

Budget Brief – Office of Recovery Services

NUMBER DHS-09-06

OFFICE OF RECOVERY SERVICES

The Office of Recovery Services (ORS) is responsible for collecting funds owed to the State in the Human Services, Temporary Assistance to Needy Families (TANF), and Medical Assistance areas. ORS also collects support payments from non-custodial parents. For additional information on the Office of Recovery Services, please refer to the Compendium of Budget Information for the 2008 General Session starting on page 67 in Tab 14 the Department of Human Services' binder.

UCA Section 62A-11-104, requires ORS to provide the following services:

1. Provide child support services (establishing paternity and support orders);
2. Collect child support – ORS collects child support from non-custodial parents and disburses the monies to the custodial parent;
3. Collect money due DHS to offset expenditures – ORS collects money for other divisions in DHS such as expenditures for medical and living expenses from parents of children in state custody;
4. Work with the federal government to recover health and social service funds;
5. Collect civil and criminal assessments, fines, fees and amounts awarded as restitution and reimbursable expenses owed to the state or any of its political subdivisions;
6. Implement income withholding for collections of child support;
7. Establish and maintain the state case registry;
8. Contract with Workforce Services to establish and maintain a new hire registry;
9. ORS pursues medical and child support if recipient is on cash assistance and/or Medicaid;
10. Finance any costs incurred from collections, fees, General Fund appropriations, contracts and federal financial participation; and
11. Provide notice to non-custodial parent of nonpayment or past-due child support.

The FY 2009 recommended base budget totals \$53,711,600 with \$15,506,500 (28.9 percent) from the General Fund, \$32,686,400 (60.9 percent) from federal funds and the balance of \$5,518,700 from

Figure 1: Human Services - Office of Recovery Services - Budget History

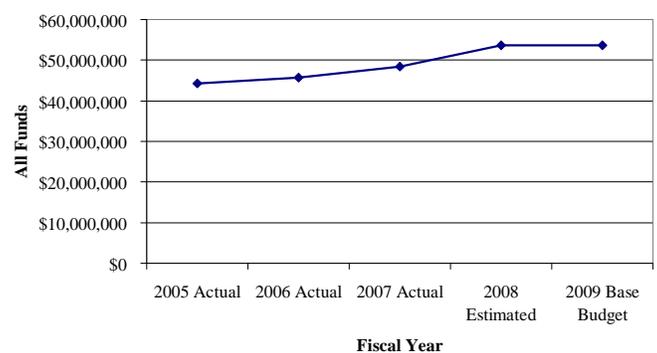


Figure 2: Human Services - Office of Recovery Services - FTE History

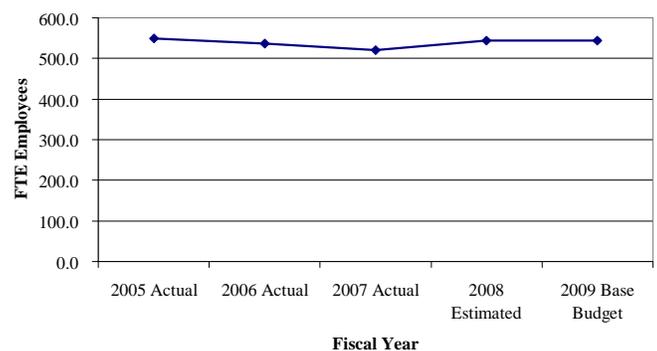
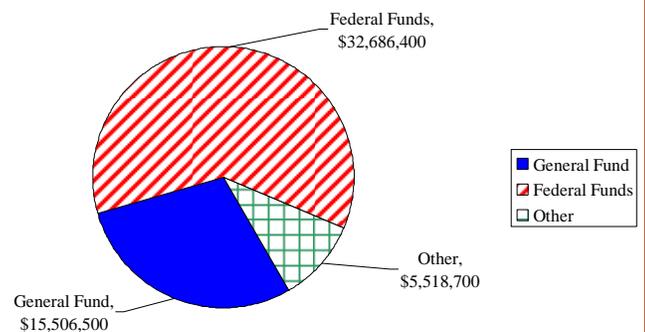


Figure 3: Human Services - Office of Recovery Services - FY 2009 Funding Mix



dedicated credits and transfers including Medicaid transfers.

