



Texas Department of Family and Protective Services

Commissioner
Stephanie Muth

September 12, 2024

Ms. Tabatha Vasquez, Senior Advisor and Budget Director
Governor's Office of Budget, Planning and Policy
1100 San Jacinto, 4th Floor
Austin, TX 78701

Mr. Jerry McGinty, Director of Legislative Budget Board
Legislative Budget Board
1501 North Congress Avenue, 5th Floor
Austin, TX 78701

Dear Ms. Vasquez and Mr. McGinty:

Enclosed is the agency's FY 2024 Monthly Financial Report as of July 2024. The following is a narrative summary of budget adjustments during the month, budget variances, significant changes from appropriated funding, capital budget issues, and other key budget issues at this time.

Schedules are updated to meet the reporting requirements in Rider 6, Other Reporting Requirements. A.1.1, Statewide Intake Services, and D.1.1, APS Direct Delivery Staff, are added to Schedule 11, which provides 5-year detail of actual and projected expenditure information by Object of Expense and Method of Finance. Also, in accordance with Rider 6, Other Reporting Requirements, Statewide Intake performance measures are included in Schedule 9, Select Performance Measures. Revenue for Object Code 3770, Administrative Penalties, is included in the Revenue Schedule for Appropriated Receipts (0666) to meet the requirements for Rider 30, Contractor Penalties, and Incentives.

BUDGET ADJUSTMENTS

The budget adjustments listed below apply to the appropriation year 2024 as of the end of July 2024. Adjustments to Department of Family and Protective Services (DFPS) appropriation pattern as detailed in the Conference Committee version of HB.1, 88th Legislature, Regular Session are described below:

- B. This adjustment reflects changes in estimated federal entitlement funds (gains or losses) pursuant to Article IX, Sec 13.01, Federal Funds/Block Grants Fed Entitlements. Total amounts by CFDA are listed below.

93.090.050-Title IV-E Guardianship Assistance - Administration \$237,597
93.090.060-Title IV-E Guardianship Assistance – FMAP \$120,186
93.658.050-Title IV-E Foster Care – Administration (\$12,735,064)
93.658.060-Title IV-E Foster Care –FMAP \$323,415
93.658.075-Title IV-E Foster Care-Training-75% (\$428,084)
93.659.050-Title IV-E Adoption Assistance - Administration \$985,631
93.659.060-Title IV-E Adoption Assistance - FMAP \$1,459,914
93.659.075-Title IV-E Adoption Assistance-Training-75% \$10,758
93.778.003-Medical Assistance Program 50% \$2,153,570

- C. Pursuant to Article IX, Sec 13.01, Federal Funds/Block Grants, adjustments have been made to align federal funds/block grants with award amounts and re-budget federal funds/block grants between FY23 and FY24. Total amounts by CFDA are listed below.

93.434.000 – ESSA PRESCHOOL DEV GRANT PROP - \$8,723,045
93.556.002 – Title IV-B, Part 2 PSS-Caseworker Visits - (\$71,395)
93.556.003 - IVB PT 2 - KINSHIP NAVIGATOR \$1,832,076
93.556.005 – Title IV-B, Part 2 Promoting Safe and Stable Families – FFTA (\$1,015,629)
93.590.000 – Community-Based Child Abuse Prevention Grants - \$2,101,668
93.590.119 – CBCAP - HR 1319 CORONAVIRUS \$1,772,634
93.599.000 – Title IV-E ETV - \$631,346
93.669.000 – Child Abuse and Neglect State Grants – (\$87,350)
93.669.119 – CAPTA HR 1319, Coronavirus - \$3,698,337
93.698.000 – ELDER ABUSE PIP – EJAP - \$941,261
93.747.119 – Elder Abuse Prevention Program, Coronavirus - \$10,825,070
93.870.000 – MIECHV - \$1,439,063
97.870.119 – MIECHV COVID \$1,307,121
93.674.000 - Chafee Foster Care Independence Program - \$382,035

- D. This adjustment reflects changes in estimated interagency contracts pursuant to Article IX, Sec 8.02, Reimbursements and Payments.
- E. This adjustment reflects salary increase for general state employees pursuant to Article IX, Sec 17.16 (2024-25 GAA).
- F. Pursuant to Article IX, Miscellaneous Provisions Sec. 17.33 (2024-25 GAA), this adjustment reflects additional budget appropriation to provide funding assistance related to Children’s Safe Harbor Facility.

- G. This adjustment reflects changes in estimated gift revenue collected pursuant to Article IX, Sec 8.01, Acceptance of Gifts of Money.
- H. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.10 (2024-25 GAA) relating to policies and procedures regarding certain suits affecting the parent-child relationship, investigations by DFPS and parental child safety placements.
- I. This adjustment reflects transfers between appropriations within 20 percent limitation to cover projected expense pursuant to Art IX, Sec 14.01(a), Appropriation Transfers (2024-25 GAA).
- K. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.30, contingency for House Bill 3765 relating to the establishment of a supply of luggage by the DFPS for the transport of the personal belongings of a foster child (2024-2025 GAA).
- L. Pursuant to Art IX, Sec 14.01 (d)(1) Appropriation Transfers, this adjustment reflects transfers from one appropriation item to another appropriation item within the same Indirect Administrative goal without limitation as to the amount of such a transfer.
- M. Pursuant to Article IX, Sec. 18.39, Contingency for Senate Bill 24 (2024-25 GAA), this adjustment reflects the powers and duties of the HHSC and the transfer to the commission of certain powers and duties from DFPS.
- N. Pursuant to Art II Rider 42 Long-Term Youth and Family Support, this adjustment reflects transfer from B.1.8 to C.1.4 for Fiscal size up.
- Q. Pursuant to Article II, Rider 46, Contingent Appropriation: Prevention and Early Intervention (2024-25 GAA), this adjustment reflects the powers and duties of the HHSC and the transfer to the commission of certain powers and duties from DFPS.
- S. Pursuant to Article II, SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES Sec 6 (2024-25 GAA), this adjustment reflects transfer FTEs and Funds from DFPS to HHSC.
- T. This adjustment reflects transfers capital budget items pursuant to Art IX, Sec 14.03(h), Limitation on Expenditures – Capital Budget (2024-25 GAA).
- U. Pursuant to Article IX Sec.14.03 (L), to provide for unanticipated shortage in appropriations made for payment of data center services cost, amounts identified elsewhere in this Act in fiscal year 2025 for data center services may be transferred to fiscal year 2024 to pay data center services costs.
- AC. These adjustments reflect budget adjustments by 88th Legislature, Regular Session Senate Bill 30, Section 3.12 Connecting Technology Services.

