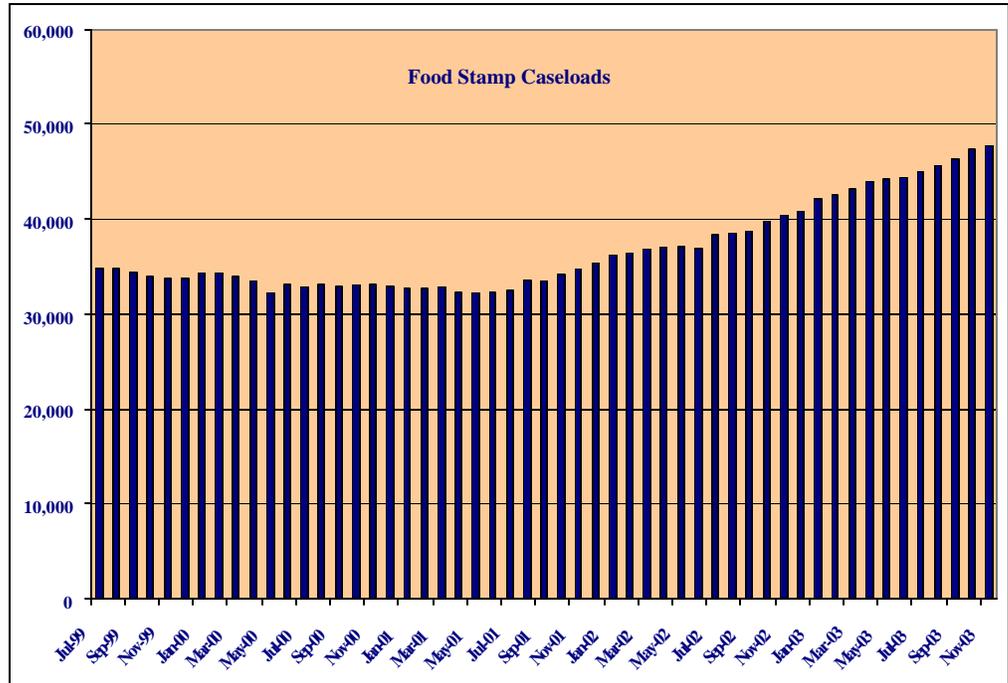
A portion of the funding for Food Stamp program’s Employment & Training component was federally funded 100% until last year, when Congress required the difference to be made up with 50% state match. For FY 04, the Legislature appropriated the \$454,800 in one-time General Fund needed to cover this match rate change. This is an ongoing match rate change, and the Analyst recommends that these funds be put on the list for end of session consideration as ongoing funds.

Continued caseload growth – Food Stamp Eligibility Determination (\$945,200 one-time)

Our current economic climate continues to have a direct effect on Food Stamp cases. Since May 2001 cases have steadily increased to over 45,000 (40% increase). Although Food Stamps are 100% federally funded, the workload associated with determining eligibility requires a 50% state match. For FY 04 the Legislature appropriated \$945,200 additional General Fund one-time, with the hope that the economy would recover by FY 05. Although the economy now hints of recovery, Food Stamp usage lags economic trends by six months to a year, and DWS economists predict that caseloads/workload will probably not begin to decrease until late in 2005. The Analyst recommends that this appropriation be put on the list for end of session consideration as ongoing funds.

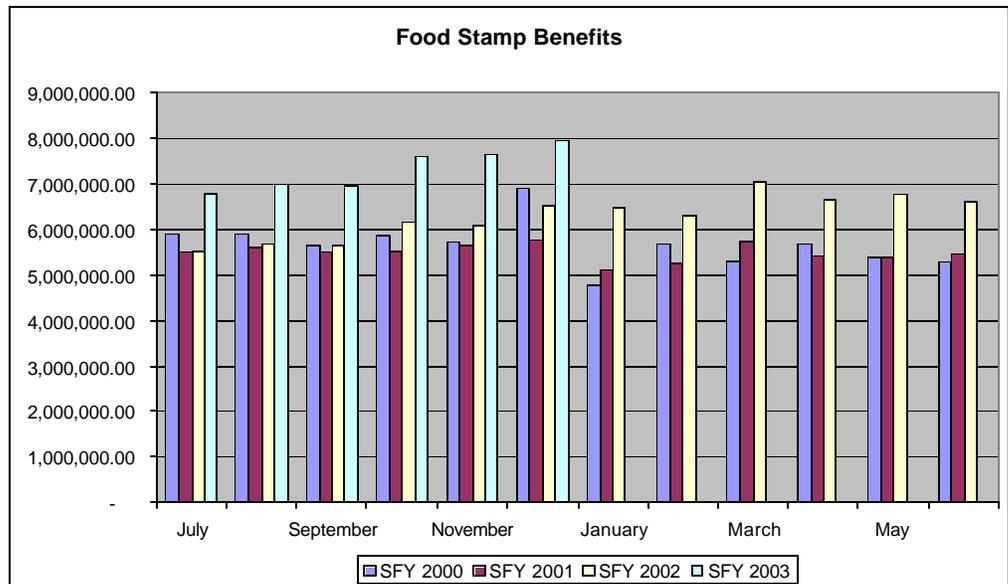
Performance Measure

Food Stamp caseloads have increased dramatically.



Performance Measure

Benefits paid show a corresponding increase.



2.4 eREP funding for Medicaid and Foodstamps : Request for \$6,321,000

eREP is an **electronic Resource and Eligibility Product** being developed for the State of Utah to replace the current eligibility software, PACMIS. The Department’s of Workforce Services, Health, and Human Services, and the State’s Chief Information Office (CIO), are all partners in this enterprise system with Workforce Services playing the managing role.

eREP’s goal is to develop efficient and integrated eligibility and referral services for Utah’s residents in need of economic, health-related and other support services and assistance.

eREP supports self-directed activities across all modules of the system. This means that customers will, for the first time, have the opportunity to utilize the Internet to apply for, review, and update the status of their application for state support services. State employees across all departments will be able to work more efficiently by utilizing the rules-based system upon which **eREP** is built. This will lead to better decision support, resource utilization, and accurate benefits issuance.

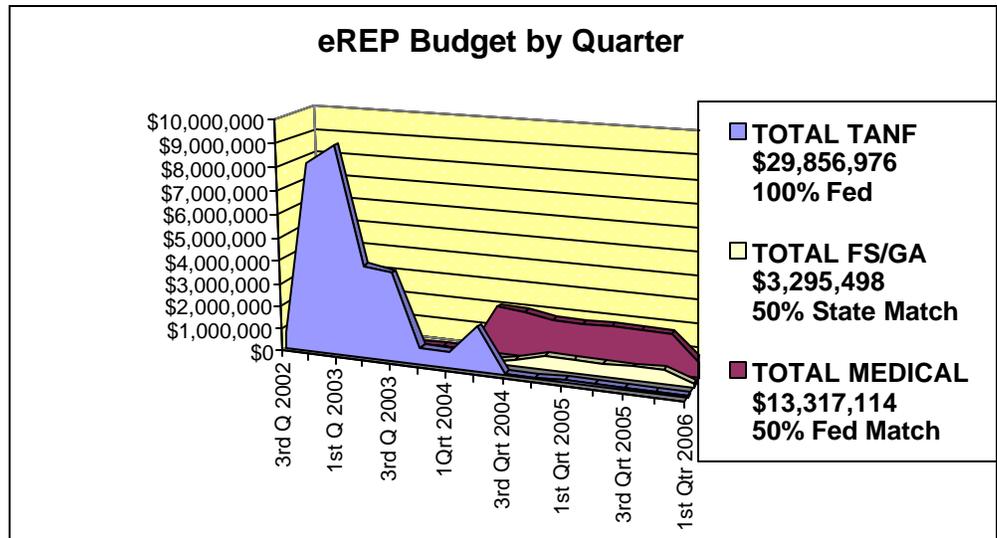
The first release of **eREP**, known as “*Utah Cares*,” was made available to the public in October 2003. This service is part of Utah.gov and matches customer health and human services needs with potential service providers. It is available via the Internet 24 hours a day, 7 days a week, in English and Spanish.