LEGISLATIVE ACTION

The Executive Appropriations Committee requests that the subcommittee adopt base budgets for each agency under the subcommittee's purview, fund subcommittee priorities by reallocating revenue among programs, and provide a prioritized list of desired items for funding. The subcommittee should consider the following items in its deliberations:

Base Budget Adoption

Adoption of the base budget enables the programs to continue for the next fiscal year at approximately the same level as the current fiscal year. Some changes in the base budgets may occur, namely non-state fund increases or decreases (i.e. federal funds, transfers, dedicated credits and non-lapsing balances) and program shifts within a line item.

BUDGET DETAIL

The following table shows the budget history for ORS line item including the base budget for adoption:

Human Services - Office of Recovery Services						
	FY 2007	FY 2008		FY 2008		FY 2009*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	12,409,600	15,506,500	0	15,506,500	0	15,506,500
General Fund, One-time	41,300	(606,800)	0	(606,800)	606,800	0
Federal Funds	31,204,300	33,293,200	0	33,293,200	(606,800)	32,686,400
Dedicated Credits Revenue	2,401,100	3,204,500	(92,900)	3,111,600	0	3,111,600
Transfers - H - Medical Assistance	2,131,600	2,104,900	92,900	2,197,800	0	2,197,800
Transfers - Other Agencies	193,500	209,300	0	209,300	0	209,300
Beginning Nonlapsing	37,400	0	8,200	8,200	(8,200)	0
Closing Nonlapsing	(8,200)	0	0	0	0	0
Lapsing Balance	(800)	0	0	0	0	0
Total	\$48,409,800	\$53,711,600	\$8,200	\$53,719,800	(\$8,200)	\$53,711,600
Programs						
Administration	1,546,500	1,611,200	0	1,611,200	0	1,611,200
Financial Services	5,578,300	6,138,900	(240,400)	5,898,500	0	5,898,500
Electronic Technology	8,439,800	8,162,700	439,600	8,602,300	(8,200)	8,594,100
Child Support Services	24,399,100	28,831,500	0	28,831,500	0	28,831,500
Children in Care Collections	2,024,900	2,376,700	(191,000)	2,185,700	0	2,185,700
Attorney General Contract	4,081,800	4,058,300	0	4,058,300	0	4,058,300
Medical Collections	2,339,400	2,532,300	0	2,532,300	0	2,532,300
Total	\$48,409,800	\$53,711,600	\$8,200	\$53,719,800	(\$8,200)	\$53,711,600
Categories of Expenditure						
Personal Services	31,309,100	36,008,100	(1,603,000)	34,405,100	0	34,405,100
In-State Travel	58,600	31,900	0	31,900	0	31,900
Out of State Travel	18,000	3,000	0	3,000	0	3,000
Current Expense	9,772,800	10,887,900	(989,700)	9,898,200	0	9,898,200
DP Current Expense	7,251,300	6,749,800	435,500	7,185,300	(8,200)	7,177,100
DP Capital Outlay	0	30,900	2,165,400	2,196,300	0	2,196,300
Total	\$48,409,800	\$53,711,600	\$8,200	\$53,719,800	(\$8,200)	\$53,711,600
Other Data						
Budgeted FTE	520.6	537.0	7.6	544.6	0.0	544.6
Vehicles	7.0	8.0	(1.0)	7.0	0.0	7.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

RECOMMENDATIONS

The Analyst recommends that the base budget for FY 2009 for the Office of Recovery Services of \$53,711,600 with the plan of financing shown in the table above be adopted by the Health and Human Services Appropriations Subcommittee. The Subcommittee may want to consider reallocation of the base budget revenues in this division to meet departmental funding priorities in addition to the adoption of the base budget.