

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

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APPROPRIATION:
Cash Grants

I. SUMMARY FINANCIAL DATA	2014-2015	2015-2016	2016-2017
	<u>Actual</u>	<u>Available</u>	<u>Budgeted</u>
State Funds	\$45,457	\$25,457	\$25,457
Federal Funds Total	\$669,797	\$657,144	\$639,121
Federal Sources Itemized			
<i>TANFBG - Cash Grants</i>	\$319,393	\$308,975	\$288,975
<i>Other Federal Support - Cash Grants</i>	\$20,619	\$17,388	\$17,388
<i>LIHEABG - Low Income Families & Individuals</i>	\$320,000	\$320,000	\$320,000
<i>Refugees and Persons Seeking Asylum- Social Services</i>	\$9,785	\$10,781	\$12,758
Other Funds Total	\$0	\$0	\$0
Other Sources Itemized			
Total	<u>\$715,254</u>	<u>\$682,601</u>	<u>\$664,578</u>
IA. REQUESTED SUPPLEMENTALS (Included above)			
State Funds		\$0	
Federal Funds		\$0	
Total		<u>\$0</u>	

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: Cash Grants				
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Personnel	\$0	\$0	\$0	\$0	0.00%
OPERATING					
<i>State Funds</i>	\$4,922	\$4,851	\$4,851	\$0	0.00%
<i>Federal Funds</i>	\$2,956	\$4,966	\$4,966	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$7,878	\$9,817	\$9,817	\$0	0.00%
FIXED ASSETS					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%
GRANT & SUBSIDY					
<i>State Funds</i>	\$40,535	\$20,606	\$20,606	\$0	0.00%
<i>Federal Funds</i>	\$414,704	\$438,920	\$427,522	(\$11,398)	-2.60%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$455,239	\$459,526	\$448,128	(\$11,398)	-2.48%
NONEXPENSE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$4,145	\$1,283	\$3,260	\$1,977	154.09%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Nonexpense	\$4,145	\$1,283	\$3,260	\$1,977	154.09%
BUDGETARY RESERVE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$247,992	\$211,975	\$203,373	(\$8,602)	-4.06%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Budgetary Reserve	\$247,992	\$211,975	\$203,373	(\$8,602)	-4.06%
EXCESS FEDERAL					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Uncommitted	\$0	\$0	\$0	\$0	0.00%
OTHER					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Other	\$0	\$0	\$0	\$0	0.00%
TOTAL FUNDS					
<i>State Funds</i>	\$45,457	\$25,457	\$25,457	\$0	0.00%
<i>Federal Funds</i>	\$669,797	\$657,144	\$639,121	(\$18,023)	-2.74%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$715,254	\$682,601	\$664,578	(\$18,023)	-2.64%

APPROPRIATION:

Cash Grants

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	2015-2016		
	2013-2014	2014-2015	Estimated
State Funds	\$5,944	\$0	\$0

IV. COMPLEMENT INFORMATION	2016-2017		
	12/31/2014	12/31/2015	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	0.00%	0.00%	0.00%

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA**Derivation of Request:**

The Governor's Executive Budget for Fiscal Year 2016-2017 is based on an estimate of the monthly average number of persons receiving Temporary Assistance For Needy Families (TANF) and State Blind Pension (SBP) during the fiscal year at the established allowance levels.

The Low Income Home Energy Assistance Program funding is based on final Federal allocations in Federal Year 2016-2017. Total Grant funding will be net 15 percent for the weatherization program and up to 10 percent for administrative costs.

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

Legislative Citations:

62 P.S. §§ 201, 403 for TANF.
62 P.S. § 501 et seq. for SBP.
62 P.S. §§ 201, 206; 42 U.S.C. §§ 8621-8629 for LIHEAP.

Disbursement Criteria:

This appropriation provides direct cash payments, supportive service allowances and employment and training services to eligible SBP and TANF recipients. Disbursements are made on the basis of allowance schedules.