As shown in the following graph, approximately \$30 million in federal TANF funding is being used to develop the core system, which will include eligibility and benefits for TANF and Child Care. This initial project provides the core platform for all supportive service programs using the system, including Medicaid and Food Stamps extensions. It is anticipated that this project will move into pilot phase during the summer of 2004. By building the system in this manner, the State has been able to maximize federal funding by reducing the state matching funds required to add Medicaid and Food Stamps.

The second project involves the development of medical services, which is projected to commence upon completion of the core project. The Department of Workforce Services is requesting funding for the Medicaid project in FYs 2004 and 2005 totaling \$6,321,000 which will fund the 50% match for the projects total cost of \$12,641,800. The Department is negotiating with federal agencies on the match rate and hope to reduce the state cost from \$6,321,000 to \$3,844,900. The third project will include food stamp, general assistance, and refugee services functionalities, which will commence towards the end of FY 2005.

The partners in the system development effort have agreed that, with DWS playing the managing role, the amount needed for the project development will be requested through the Commerce and Revenue Appropriation’s Subcommittee. The Department’s of Health and Human Services will also be requesting, through their subcommittee, the funds needed to develop interfaces between eREP and their agency specific systems. The Department of Health has requested \$1,424,000, which will require a \$460,000 General Fund match. Human Service’s request is for \$902,000, which will require a \$509,000 General Fund match.

The Analyst recommends that the Legislature consider this item for end of session funding so that this \$30,000,000 project might be completed.



Original Agencies

The Department was officially created on July 1, 1997. The departments, agencies, and programs combined to create the new department were:

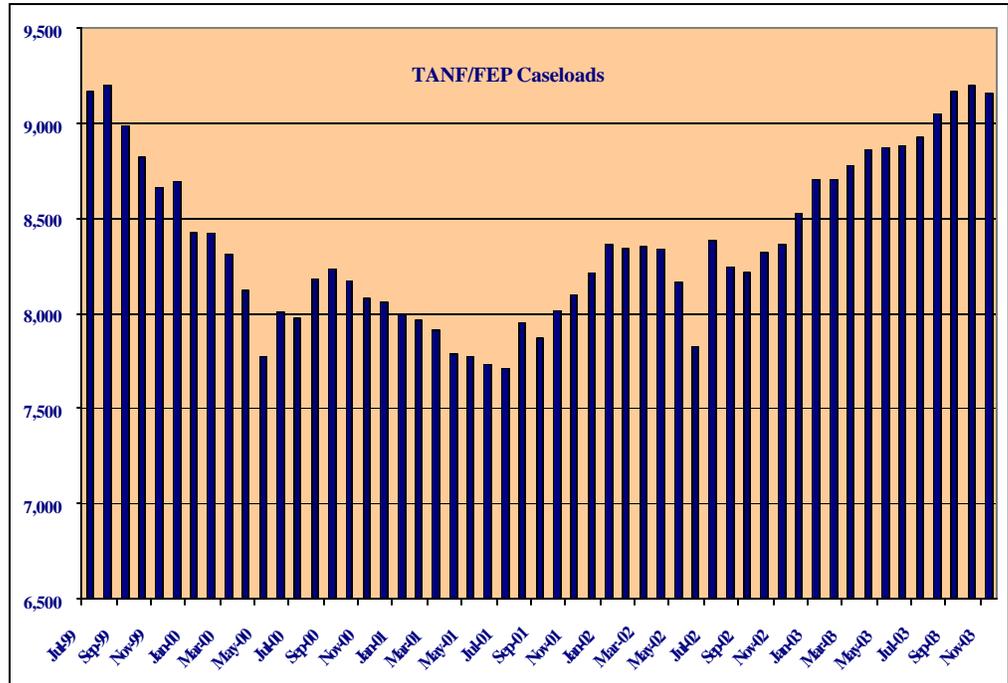
- ▶ Department of **Employment Security** which oversaw the Unemployment Insurance, Employment Services, and Labor Market Information;
- ▶ Office of **Family Support** which administered public assistance programs such as Food Stamps, Family Employment Program and subsidized Child Care;
- ▶ Office of **Job Training** which coordinated all job training programs including the Job Training Partnership Act and Single Head of Household Job Training; Now the program is the Workforce Investment Act (WIA)
- ▶ Office of **Child Care** which worked with employers to ensure quality child care to those who are employed; and
- ▶ **Turning Point** which served displaced homemakers by providing educational opportunities and other employment related services.

Below are the federally funded programs that the Department now runs. They are not run as “siloed” programs but are integrated for the sake of the citizens. A single case officer can draw upon any of these resources.

- ▶ **Family Employment Program (FEP)** - Utah’s implementation of the Temporary Assistance for Needy Families (TANF) program. TANF is an employment based approach toward financial assistance.

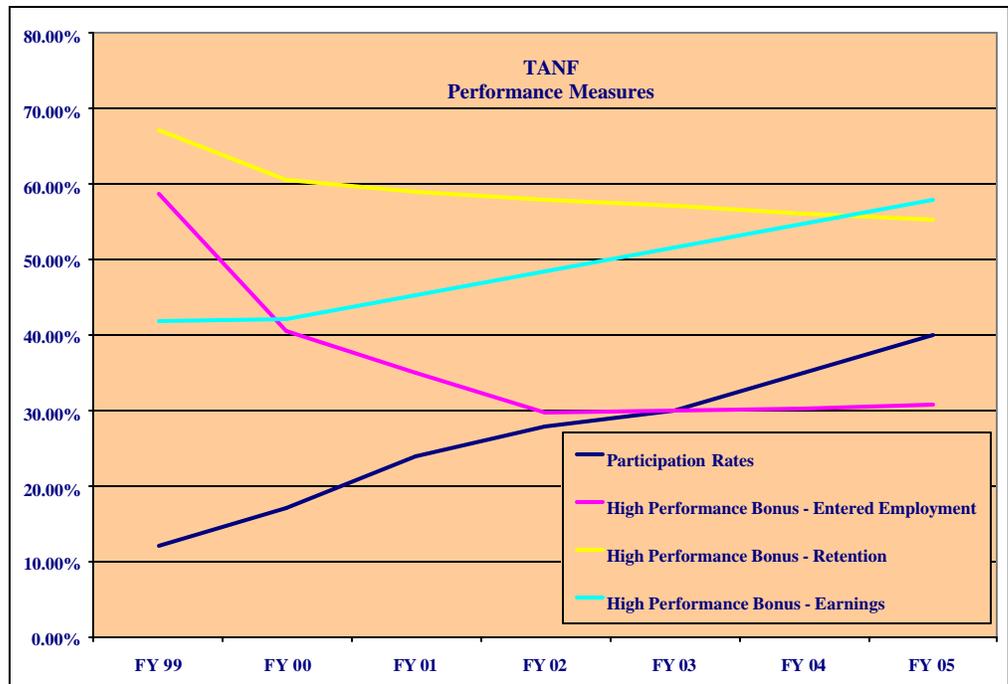
Performance Measure

Caseloads declined to July 2001 and increased since then.



