

DHS BUDGET REQUEST FOR FY 2016-2017
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pp. A1.20, C1.10, E30.7, E30.9, E30.31-32

APPROPRIATION:
Human Services Development Fund

I. SUMMARY FINANCIAL DATA	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted
State Funds	\$13,460	\$13,959 ¹	\$14,458
Other Funds Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$13,460	\$13,959	\$14,458
IA. REQUESTED SUPPLEMENTALS (Included above)			
State Funds		\$499	
State Sources Itemized			
<i>Human Services Development Fund (General Fund)</i>		\$499	
Federal Funds Total		<u>\$0</u>	
Total		\$499	

¹ Includes a recommended supplemental appropriation of \$0.499 million. Appropriation Act 10-A of 2015 provided \$13.460 million in funding for Fiscal Year 2015-2016.

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		APPROPRIATION: Human Services Development Fund				
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change	
PERSONNEL						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Personnel	\$0	\$0	\$0	\$0	0.00%	
OPERATING						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Operating	\$0	\$0	\$0	\$0	0.00%	
FIXED ASSETS						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%	
GRANT & SUBSIDY						
State Funds	\$13,460	\$13,959	\$14,458	\$499	3.57%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Grant & Subsidy	\$13,460	\$13,959	\$14,458	\$499	3.57%	
NONEXPENSE						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Nonexpense	\$0	\$0	\$0	\$0	0.00%	
BUDGETARY RESERVE						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Budgetary Reserve	\$0	\$0	\$0	\$0	0.00%	
UNCOMMITTED						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Uncommitted	\$0	\$0	\$0	\$0	0.00%	
OTHER						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Other	\$0	\$0	\$0	\$0	0.00%	
TOTAL FUNDS						
State Funds	\$13,460	\$13,959	\$14,458	\$499	3.57%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Funds	\$13,460	\$13,959	\$14,458	\$499	3.57%	

APPROPRIATION:
Human Services Development Fund

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	2013-2014	2014-2015	2015-2016 Estimated
State Funds	\$6	\$0	\$0

IV. COMPLEMENT INFORMATION	12/31/2014	12/31/2015	2016-2017 Budgeted
State/Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Other Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Total			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Benefit Rate	N/A	N/A	N/A

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2016-2017 Governor's Executive Budget provides \$14.458 million in State funds; an increase of \$0.499 million over the Fiscal Year 2015-2016 appropriation level of \$13.959 million.

Detail on the appropriation request is outlined in Section VI entitled "Explanation of Changes" on the next page.

Legislative Citations:

62 P.S. §§ 201, 206, 3101 et seq.; 62 P.S. §1401-B et seq.

Disbursement Criteria:

The Human Services Development Fund (HSDF) payments are disbursed to counties quarterly as advance payments. Each quarterly payment represents 25 percent of the counties' annual HSDF allocation. Each county submits an annual expenditure report at the end of the fiscal year so that the Department of Human Services has a record on file of how the quarterly payments were expended. For the 30 counties participating in the Human Services Block Grant (HSBG), the HSDF advance payment is a portion of the county's HSBG advance payment.

VI. EXPLANATION OF CHANGES
 (\$ Amounts in Thousands)

APPROPRIATION:
 Human Services Development Fund

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total</u>
FISCAL YEAR 2016-2017 INITIATIVES				
GRANT & SUBSIDY				
1. Human Services Funding Restoration				
A. Provides funding to restore one-third of the cuts to seven human services appropriations to offset Fiscal Year 2012-2013 funding cuts:				
	<u>\$499</u>	<u>\$0</u>	<u>\$0</u>	<u>\$499</u>
TOTAL	<u><u>\$499</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$499</u></u>

HUMAN SERVICES DEVELOPMENT FUND

PROGRAM STATEMENT

The Human Services Development Fund (HSDF) is a powerful tool for Pennsylvania county governments to combat isolation, poverty and dependence among their neediest populations. Created by a statute through the HSDF Act (Act 78 of 1994), funding is allocated annually to each county to provide a wide range of social services. Human services plans approved annually by the Department of Human Services describe individual HSDF funded programs and human services available in each county. However, county governments have ultimate discretion over which services will be available and the amount of HSDF funding each will receive. This local control is one of the hallmarks of the HSDF that allows counties to focus human service funding where it is most needed and adapt funding to meet unforeseen changes in human service needs.

The HSDF funding can be used to extend services, enhance services or reach multi-system clients within seven categories of human service populations for which counties are responsible by statute. The populations served by these categorical county-based programs are as follows: low-income adults, the aged and aging, dependent and delinquent children and youth, individuals with substance use disorder, individuals experiencing homelessness, individuals experiencing mental health challenges and individuals with intellectual disabilities.

Specialized services empower local officials, communities and human service planners to develop unique services designed to address purely local needs. Specialized services enable individuals to remain or become integrated members of their families as well as vital participants in their communities. For example, case management programs based in schools or satellite locations provide critical support and guidance to families where they live, and parenting training helps lower-income single parents experiencing the unique challenges of living in economically depressed rural communities.

Certain supports within the adult generic services category are frequently needed by clients in other categories of need. The ten adult services categories are as follows: Adult Day Care, Adult Placement, Chore/Home Support, Counseling, Employment, Homemaker, Centralized Information and Referral, Life Skills Education, Service Planning/Case Management and Transportation Services. The HSDF improves the cost efficiency of county contracting operations for purchasing these services by permitting the negotiation of only one contract with a service provider instead of the multiple individual contracts normally used.

Use of the HSDF for service coordination must conform to Act 78 of 1994. These activities are limited to "Planning and management activities designed to improve the effectiveness of county human services." Examples of appropriate service coordination activities include the following: the coordination of a needs assessment process to identify gaps or duplications in service, the provision of overhead costs for human services committees or councils which serve in an advisory capacity, and central recruitment and training of volunteers assigned to social services agencies.

In Fiscal Year 2012-2013, a 20 county Human Services Block Grant pilot program was implemented to provide local governments with increased flexibility to address local needs. Under the pilot program, funding for the following seven programs was combined at the local level into a flexible Human Services Block Grant: Human Services Development Fund, Community Mental Health Services, Behavioral Health Services, Intellectual Disability Community Base Services, County Child Welfare Special Grants, Homeless Assistance Programs, and Act 152 Drug and Alcohol Services. The 20 county pilot was expanded in Fiscal Year 2013-2014, allowing additional counties to participate on a voluntary basis. Ten counties were added in Fiscal Year 2013-2014 bringing the total number of Block Grant Counties to 30. No additional expansion is currently anticipated in Fiscal Year 2015-2016 or Fiscal Year 2016-2017 and funding will continue to be provided from the individual appropriations.

The Governor's Executive Budget for Fiscal Year 2016-2017 provides \$14.458 million in State funding for the Human Services Development Fund.

FISCAL YEAR 2016-2017 INITIATIVE – HUMAN SERVICES FUNDING RESTORATION

The Fiscal Year 2016-2017 "Human Services Funding Restoration" initiative will restore one-third of the ten percent reduction initially made to county programs during Fiscal Year 2012-2013. In addition to the Fiscal Year 2016-2017 restoration of one-third of the prior reduction, the Governor's Executive Budget for Fiscal Year 2016-2017 proposes that the remaining two-thirds will be restored over the subsequent two fiscal years to fully offset the initial funding cuts. Specifically, the Governor's Executive Budget for Fiscal Year 2016-2017 includes a total of \$0.499 million in State funds in the Human Services Development Fund for this purpose. The balance of the Fiscal Year 2016-2017 funding proposed under this initiative is reflected under the other affected programs as identified above.