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Cash Grants			
	State \$	Federal \$	Other \$	Total \$
GRANT & SUBSIDY				
1. Reflects a decrease of 1,540 (from 148,650 to 147,110) in the projected monthly average number of Temporary Assistance for Needy Families recipients in Fiscal Year 2016-2017:	\$981	(\$9,882)	\$0	(\$8,901)
2. Reflects a decrease of nine (from 165 to 156) in the projected monthly average number of State Blind Pension recipients in Fiscal Year 2016-2017:	(\$12)	\$0	\$0	(\$12)
3. Reflects a decrease in Support Services in Fiscal Year 2016-2017:	(\$596)	(\$1,283)	\$0	(\$1,879)
4. Reflects a reduction in Emergency Shelter Services in Fiscal Year 2016-2017:	(\$141)	\$0	\$0	(\$141)
5. Reflects a reduction in Medical Assistance Transportation Services in Fiscal Year 2016-2017:	(\$99)	(\$100)	\$0	(\$199)
6. Reflects a reduction in expenditures in Employment and Training - Supplemental Nutrition Assistance Program (SNAP) Support Services in Fiscal Year 2016-2017:	(\$133)	(\$133)	\$0	(\$266)
Subtotal Grant & Subsidy	\$0	(\$11,398)	\$0	(\$11,398)
NON-EXPENSE				
1. Reflects an increase in Refugees and Persons Seeking Asylum in Fiscal Year 2016-2017:	\$0	\$1,977	\$0	\$1,977
Subtotal Non-Expense	\$0	\$1,977	\$0	\$1,977
BUDGETARY RESERVE				
1. Impact of reduction in excess Federal spending authority in Fiscal Year 2015-2016:	\$0	(\$8,602)	\$0	(\$8,602)
Subtotal Budgetary Reserve	\$0	(\$8,602)	\$0	(\$8,602)
TOTAL	\$0	(\$18,023)	\$0	(\$18,023)

**Cash Grants
2015-2016 Available**

	<u>Caseload</u>	<u>Avg Pmt</u>	State	Federal	Other	Total
<u>OPERATING</u>						
8 EBT Contract			\$4,406	\$4,234	\$0	\$8,640
9 Bad Debt Expense - Pa. State Collection and Disbursement Unit			\$445	\$0	\$0	\$445
10 Refugees and Persons Seeking Asylum			\$0	\$732	\$0	\$732
Subtotal Operating			\$4,851	\$4,966	\$0	\$9,817
<u>GRANTS & SUBSIDIES</u>						
- Regular TANF Payment			\$568	\$169,421	\$0	\$169,518
- Work Support Phase Two (State Only)			\$17,308	\$0	\$0	\$17,308
- TANF Payment - (MOE)			\$1,022	\$0	\$0	\$1,022
- TANF Diversion			\$0	\$11,675	\$0	\$11,675
- Extended TANF 100% Federal			\$0	\$50,893	\$0	\$50,893
- Transitional Cash Assistance Program (\$100 per month)			\$3,334	\$0	\$0	\$3,334
- Work Expense Reimbursement			\$215	\$1,539	\$0	\$1,754
22 SUBTOTAL TANF Payments	148,650	\$143.50	\$22,447	\$233,528	\$0	\$255,975
24 Support Services			\$1,278	\$9,171	\$0	\$10,449
26 State Blind Pension	165	\$98.38	\$195	\$0	\$0	\$195
28 County Disbursement Fund			\$0	\$9,772	\$0	\$9,772
29 Refugee Assistance Claims			\$0	\$770	\$0	\$770
30 Emergency Shelter			\$1,390	\$0	\$0	\$1,390
31 Medical Assistance Transportation			\$417	\$418	\$0	\$835
32 Child Support County Payment			\$7,900	\$0	\$0	\$7,900
34 Child Support Collections			(\$23,639)	\$0	\$0	-\$23,639
35 Unreimbursed Assistance Payments (URA-Child Support Collections)			\$112	\$0	\$0	\$112
36 Support Pass Through			\$11,588	\$0	\$0	\$11,588
38 Restitution & Reimbursement Collections			(\$1,850)	(\$1,638)	\$0	-\$3,488
40 Operation Warm			\$200	\$0	\$0	\$200
42 Refugees and Persons Seeking Asylum			\$183	\$9,766	\$0	\$9,949
44 E&T Special Needs - SNAP Support Services			\$385	\$385	\$0	\$770
45 Work Activities Experience - EARN			\$0	\$23,503	\$0	\$23,503
46 PA Workwear			\$0	\$2,861	\$0	\$2,861
47 Rapid Rehousing Pilot			\$0	\$0	\$0	\$0
LIHEAP						
50 - Cash Program (single payment)	378,080	\$241.00	\$0	\$91,117	\$0	\$91,117
51 - Crisis Program (single payment)	122,355	\$419.00	\$0	\$51,267	\$0	\$51,267
52 - Heat and Eat Initiative			\$0	\$8,000	\$0	\$8,000
Subtotal Grants & Subsidies			\$20,606	\$438,920	\$0	\$459,526
<u>NONEXPENSE</u>						
58 Integration Project			\$0	\$1,000	\$0	\$1,000
59 Refugees and Persons Seeking Asylum			\$0	\$283	\$0	\$283
Subtotal Nonexpense			\$0	\$1,283	\$0	\$1,283
Subtotal			\$25,457	\$445,169	\$0	\$470,626
65 <i>Budgetary Reserve/Excess Appropriation Authority</i>			\$0	\$211,975	\$0	\$211,975
Total Requirement			\$25,457	\$657,144	\$0	\$682,601