Performance Measure

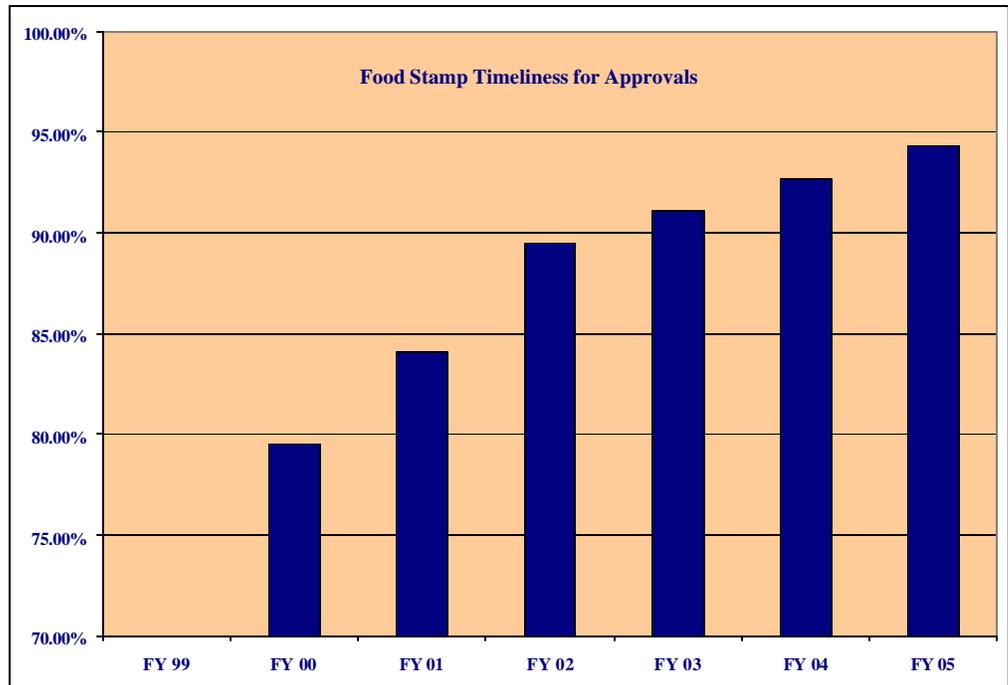
Participation and the High Performance Bonus have increased dramatically. The Retention Bonus is in decline as is Entered Employment.



- ▶ **Food Stamps** - Enables eligible individuals to receive food. Payments are made through their Horizon Cards.

Performance Measure

Timeliness has increased dramatically.



Performance Measure

This table shows the administrative efficiency of the Food Stamp Program which is slightly less efficient than the department's average of 34% in FY 03.

Food Stamps Efficiency			
	2003	2004	2005
	Actual	Estimated*	Analyst
Operating Expenses			
Federal Funds	18,025,400	21,092,100	20,468,300
State Funds	16,197,200	19,577,100	18,908,300
Total	\$34,222,600	\$40,669,200	\$39,376,600
Client Payments			
Total	92,892,800	111,249,900	115,750,000
Operating/Client Ratio	36.8%	36.6%	34.0%

- ▶ **Refugee Relocation** - provides counseling, job preparation services, and financial assistance to refugees settling in Utah. An average of approximately 150 cases involving 175 individuals and families are assisted by the program each month.

- ▶ **General Assistance** - a State funded program providing financial assistance to eligible single people and couples who do not qualify for the Temporary Assistance to Needy Families (TANF). To be eligible, recipients must be unable to earn more than \$500 per month due to illness or physical or mental disability. People receiving General Assistance are required to register with Vocational Rehabilitation if their disability can be overcome. Some participate in the Work Experience and Training Program. People waiting to qualify for Federal Supplemental Security Income are temporarily helped through General Assistance. Cash assistance is limited to 24 of 60 months while customers are receiving treatment. The monthly assistance is \$261 for single individuals or \$362 for a household of two. The Federal Government reimburses the State for payments made to those who become Supplemental Security Income eligible (about 60% of the total General Assistance budget.) The General Assistance program is composed of several components, which include financial assistance, employability skills building/worksites training, and one-time emergency assistance to enhance employability of Utah's most vulnerable customers. Caseloads increased over 16% last year, and another almost 9% in the first half of this year. At the same time the Legislature substantially cut funding for this 100% state funded program.

Performance Measure

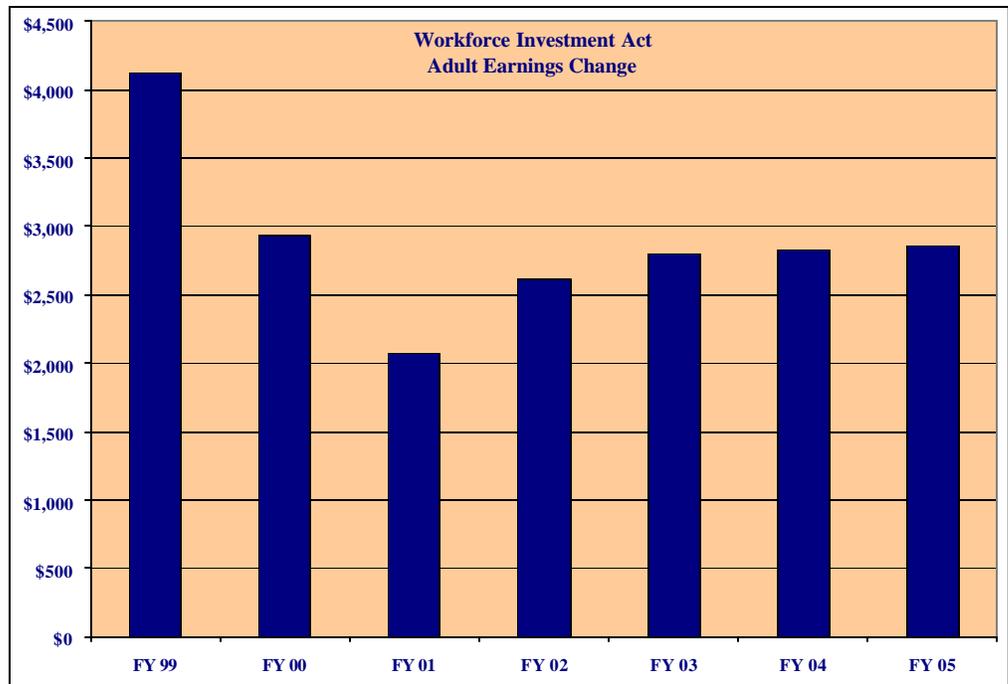
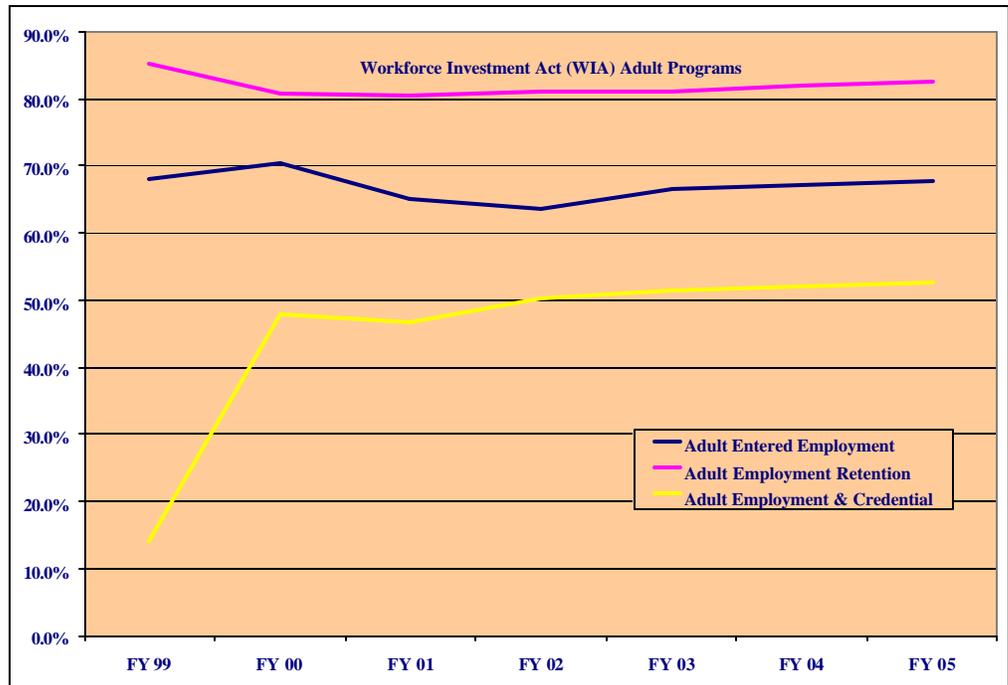
This table shows the administrative efficiency of the General Assistance Program which is more efficient than the department's average (34% in FY 03).

