

**REPORT TO THE TWENTY-THIRD HAWAII STATE  
LEGISLATURE 2006**

**IN ACCORDANCE WITH THE PROVISIONS OF ACT 178,  
PART III, SECTION 38, SLH 2005**

**DEPARTMENT OF HUMAN SERVICES  
SOCIAL SERVICES DIVISION  
NOVEMBER 2005**

**REPORT ON ACT 178, PART III, SECTION 38, RELATING TO THE STATE BUDGET, SESSION LAWS HAWAII 2005**

Act 178, Part III, Section 38, provided funding to the Department's Social Services Division, Child Welfare Services program, HMS 301, for the centralized Title IV-E Eligibility Determination Unit for FY 2006 and FY 2007. The Act requires a report for each fiscal year, on the amount of federal fund reimbursements received by the Title IV-E Eligibility Determination Unit, and the actual and planned expenditures for the Title IV-E federal funds, the actual and planned number of children aided and the types of services provided for the previous fiscal year and the first four months of the current fiscal year.

**(1) Report on the amount of federal funds received by the Title IV-E Eligibility Determination Unit as a percentage of expenditures.**

Title IV-E federal funds reimbursements (draw downs) to the Department for eligible children are the result of all the staff's efforts and not a single unit. The Title IV-E Eligibility Determination Unit contributed significantly to the \$31,557,374 in Title IV-E funds received as reimbursements for allowable expenses made by the Department in FY 05. For the first quarter of FY 06, the Title IV-E federal funds reimbursement was \$8,247,251.

**(2) Report on the amounts and purposes of actual and planned expenditures of federal funds for FY 05 and first four months of FY 06.**

The Department received \$31,557,374 in Title IV-E funds in FY 05. Of this total, \$15,620,271 was used to cover child out-of-home placement costs in HMS 303; \$12,970,322 was used to cover administrative, personnel, and operating expenses in child welfare services, \$2,966,781 was used to cover legal services, system enhancement, staff training, and other expenses in HMS 301.

The Department received \$8,247,251 in Title IV-E funds for the first quarter of FY 06. Of this total, \$3,882,065 was used to cover child out-of-home placement costs in HMS 303; \$3,854,801 was used to cover personnel and operating expenses in child welfare services and \$510,385 was used for other expenses, such as legal services, system enhancement and staff training in HMS 301.

The actual amounts of Title IV-E reimbursements for the fourth month of FY 06 will be available early February 2006. These actual amounts are only available after the Department's Fiscal Management Office completes financial accounting at the end of each quarter. Reports are available one month after the end of a quarter.

Using FY 06's first quarter Title IV-E reimbursements as 25% of the base for the entire fiscal year's total, earnings for the entire 2006 fiscal year are projected to be \$32,989,004 ( $\$8,247,251 \times 4 = \$32,989,004$ ). Based on the distribution of the reimbursements received in FY05, it is projected that funds for FY06 would be distributed as follows: \$15,528,260 for out-of-home placement costs in HMS 303; \$15,419,204 for personnel and operating expenses in child welfare services and \$2,041,540 for other expenses including but not limited to legal services, system enhancement and staff training in HMS 301.

**(3) Report on the number of children served and types of services for FY 05 and first four months of FY 06.**

In FY 05, the following numbers of children were served. The breakdown of services provided (a child may receive more than one service) is:

- ? 4,460 children received payments for relative and non-relative foster care
- ? 774 children received payments for emergency shelter care
- ? 186 children received payments for higher education
- ? 1,235 children were provided payments for permanency assistance
- ? 2,658 children were provided payments for adoption assistance
- ? 4,490 children were provided payments for board related services such as transportation, clothing, etc.

For FY 06, the Department estimates the following number of children will receive services and the projected breakdown of services provided (a child may receive more than one service) is:

- ? 4,593 children will receive payments for relative and non-relative foster care
- ? 748 children will receive payments for emergency shelter care
- ? 230 children will receive payments for higher education
- ? 1,358 children will be provided payments for permanency assistance
- ? 3,031 children will be provided payments for adoption assistance
- ? 3,743 children will be provided payments for board related services such as transportation, clothing, etc.

**Source: FY 05 HMS 303 Variance Report; Fiscal Management Office report; Management Services Office, Research and Statistics report**