

**Children’s Services Coordinating Committee
Budget 324
Senate Bill No. 2014**

	FTE Positions	General Fund	Other Funds	Total
2001-03 legislative appropriation	1.00		\$7,823,126	\$7,823,126
1999-2001 legislative appropriation	1.00		6,750,000	6,750,000
2001-03 appropriation increase (decrease) to 1999-2001 appropriation	0.00	\$0	\$1,073,126	\$1,073,126

NOTE: The 2001-03 appropriation amounts include \$1,315 of other funds for the agency’s share of the \$5,000,000 funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Item Description

“Refinancing” system - The 2001 Legislative Assembly estimated that a total of \$8,333,333 of federal funds would be generated from “refinancing” during the 2001-03 biennium.

“Refinancing” is a system administered through the Department of Human Services which claims federal reimbursement of eligible administrative costs of local schools, juvenile courts, and public health organizations under the federal IV-E foster care and federal Medicaid programs. The local organizations participating in the system complete time studies each quarter. These time studies are submitted to the regional or tribal children’s services coordinating committee, reviewed by the state Children’s Services Coordinating Committee, and submitted for federal administrative cost reimbursement by the Department of Human Services.

The federal reimbursements are received by the Department of Human Services. The department retains its percentage allocation and transfers the remaining funds to the state Children’s Services Coordinating Committee which retains its percentage and distributes the remaining funds to the children’s services coordinating committee of the region or tribe that generated the funds through the time study reports.

Each regional or tribal committee distributes the percentage allocation of funds to each of the organizations that generated the federal reimbursements and uses remaining funds for grants to children’s services providers. Funding for administration and collaboration costs of each regional and tribal committee is distributed from a separate allocation made by the state Children’s Services Coordinating Committee from the funds identified by the Legislative Assembly for administrative and collaboration costs of the regional and tribal committees.

The schedule below presents the allocation of the \$8,333,333 of federal funds originally estimated to be generated for the 2001-03 biennium as a result of participating entities claiming federal administrative cost reimbursements:

Status/Result

Through January 2002, the state has received \$2.35 million from “refinancing.” The agency anticipates collecting approximately \$4 million during the first year of the biennium; however, because of federal changes affecting the allowable uses for federal IV-E funds, the agency is estimating that beginning July 2002, collections from “refinancing” may be reduced by up to 75 percent. As a result, only \$1 million rather than \$4 million may be collected during the second year of the biennium.

	Allocation 2001-03 Biennium	Original Estimated Amount
Department of Human Services	10% up to a maximum of \$833,333	\$833,333
Children's Services Coordinating Committee - Administration	1.7% up to a maximum of \$141,667	141,667
Children's Services Coordinating Committee grants		
Participating entities generating federal funds	20%	1,666,667
Statewide grants	10.2% up to a maximum of \$850,000	850,000
Grants to regional and tribal children's services coordinating committees for administrative costs	16.2% up to a maximum of \$1,350,000	1,350,000
Grants to regional and tribal children's services coordinating committees for collaboration efforts	1.8% up to a maximum of \$150,000	150,000
Regional and tribal children's services coordinating committees - Grants to providers	40.1%	3,341,666
Total	100%	\$8,333,333

If less than \$8,333,333 is generated from "refinancing" activities during the 2001-03 biennium, the Children's Services Coordinating Committee will proportionately reduce the percentage allocations and the resulting funding to be provided for regional and tribal children's services coordinating committee grants to generate the funds necessary to provide a total of \$141,450 for administrative costs of the state committee, \$1,350,000 for grants for administrative costs of the regional and tribal committees, \$150,000 for grants for collaboration efforts of the regional and tribal committees, and \$850,000 for statewide grants.