General Assistance Efficiency			
	2003	2004	2005
Operating Expenses	Actual	Estimated*	Analyst
State Funds	847,200	745,100	745,100
Total	\$847,200	\$745,100	\$745,100
Client Payments	5,681,000	6,098,000	6,098,000
Total	\$5,681,000	\$6,098,000	\$6,098,000
Operating/Client Ratio	14.9%	12.2%	12.2%

- ▶ **Workforce Investment Act** - The federally funded program prepares low-income youth and adults, the long-term unemployed, dislocated workers, and persons with other barriers, for jobs in private industry. WIA has the private sector take the lead in designing and implementing job training programs.

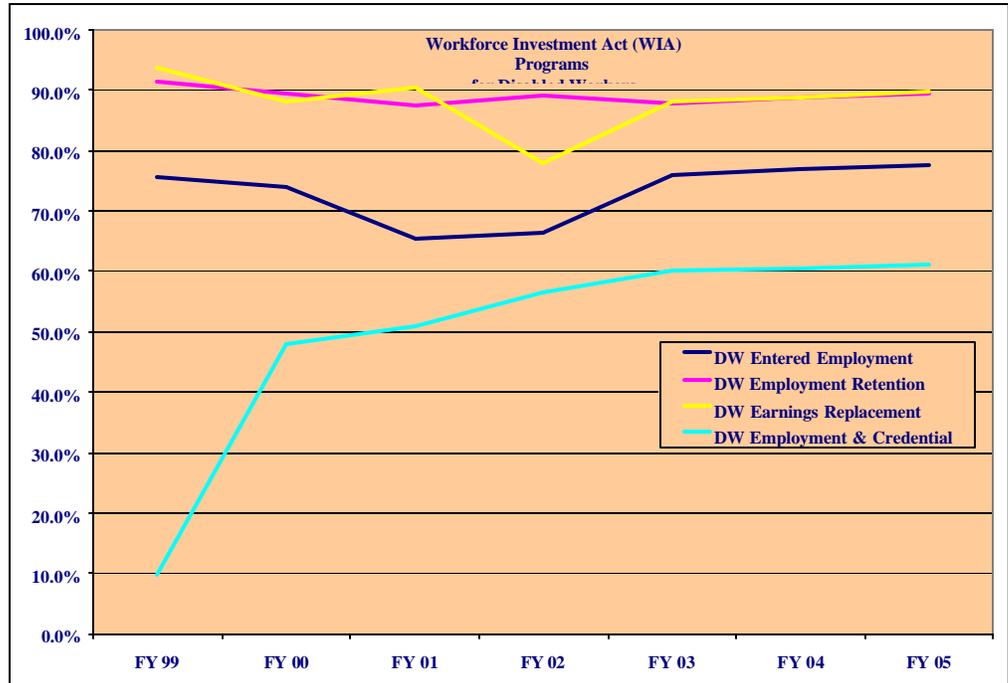
Performance Measure

The economy affects the results of employment programs along with agency efforts.



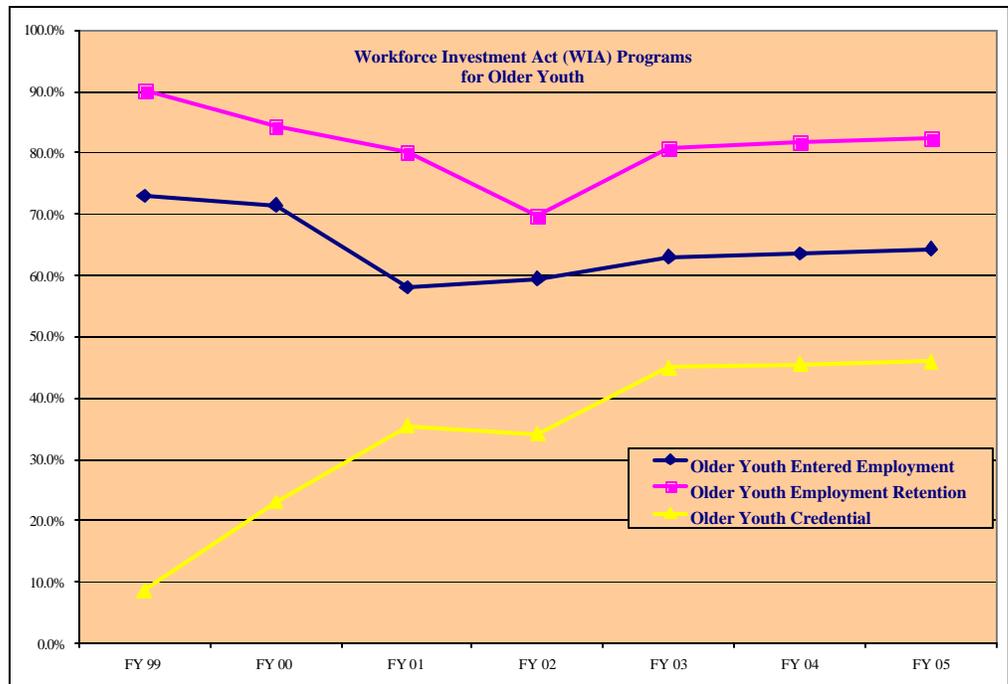
Performance Measure

Except for a dip in Earning Replacement in FY 02, the programs show increasing trends.



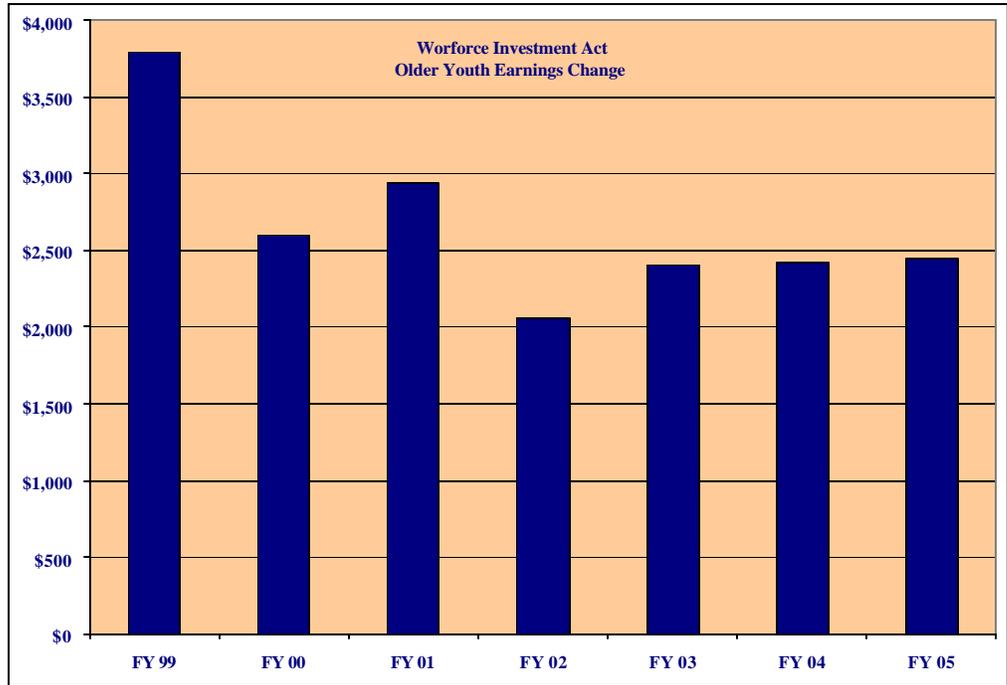
Performance Measure

These programs show a decline with a recovery except for Older Youth Credential which shows an overall increasing trend.