Cash Grants
2016-2017 Governor's Executive Budget

	<u>Caseload</u>	<u>Avg Pmt</u>	State	Federal	Other	Total
OPERATING						
8 EBT Contract			\$4,406	\$4,234	\$0	\$8,640
9 Bad Debt Expense - Pa. State Collection and Disbursement Unit			\$445	\$0	\$0	\$445
10 Refugees and Persons Seeking Asylum			\$0	\$732	\$0	\$732
Subtotal Operating			\$4,851	\$4,966	\$0	\$9,817
GRANTS & SUBSIDIES						
- Regular TANF Payment			\$806	\$159,539	\$0	\$160,345
- Work Support Phase Two (State Only)			\$18,000	\$0	\$0	\$18,000
- TANF Payment - (MOE)			\$1,073	\$0	\$0	\$1,073
- TANF Diversion			\$0	\$11,675	\$0	\$11,675
- Extended TANF100% Federal			\$0	\$50,893	\$0	\$50,893
- Transitional Cash Assistance Program (\$100 per month)			\$3,334	\$0	\$0	\$3,334
- Work Expense Reimbursement			\$215	\$1,539	\$0	\$1,754
22 SUBTOTAL TANF Payments	147,110	\$139.96	\$23,428	\$223,646	\$0	\$247,074
24 Support Services			\$682	\$7,888	\$0	\$8,570
26 State Blind Pension	156	\$97.72	\$183	\$0	\$0	\$183
28 County Disbursement Fund			\$0	\$9,772	\$0	\$9,772
29 Refugee Assistance Claims			\$0	\$770	\$0	\$770
30 Emergency Shelter			\$1,249	\$0	\$0	\$1,249
31 Medical Assistance Transportation			\$318	\$318	\$0	\$636
32 Child Support County Payment			\$7,900	\$0	\$0	\$7,900
34 Child Support Collections			(\$23,639)	\$0	\$0	(\$23,639)
35 Unreimbursed Assistance Payments (URA-Child Support Collections)			\$112	\$0	\$0	\$112
36 Support Pass Through			\$11,588	\$0	\$0	\$11,588
38 Restitution & Reimbursement Collections			(\$1,850)	(\$1,638)	\$0	(\$3,488)
40 Operation Warm			\$200	\$0	\$0	\$200
42 Refugees and Persons Seeking Asylum			\$183	\$9,766	\$0	\$9,949
44 E&T Special Needs - SNAP Support Services			\$252	\$252	\$0	\$504
45 Work Activities Experience - EARN			\$0	\$23,503	\$0	\$23,503
46 PA Workwear			\$0	\$2,861	\$0	\$2,861
47 Rapid Rehousing Pilot			\$0	\$0	\$0	\$0
LIHEAP						
50 - Cash Program (single payment)	378,080	\$241.00	\$0	\$91,117	\$0	\$91,117
51 - Crisis Program (single payment)	122,355	\$419.00	\$0	\$51,267	\$0	\$51,267
52 - Heat and Eat Initiative			\$0	\$8,000	\$0	\$8,000
Subtotal Grants & Subsidies			\$20,606	\$427,522	\$0	\$448,128
NONEXPENSE						
58 Integration Project			\$0	\$1,000	\$0	\$1,000
59 Refugees and Persons Seeking Asylum			\$0	\$2,260	\$0	\$2,260
Subtotal Nonexpense			\$0	\$3,260	\$0	\$3,260
Subtotal			\$25,457	\$435,748	\$0	\$461,205
65 Budgetary Reserve/Excess Appropriation Authority			\$0	\$203,373	\$0	\$203,373
Total Requirement			\$25,457	\$639,121	\$0	\$664,578