BUDGET VARIANCES

Schedules 1, 4, and 5 of this report reflect the agency's current projections for program expenditures, the 2024 Spring forecast for entitlement programs (Foster Care and Adoption Subsidy/PCA), Contracted Day Care services, and the Relative Other Designated Caregiver program as well as an entitlement budget adjustment for the enhanced FMAP.

This report reflects an agency shortage of \$29.1 million all funds consisting in a shortage of \$62.6 million in General Revenue and a surplus of \$33.5 million in Federal Funds.

- Appropriations that are anticipated to result in lapsed budget authority are expressed as a positive variance:
 - 8008 – GR Title IV-E – FMAP
 - 93.558.0000 - Temporary Assistance to Needy Families
 - 93.090.050 – Title IV-E Guardianship Assistance – Administration
 - 93.090.060 – Title IV-E Guardianship Assistance – FMAP
 - 93.658.050 – Title IV-E Foster Care – Administration
 - 93.658.060 – Title IV-E Foster Care – FMAP
 - 93.659.050 – Title IV-E Adoption Assistance
 - 93.659.060 – Title IV-E Adoption Assistance – FMAP
- Appropriations for which expense is projected to exceed the adjusted budget are reflected as a negative variance:
 - 0001 – General Revenue

The projected general revenue variances are summarized as follows:

- Entitlement Programs - \$21.4 million shortage.
- Non-Entitlement Programs - \$41.2 million shortage.

SIGNIFICANT CHANGES FROM PREVIOUS REPORT

Expenditure projections have been updated to reflect trends through the first eleven months of FY 2024 and anticipated costs for the remainder of the fiscal year. No significant changes from prior report.

OTHER KEY BUDGET ISSUES

Additional funding appropriated under Article II, Rider 46, Article IX, Sec. 17.33, Article IX, Sec. 18.10, Article IX, Sec. 18.30, and Article II Rider 42 are reflected in this report as FSU adjustments.

CAPITAL BUDGET ISSUES

The budget in Schedule 8 (Capital Projects) reflects the DFPS 2024-2025 capital appropriation levels. Future adjustments will be reflected in Monthly Financial Reports as revenues are realized and/or actual adjusting entries are processed in the Uniform State Accounting System.

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- C. Pursuant to Article IX, Sec 13.01, Federal Funds/Block Grants, adjustments have been made to align federal funds/block grants with award amounts and re-budget federal funds/block grants between FY23 and FY24.
- H. This adjustment reflects additional budget appropriated under Article IX, Sec. 18.10 (2024-25 GAA) relating to policies and procedures regarding certain suits affecting the parent-child relationship, investigations by DFPS and parental child safety placements.
- M. Pursuant to Article IX, Sec. 18.39, Contingency for Senate Bill 24 (2024-25 GAA), this adjustment reflects the powers and duties of the HHSC and the transfer to the commission of certain powers and duties from DFPS.
- S. Pursuant to Article II, SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES Sec 6 (2024-25 GAA), this adjustment reflects transfer FTEs and Funds from DFPS to HHSC
- T. This adjustment reflects transfers capital budget items pursuant to Art IX, Sec 14.03(h), Limitation on Expenditures – Capital Budget (2024-25 GAA).
- U. Pursuant to Article IX Sec.14.03 (L), to provide for unanticipated shortage in appropriations made for payment of data center services cost, amounts identified elsewhere in this Act in fiscal year 2025 for data center services may be transferred to fiscal year 2024 to pay data center services costs.

STATUS OF PENDING TRANSFERS AND AUTHORITY REQUIRING PRIOR APPROVAL

Schedule 10 contains a full listing of request for approval and notifications that DFPS has submitted for the fiscal year. The items listed below are pending approval.

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Appropriation Year	Letter Date	LBB	Governor
Request authority to transfers funds for Fiscal Year 2024 and 2025 to address funding needs DFPS-2024-A-004	June 20 2024	Partial	N

Please feel free to contact me at 512-919-7463 if you have any questions or require additional information.

Sincerely,



Scott A Greer
Budget Director

cc: Tamela Griffin, Governor's Office
Andria Franco, Lieutenant Governor's Office
Briana Novian, Speaker's Office
Casey Floren, House Appropriations Committee
Stacey Gilliam, Senate Finance Committee
Katrina Smith, Senate Finance Committee
Eduardo Rodriguez, Legislative Budget Board
Andrea Nikic, Legislative Budget Board
Amit Patel, Legislative Budget Board
Samantha Brock, Legislative Budget Board
Rob Coleman, Director of Fiscal Management