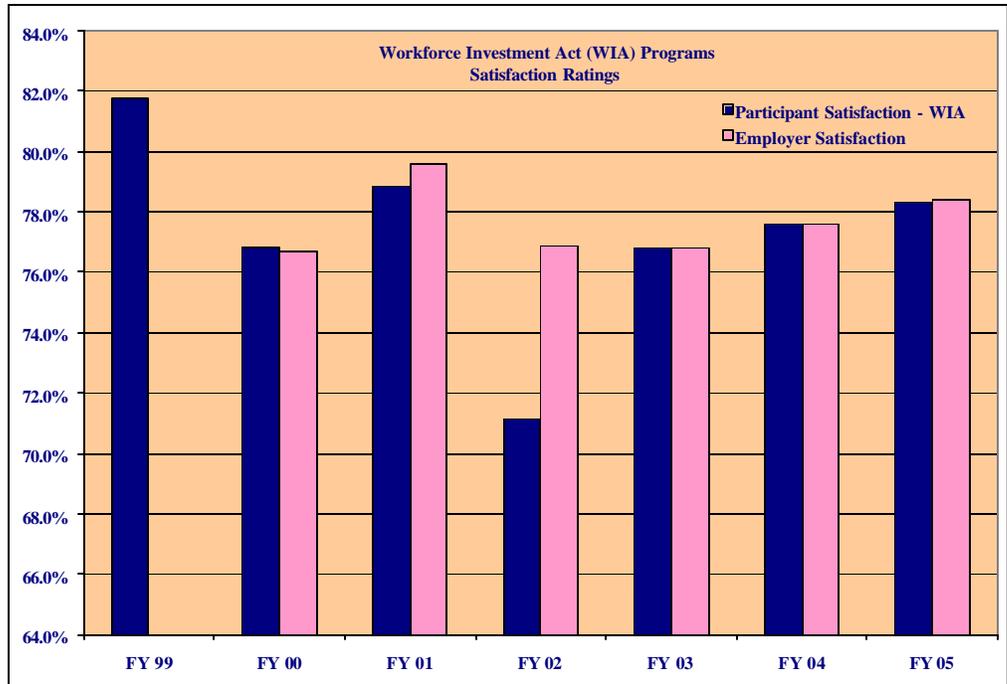
Performance Measure

Older Youth Earnings Change have declined to FY 02 with a partial recovery.



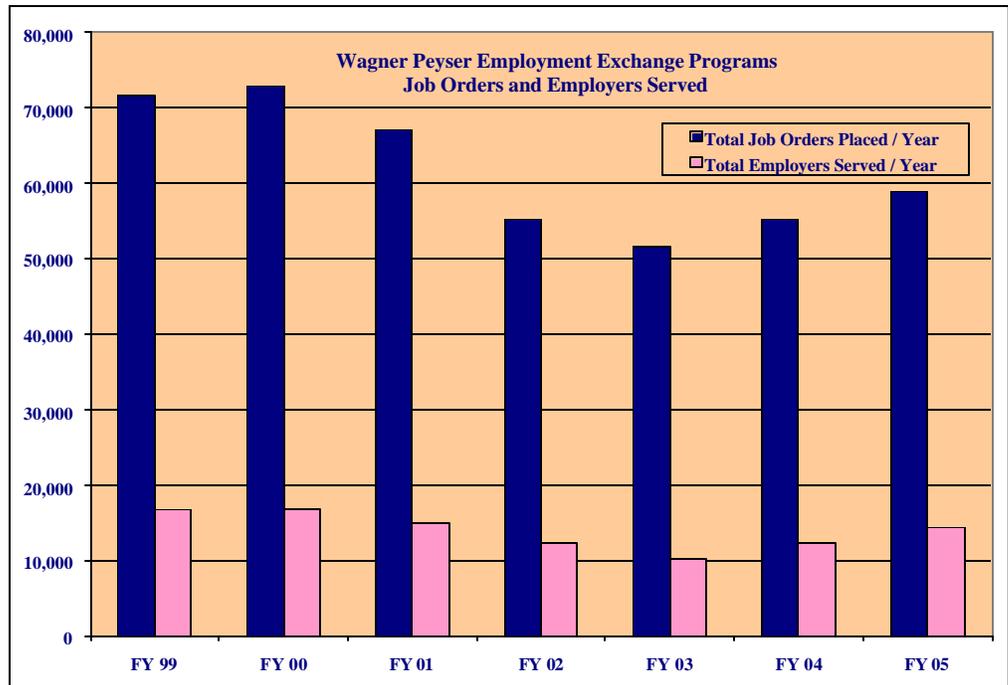
Performance Measure

After a decline to FY 02, Satisfaction Ratings have improved to about 78% for employers and job seekers.



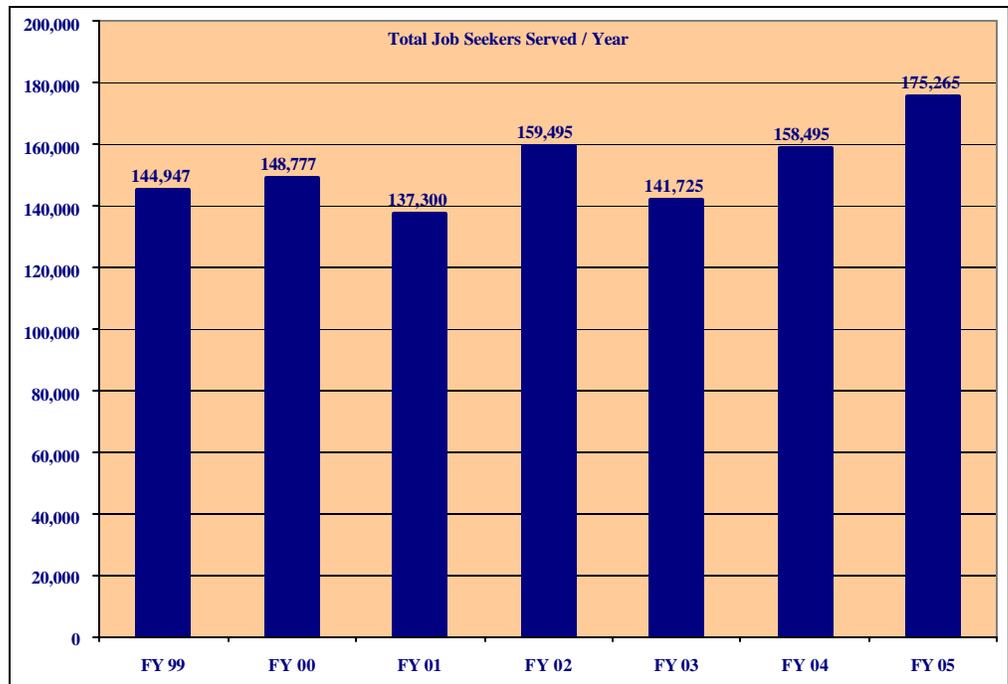
Performance Measure

Job Orders took a dip in FY 03 but are expected to rise. Employers Served follows the same trend at a lower level.