Cash Grants
Monthly Average Number of Recipients
Fiscal Year 2016-2017 Governor's Executive Budget

Fiscal Year 2015-2016

	Total	TANF	SBP
July 2015	151,236	151,066 *	170 *
August	151,870	151,702 *	168 *
September	151,334	151,167 *	167 *
October	149,902	149,739 *	163 *
November	147,703	147,540 *	163 *
December	146,495	146,335 *	160 *
January 2016	147,372	147,206	166
February	147,573	147,407	166
March	147,773	147,608	165
April	147,974	147,809	165
May	148,174	148,010	164
June	148,374	148,210	164
Monthly Average	148,815	148,650	165
Change From FY 2014-2015	(11,675)	(11,661)	(14)
% Change		-7.27%	-7.82%

Fiscal Year 2016-2017

	Total	TANF	SBP
July 2015	148,199	148,037	162
August	148,026	147,865	161
September	147,854	147,694	160
October	147,683	147,525	158
November	147,513	147,356	157
December	147,344	147,188	156
January 2016	147,176	147,021	155
February	147,010	146,855	155
March	146,844	146,690	154
April	146,680	146,526	154
May	146,515	146,363	152
June	146,352	146,201	151
Monthly Average	147,266	147,110	156
Change From FY 2015-2016	158,941	(1,540)	(9)
% Change		-1.04%	-5.45%

CASH GRANTS

PROGRAM STATEMENT

The Cash Grants appropriation funds direct money payments and supportive services to eligible individuals enabling them to meet the expenses of everyday living. Cash Grants include Temporary Assistance for Needy Families (TANF) and State Blind Pension (SBP). The TANF program is funded by a Federal block grant, which the Department of Human Services (Department) supplements with State funds to meet federally mandated maintenance-of-effort requirements. The SBP is completely State-funded.

The following table shows the monthly average number of persons receiving cash grants by program since Fiscal Year 2013-2014:

	Actual Fiscal Year 2013-2014	Actual Fiscal Year 2014-2015	Estimated Fiscal Year 2015-2016	Estimated Fiscal Year 2016-2017
SBP	199	179	165	156
TANF	165,595	160,311	148,650	147,110
TOTAL	165,794	160,490	148,815	147,266

All TANF recipients meeting certain criteria are required to participate in work activities. A single parent with a child or children age six or over must participate for at least 30 hours per week. Single parents with a child or children under age six must participate for at least 20 hours per week. A two parent household not receiving child care must participate for a combined total of 35 hours per week and a two parent household receiving child care must participate for a combined total of 55 hours per week. All TANF adult recipients meeting certain criteria are required to participate in one or more of the following work activities: unsubsidized employment, subsidized private sector employment, subsidized public sector employment, work experience, on-the-job training, job search and job readiness assistance, community service programs, vocational education training, job skills training directly related to employment, education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency, satisfactory attendance at a secondary school or in a course of study leading to a certificate of general equivalence in the case of a recipient who has not completed secondary school or received such a certificate, or the provision of child care services to an individual who is participating in a community service program.

ELECTRONIC BENEFITS TRANSFER

The Electronic Benefits Transfer (EBT) system is mandated by the Federal Food and Nutrition Service to provide debit card access to all Supplemental Nutrition Assistance Programs and most cash benefits through point-of-sale terminals and automatic teller machines at thousands of locations throughout the Commonwealth. This EBT method of benefit issuance is universally well received by clients and advocates alike. Services include: a centralized card issuance function augmenting County Assistance Office card production; a call-in Personal Identification Number selection capability; a browser-based system access application for EBT staff, clients and retailers; and data warehouse functionality. The EBT system has proven to be both an effective and efficient method of delivering benefits while providing improved documentation used for audit controls and fraud detection.