

Report to the Legislature

WorkFirst Biennial Spending Plan for 2013-15

RCW 74.08A.341(2)(b)

September 2013

Economic Services Administration
Community Services Division
PO Box 45440
Olympia, WA 98504-5440
(360) 902-8077



Washington's WorkFirst Program

2013-15 Spending Plan Narrative

Prepared by the Department of Social and Health Services
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For the 2013-15 Biennium, the format for the WorkFirst Spending Plan has been revised to align with the WorkFirst Budget Provisos for the Department of Social and Health Services (DSHS), Economic Services Administration (ESA). These provisos are included in Section 207(1) of 3ESSB 5034 from the 2013 legislative session. WorkFirst funding that is not included in the ESA budget provisos is shown under "Other" on the revised Spending Plan document.

Economic Services Administration

Assistance to Clients (3ESSB 5034, Section 207(1)(b))

Biennial Total: \$406,818,000

This budget proviso includes funding for TANF and State Family Assistance (SFA) Grants and funding for the Diversion Cash Assistance Program.

WorkFirst Services (3ESSB 5034, Section 207(1)(c))

Biennial Total: \$168,019,000

This budget proviso includes funding for WorkFirst welfare to work services (e.g., employment and training services and barrier removal services) and Tribal TANF programs (to meet the state MOE funding requirement for Tribal TANF programs in RCW 74.08A.040).

WorkFirst employment and training services are provided by the Employment Security Department (ESD), Department of Commerce, State Board for Community and Technical Colleges (SBCTC), DSHS, and other contractors that provide direct services to WorkFirst clients (including LEP Pathway services for persons with limited English proficiency). In Washington State, 10 Tribes and one Tribal consortium (South Puget Intertribal Planning Agency or SPIPA) operate 11 Tribal TANF programs.

As compared to State Fiscal Year 2013, funding for services provided by ESD and SBCTC is reduced by 12.4% (ESD) and 25% (SBCTC) respectively for State Fiscal Years 2014 and 2015. Program funds made available by the lower spending levels at ESD and SBCTC will be dedicated toward programs and services that enhance the state's ability to meet federal TANF work participation targets. This includes programs such as Work Experience (WEX) services by the Department of Commerce, increased services for Limited English Proficient (LEP) clients, and a new Working Family Supports program. This program will provide a small assistance benefit for a limited number of months to eligible working parents who leave TANF or are receiving non-assistance Basic Food benefits. To qualify, the parent must be working at least 30 hours a week.

An "Undistributed WorkFirst Services Reduction" of \$2.211 million is reflected in the Spending Plan for State Fiscal 2015. Distribution of this amount will be dependent on the anticipated demand for specific types of client services and the overall funding available in the program for State Fiscal Year 2015.

Child Care (3ESSB 5034, Section 207(1)(d))

Biennial Total: \$367,676,000

This budget proviso designates funding for subsidized child care for low-income working families through the Working Connections Child Care (WCCC) program. This proviso also includes funding pursuant to an agreement between the Service Employees International Union (SEIU) Local 925 and the State of

Washington for health benefits, training, and non-standard hour bonus pay for eligible licensed child care providers.

Total spending for WCCC subsidies for the 2013-15 Biennium is forecasted to be \$507,982,000. Of this amount, \$356,282,000 is included in this ESA budget proviso. An additional \$151,700,000 is included in a budget proviso for the Department of Early Learning (3ESSB 5034, Section 615(6)(a)).

Administration and Overhead (3ESSB 5034, Section 207(1)(e))

Biennial Total: \$142,124,000

The budget proviso designates funding for WorkFirst and WCCC administration and overhead. These funds will be applied to the salaries and benefits, travel and other costs (e.g., supplies, equipment, postage, utilities, building lease costs and maintenance) associated with personnel involved in the administration of the WorkFirst program, including ESA employees who provide direct services to WorkFirst families. Responsibilities of other personnel include fiscal and programmatic oversight, technical assistance, ongoing review, monitoring, data collection and program reporting, and collection of client overpayments.

Other

Tribal TANF - Federal

Biennial Total: \$47,574,000

The amount of the federal TANF block grant that is awarded to Tribes operating Tribal TANF programs in Washington State.

Early Learning – Child Care Subsidy

Biennial Total: \$151,700,000

Department of Early Learning funding dedicated to child care subsidies.

Early Learning – DSHS Overhead

Biennial Total: \$2,018,000

Department of Early Learning funding to support DSHS's overhead costs related to administration of the WCCC subsidy program.

DSHS – Overhead

Biennial Total: \$23,728,000

Funding to support DSHS-wide indirect costs as well as some direct costs charges such as those from the Office of the Attorney General, Department of Enterprise Services, and the State Auditor's Office.

DSHS – Children's Administration

Biennial Total: \$68,496,000

TANF funding that partially funds direct social service staff including Child Protective Services, Child Welfare Services, and Family Reconciliation Services.

2013-15 WorkFirst Spending Plan August 2013

	2013-2015 Biennium		
	SFY 2014	SFY 2015	2013-15
DSHS - Economic Services Administration (ESA)			
ESA - Assistance to Clients (3ESSB 5034, Section 207(1)(b))			
TANF Grants	198,246	191,568	389,814
Diversion Assistance	7,802	8,202	16,004
Legislature IT Reductions	100	100	200
LEAN Restructuring	600	200	800
Subtotal - ESA Assistance to Clients	206,748	200,070	406,818
ESA - WorkFirst Services (3ESSB 5034, Section 207(1)(c))			
Tribal TANF - State MOE	12,911	12,911	25,822
DSHS - Interpreters	1,209	1,209	2,418
DSHS- Local Contracts	6,460	6,311	12,771
DSHS - Limited English Proficiency (LEP)	4,100	5,600	9,700
ESD - Job Search & Placement	15,418	15,418	30,836
SBCTC - Education & Training	13,601	13,601	27,202
Commerce Dept - Subsidized & Community Employment, LEP	29,828	28,853	58,681
Undistributed WorkFirst Services Reduction		(2,211)	(2,211)
Legislative IT Reduction	50	50	100
DSHS - Career Services Support	250	2,250	2,500
LEAN Restructuring	150	50	200
Subtotal - ESA WorkFirst Services	83,977	84,042	168,019
ESA - Child Care (3ESSB 5034, Section 207(1)(d))			
Child Care Subsidy	172,098	184,184	356,282 **
Child Care Health Care & other (CBA)	5,696	5,698	11,394
Subtotal - ESA Child Care	177,794	189,882	367,676
ESA - Overhead and Administration (3ESSB 5034, Section 207(1)(e))			
DSHS Staffing Operations	70,976	70,138	141,114
DSHS Office of Financial Recovery	505	505	1,010
Subtotal - ESA Overhead and Administration	71,481	70,643	142,124
Total - ESA (3ESSB 5034, Section 207(1)(a))	540,000	544,637	1,084,637
Other			
Tribal TANF - Federal	23,787	23,787	47,574
Early Learning - Child Care Subsidy	75,850	75,850	151,700 **
Early Learning - DSHS Overhead	1,009	1,009	2,018
DSHS - Overhead	11,864	11,864	23,728
DSHS - Children's Administration	34,248	34,248	68,496
Total - Other	146,758	146,758	293,516
Total WorkFirst Spending Plan	686,758	691,395	1,378,153

**Total Child Care Subsidy

ESA	172,098	184,184	356,282
Early Learning	75,850	75,850	151,700
Total Child Care Subsidy	247,948	260,034	507,982