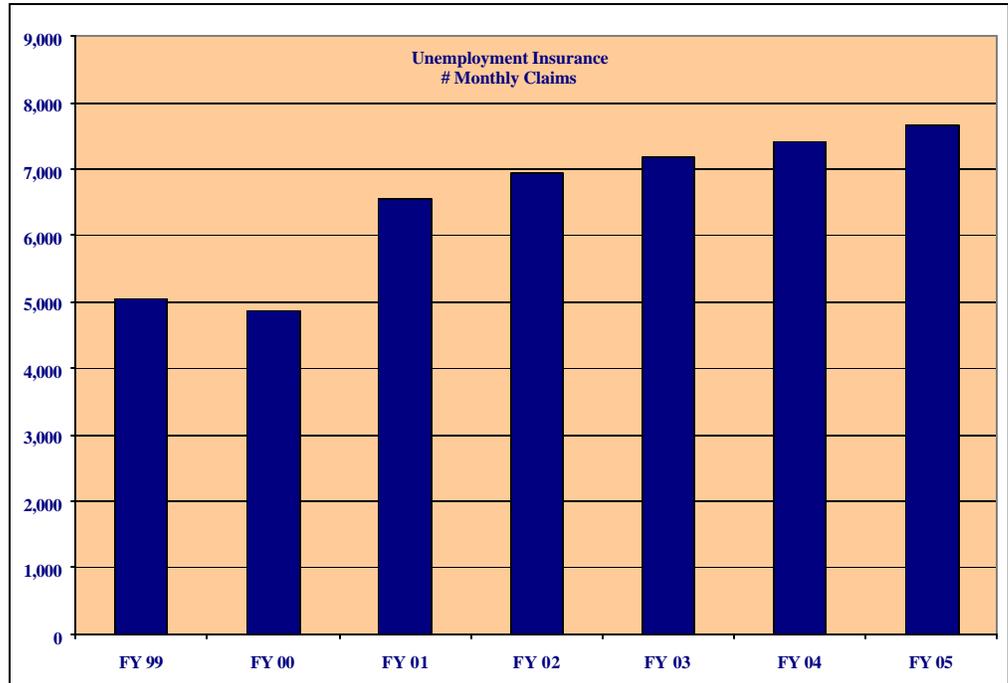
Performance Measure

The number of Job Seekers served is expected to rise.



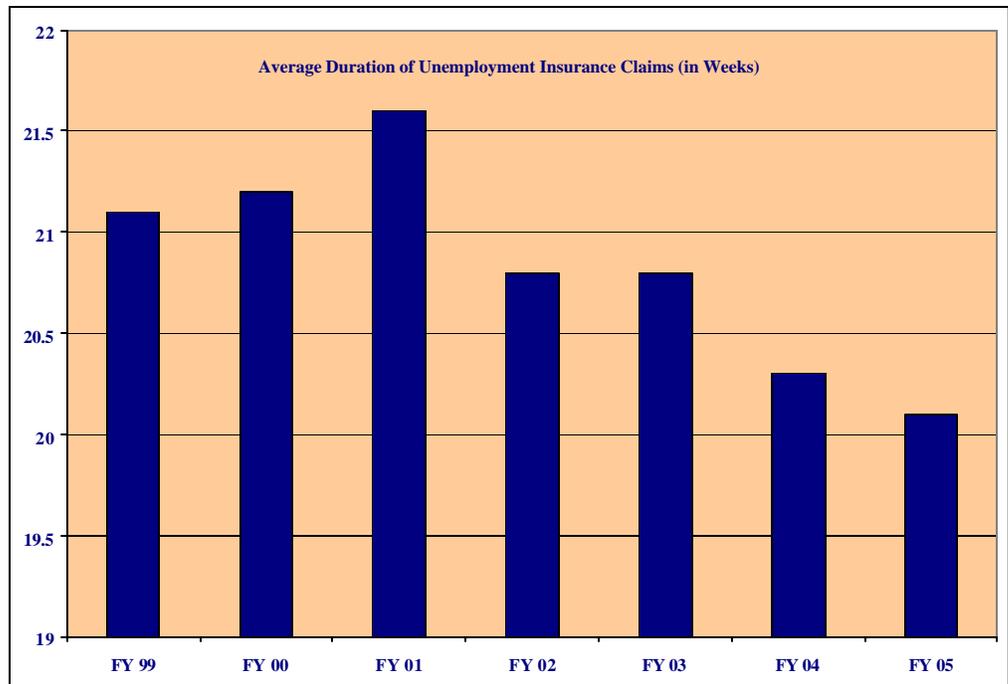
Performance Measure

The number of Unemployment Insurance Claims shows a steady increase from FY 2000 and the trend is expected to increase.



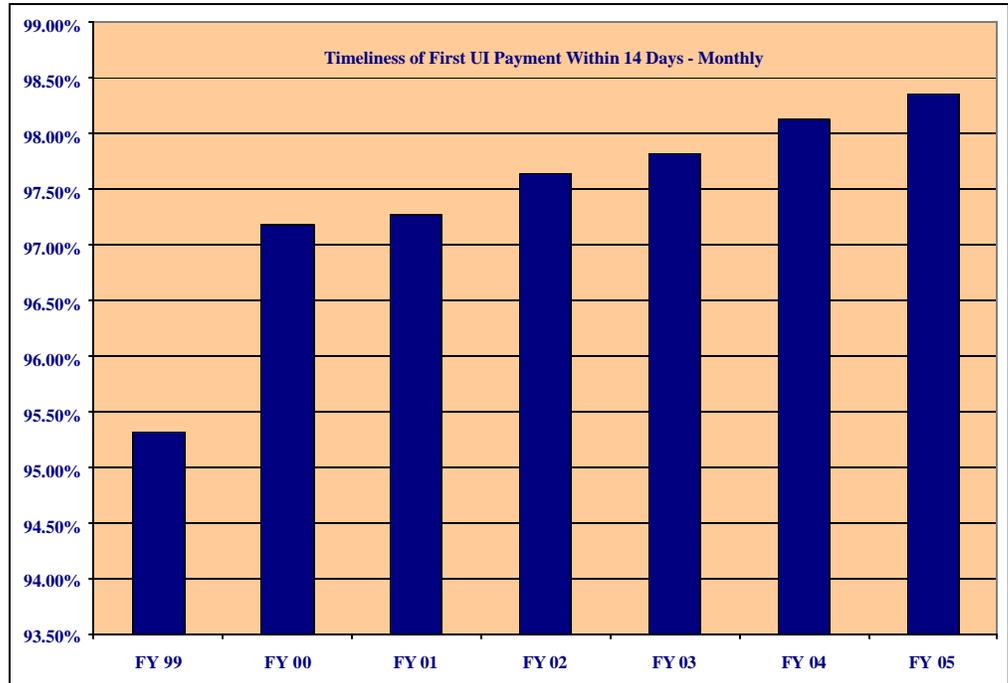
Performance Measure

While the previous graph shows an increase in the number of claims, this one shows that the duration of unemployment has been decreasing since FY 2001.



Performance Measure

Timeliness within the first 14 days is running out of room for improvement.



- ▶ **Child Care** - promotes quality child care and subsidizes child care to qualifying individuals.

The “Payment-to-Parent” Assisted Child Care Program provides funding for child care to low-income parents who are employed, or are employed and attending school or training. A subsidy is available for families whose household income is at or below 56% of the state median income (currently \$2,672 per month for a family of four). In SFY03, an average of 11,394 children were being served.

Federal Child Care Matching Funds Unused

The primary source of funding for the Child Care program is the federal Child Care Development Fund (CCDF) grant. A portion of this grant is only available if matching funds are available. Through a series of General Fund cuts in the last several sessions, the Legislature has cut all General Funds to the Department of Workforce Services (DWS) for child care match. As a result the state allowed \$12,313,684 of FFY02 funding to lapse, and will forfeit another \$11,840,000 (estimated) in FFY03.

Limited Future Availability of TANF Funds for Child Care

The Payment-to-Parents Child Care Program has been fully funded by using TANF funds in lieu of matching funds, but it is unlikely that this will be possible in the future. Currently \$5 million per year of TANF funding is being used to cover child care for families enrolled in the Family Employment Plan (FEP). Future child care costs are expected to exceed available funding as a result of required program changes in both the Child Care Development Fund (CCDF) and TANF grants.

TANF reauthorization is still pending in Congress, but all indications are that funding levels will be similar to the current TANF grant. However, current bills being considered by Congress would require more TANF grantees to increase the numbers of hours they work. This would in turn increase the number of hours that subsidized child care would be needed each month. DWS estimates that an additional \$9.7 million will be needed to meet the increased need for child care.

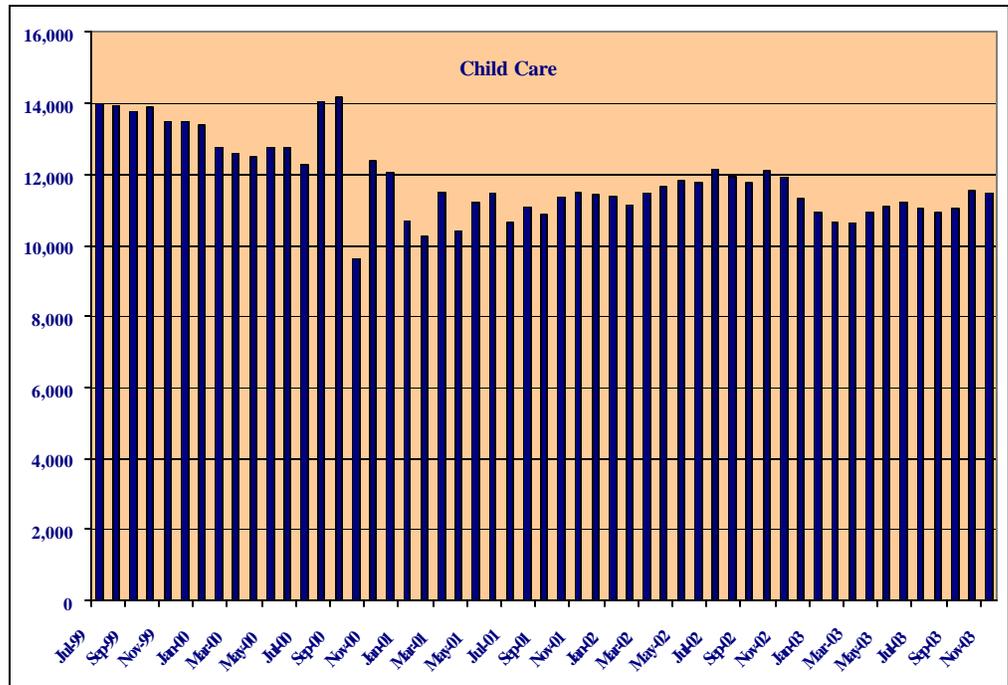
Performance Measure

This table shows the administrative efficiency of the Child Care Program which is more efficient than the department’s average (34% in FY 03).

Child Care Efficiency			
	2003	2004	2005
Operating Expenses	Actual	Estimated*	Analyst
	6,905,300	8,603,600	8,763,100
Total	\$6,905,300	\$8,603,600	\$8,763,100
Client Payments	31,546,800	32,938,200	42,638,200
Total	\$31,546,800	\$32,938,200	\$42,638,200
Operating/Client Ratio	21.9%	26.1%	20.6%

Performance Measure

The last half of 2001 shows decline in the number of children served with a partial recovery since that time.



- ▶ **Unemployment Insurance** – Collects employer contributions to the trust, determines eligibility and issues benefits

No funding is listed for two programs that have a significant bearing on the Workload of the Department:

- ▶ **Unemployment Insurance Benefits** - Provides financial assistance to eligible individuals who are terminated from employment through no fault of their own. Approximately \$324,039,700 million will be collected and disbursed by the Department during FY 2003.
- ▶ **Food Stamp Program** - Federally funded entitlement program to enable eligible individuals to receive funds for eligible food purchases. It is estimated that \$91,468,600 will be administered by the Department during FY 2003.

Organizational and Budgetary Flexibility

The Analyst recommends that the Department appropriation continue as a single line item. This gives the department maximum flexibility to acquire additional federal funds and maximize efficiency.

Utah.jobs.com

The Department opened jobs.utah.gov, the nation's first complete unemployment insurance web site. The Department believes that it is the most forward looking, comprehensive state unemployment system in the country. After logging on, eligible job seekers can file unemployment insurance claims and employers can conduct all of their business (registering as a new employer, accessing unemployment insurance tax rates, researching unemployment tax laws and regulations, downloading unemployment tax forms and publications, etc.) Representatives from other states have already visited Utah to get additional information about the system from the developers and more are planning trips to get information that will allow them to copy Utah's system.

Another part of the website is a job matching function. Three years in the making, the service allows employers to search for qualified employees from a database of more than 65,000 job seekers, and job seekers will be able to search and apply online for thousands of Utah jobs.

Non-lapsing

The Analyst recommends the following intent:

The Legislature does not intend to lapse these funds.

Centralized Services

The Department has centralized services to the regions and their Employment Centers. All case managers are now classified as "employment counselors". It provides oversight of job training, employment development, and support services, adjudication and auditing, labor market information, and data processing. The Division contracts with the federal government to provide information and specific services to them. There are some quality control responsibilities to assure compliance with federal guidelines.

Data Processing

Five major program systems are currently being managed. Streamlining intake forms and assuring all necessary information is collected are major requirements. The systems involved are:

- 1) Public Assistance Case Management Information System (PACMIS) - Determines eligibility and payments for financial assistance, Medicaid and food stamps;
- 2) Unemployment Payment System (GUIDE) - Used for unemployment payments, adjudication decisions, over-payments, charge backs and accounting records.
- 3) Contributions Automated Tax System (CATS) - Collects and manages the unemployment taxes paid by employers. System will also gather wage information to be entered into a data base via scanners, tape, diskette, and modem transmission to a bulletin board.
- 4) New Hire Registry - Federal welfare reform requires states to implement a new hire registry to help locate those with delinquent child support obligations. This system is being developed with funds transferred from the Office of Recovery Services.
- 5) UWORKS - is currently in development. The project is a “one-stop” operating and case management system, being developed to implement the requirements of the Workforce Investment Act.

New Web based program to replace PACMIS

6) eRep –is the integrated eligibility determination system being built with TANF funds to replace the old Public Assistance Case Management Information System (PACMIS). PACMIS is also used by Human Services and Health. The Agencies’ initial focus with regard to eRep is upon Temporary Assistance for Needy Families (TANF) and child care. Their ultimate goal includes the above programs plus Food Stamps, Medicaid, and General Assistance, Foster Care, Adoption, and potentially more aid programs.

eRep is first step to “no wrong door” policy

eRep may ultimately lead to instances in which an individual or family could interface with any one of the state’s social service providers, or even a school counselor, and determine in one sitting the individual or family’s eligibility for assistance from the Department of Workforce Services, the Department of Human Services, and the Department of Health.

Planning for eRep began in April, 2001, when the Department of Workforce Services initiated a “gap analysis” to determine to what extent their current system – the Public Assistance Case Management Information System (PACMIS) – met evolving business needs. DWS found that PACMIS met only 50% of the state’s needs, and relied heavily on operator expertise to implement business rules.

eRep leverages sunk investment with state-of-the-art technology

eRep uses a three-tier technology architecture. Users, whether they be aid recipients or case workers, log-on to a World Wide Web browser based interface from any computer with Internet access. Business rules, generated to mirror state and federal statutes and regulations, execute using Cúram applications on a middle-tier Unix based server. Data about the client and about individual social service programs, resides on the state's mainframe in IBM's DB2. This approach allows Utah to utilize current technology while continuing to leverage its investment in legacy infrastructure.

For an update on the current status of the project, see Section 2.4.

Service Regions

Clients are served through a five region organization: Northern, Central, Mountainlands, Eastern, and Western. Here the various programs are integrated in an effort to provide "one-stop" shopping at the employment centers to the individual or family.

The philosophy and focus is to create a single point of service for employment and assistance services. The Department's one-stop employment centers combine access to the various programs previously offered by Employment Security, Turning Point, Office of Family Support, and Job Training. Support services are offered in an effort to assist citizens to achieve self-sufficiency. This may be financial assistance, food assistance, transportation assistance, child care, health benefits or clothing.

The State is divided into five service regions and eight planning districts. The Department started with 106 locations between the numerous agencies. They now have 51 locations, including 37 one-stop employment centers.

The "one-stop" employment shops will attempt to deliver services of the Department to customers in close proximity to the client and in a user friendly manner. Some are now conveniently available over the telephone. Department employees are considered "employment counselors" rather than "case-workers" or social service employees. They are responsible for more decisions and more programs to help clients achieve self-sufficiency.

TANF

The Temporary Assistance for Needy Families (TANF) Program was created by Congress in 1997 to replace the Aid to Families with Dependent Children (AFDC). AFDC was an open ended entitlement program offering benefits to families as long as they met the eligibility criteria. TANF removes the entitlement character of AFDC and is an employment based approach to assistance. Everything in the program is intended to help people who need assistance to become self-sufficient through employment. Utah used TANF funds to operate the Family Employment Program (FEP). The key principles of FEP / TANF are:

1. It is employment focused rather than benefit based;
2. There are specific limits on the time a person may receive benefits;

3. Participants work with only one counselor for both self-sufficiency and benefits; and
4. States are required to meet certain standards for the number of participants working.

States were released from the restrictions of the Aid to Families with Dependent Children (AFDC) Program. Utah has the flexibility to design its own assistance programs. Funding for the TANF block grant was based on welfare spending in FY 1994, when caseloads were high.

Utah can use both the federal block grant and state Maintenance of Effort (MOE) money on anything that accomplishes the broad purposes of TANF:

1. End welfare dependence;
2. Promote employment;
3. Encourage two-parent families; and
4. Reduce out-of-wedlock pregnancies.

Resources must be spent on eligible families.

Caseload

The caseload history for Aid to Families with Dependent Children, (predecessor to TANF) has been declining since 1984.

Social Services Block Grant (SSBG) Reauthorization

The federal government reduced funding to the Social Services Block Grant (SSBG) with a provision that TANF funds could be used to make up the difference. The transfer is limited to 10% on a year-to-year basis. The Legislature appropriated \$5,307,000 TANF funding to be transferred in FY2003 to the SSBG grant to make up some of the difference. As mentioned above, the six year block grant ended September 30, 2002, and reauthorization has not yet occurred. Congress must decide whether this transfer can occur in FY2003 or in future years.

4.0 Additional Information: Department of Workforce Services

4.1 Funding History

	2001	2002	2003	2004	2005
Financing	Actual	Actual	Actual	Estimated*	Analyst
General Fund	55,213,100	52,452,000	52,136,800	52,858,700	53,037,900
General Fund, One-time				2,502,100	
Federal Funds	171,273,300	191,552,700	216,072,400	222,155,300	200,862,000
Dedicated Credits	3,830,600	4,585,800	3,064,400	2,888,200	2,746,800
Trust and Agency Funds			2,368,700	2,322,500	2,160,000
Transfers	6,781,400	3,993,600	3,011,700	2,969,000	2,763,800
Beginning Balance		1,000,000			
Closing Balance	(1,000,000)				
Total	\$236,098,400	\$253,584,100	\$276,654,000	\$285,695,800	\$261,570,500
Programs					
Workforce Services	236,098,400	253,584,100	276,654,000	285,695,800	261,570,500
Total	\$236,098,400	\$253,584,100	\$276,654,000	\$285,695,800	\$261,570,500
Expenditures					
Personal Services	88,596,400	95,950,100	98,715,700	105,020,700	103,042,800
In-State Travel	624,100	688,800	581,200	734,900	729,900
Out of State Travel	375,100	277,800	203,100	366,700	362,600
Current Expense	28,960,400	35,163,900	40,779,500	41,341,200	37,656,300
DP Current Expense	15,952,900	20,207,000	17,297,300	21,020,700	18,472,400
DP Capital Outlay	1,498,600	1,401,600	538,900	2,045,000	1,894,900
Capital Outlay	11,100	20,500	11,654,000	11,404,000	500
Other Charges/Pass Thru	100,079,800	99,874,400	106,884,300	103,762,600	99,411,100
Total	\$236,098,400	\$253,584,100	\$276,654,000	\$285,695,800	\$261,570,500
FTE/Other					
Total FTE	1,789	1,910	1,890	1,963	1,963
Vehicles	71	86	105	105	105

*Non-state funds as estimated by agency.

4.2 Federal Funds

Program	Match Requirement	FY 2003 Actual	FY 2004 Estimated	FY 2005 Analyst
Temporary Assistance For Needy Families (TANF)	Federal	96,728,300	91,777,800	76,628,500
	MOE	20,414,100	20,414,100	20,414,100
	Total	117,142,400	112,191,900	97,042,600
Child Care Block Grant	Federal	34,535,000	43,361,100	43,426,000
	State MOE	4,474,900	4,474,900	4,474,900
	\$2.5 Fed: \$1 State			
Total	39,009,900	47,836,000	47,900,900	
Wagner Peyser	Federal	9,703,300	12,295,500	11,960,300
	None			
	Total	9,703,300	12,295,500	11,960,300
Workforce Investment Act	Federal	12,352,000	8,403,000	7,785,300
	None			
	Total	12,352,000	8,403,000	7,785,300
Food Stamp Cash Out	Federal	1,978,400	3,000,000	3,000,000
	None			
	Total	1,978,400	3,000,000	3,000,000
Food Stamp Admin/Training	Federal	16,047,000	18,092,100	17,468,300
	~\$1 Fed: \$1 State	16,197,200	19,577,100	18,908,300
	Total	32,244,200	37,669,200	36,376,600
Veterans Programs	Federal	1,038,000	1,121,000	1,126,000
	None			
	Total	1,038,000	1,121,000	1,126,000
Refugee Services	Federal	1,967,200	2,271,600	2,274,600
	None			
	Total	1,967,200	2,271,600	2,274,600
NAFTA & Trade Programs	Federal	9,503,200	8,326,000	6,454,400
	None			
	Total	9,503,200	8,326,000	6,454,400
Unemployment Insurance Ops	Federal	25,328,000	24,417,200	26,999,500
	None			
	Total	25,328,000	24,417,200	26,999,500
Misc DOL Grants	Federal	6,892,000	6,090,000	3,739,100
	None			
	Total	6,892,000	6,090,000	3,739,100
TOTAL BUDGETED	Federal	209,180,400	213,065,300	197,122,900
	Required State Match	41,086,200	44,466,100	43,797,300
	Total	211,256,700	209,695,400	193,019,300
Off Budget Food Stamp Benefits	Federal	92,892,800	111,249,900	115,750,000
	State	-	-	-
	Total	92,892,800	111,249,900	115,750,000
Off Budget Unemployment Insurance Benefit	Federal	324,039,700	289,623,000	200,000,000
	State	-	-	-
	Total	324,039,700	289,623,000	200,000,000
TOTAL OFF BUDGET	Federal	416,932,500	400,872,900	315,750,000
	Required State Match	-	-	-
	Off Budget Total	\$416,932,500	\$400,872,900	\$315,750,000
GRAND TOTAL	Federal	626,112,900	613,938,200	512,872,900
	Required State Match	41,086,200	44,466,100	43,797,300
	Off Budget Total	\$628,189,200	\$610,568,300	\$508,769,300

