



STATE OF VERMONT
HOUSE OF REPRESENTATIVES

MEMORANDUM

To: Rep. Kitty Toll, Chair, Committee on Appropriations
From: Rep. Ann Pugh, Chair, Committee on Human Services
Cc: Representative Mitzi Johnson, Speaker, House of Representatives
Date: January 11, 2018
Subject: FY18 Budget adjustment recommendations

As requested, the House Committee on Human Services (Committee) has reviewed provisions of the proposed FY18 budget adjustment act pertaining to the Tobacco Settlement Fund and the Department for Children and Families (DCF). The Committee thanks the House Committee on Appropriations for the opportunity to comment on these provisions.

Tobacco Settlement Fund

The Committee has no objection to the change described in the Governor's budget adjustment proposal.

DCF—Economic Services Division Management Reorganization

The Committee acquiesces to the proposal by the Department to eliminate the district supervisor positions within the Economic Services Division and replace these positions with three additional operations directors. It appreciates that the Department wants to reduce managerial level positions rather than impact direct services to clients. However, the Committee is concerned both by the fact that employees of the district offices were not consulted in reaching this decision and by the potential reduced productivity of operations directors due to additional time spent traveling to multiple district offices and to the central office. It notes that this management structure was implemented on at least one previous occasion by DCF, and contributed to harm to vulnerable Vermonters and the imposition of federal financial penalties. Further, the Committee is also concerned by the impact that this proposal will have on community collaboration and the silos between Economic Services and Family Services Divisions.

The Committee recommends that implementation of the Economic Services Division's management reorganization receive close scrutiny. Specifically, it believes that the programs operated by the Division should be monitored to ensure that Vermonters are receiving the services they need, that there is not an increase in program errors, and that no delays in the provision of services occur.

DCF—LIHEAP

The Committee has no objection to the change described in the Governor's budget adjustment proposal, provided it does not result in a reduction of services. The Committee recommends that there be no reduction to the base budget for this program.

DCF—Family Services Division

The Committee has no objection to the change described in the Governor's budget adjustment proposal.

DCF—Early Intervention, Evaluation and Treatment

The proposed reduction to the Children's Integrated Services (CIS) budget represents the Committee's single greatest concern in this budget adjustment proposal. It heard testimony from providers that any underutilization of CIS funds was due to lack of capacity in the system, not lack of need. The Committee believes that CIS is a significant upstream service and that children eligible for CIS are among Vermont's most vulnerable populations. Providers and community partners reported to the Committee that DCF has not been in communication with them as to what is happening in practice with regard to underutilization of and lack of access to services.

The Committee recommends that the budget adjustment proposal to reduce funds to the CIS system by \$1 million be rejected. It recommends that the funds in question be reinvested into the CIS system for the remainder of FY18 in the most effective manner available.

The Committee is also concerned that the base budget may be reduced in FY19 and that demand for CIS services will go unmet.

DCF—Child Care Financial Assistance Program (CCFAP)

The Committee heard testimony that the underutilization of CCFAP appropriations was due to structural barriers in the program rather than lack of need. Instead of decreasing CCFAP funds for the remainder of FY18, the Committee would prefer to see these funds reinvested to address the structural barriers and a plan from DCF as to how to address the structural barriers.

DCF—Woodside

The Committee supports the proposed budget adjustment to fully fund the Woodside Juvenile Rehabilitation Center.

DCF—Reach Up Program

The Committee notes that there have been a series of accounting errors in the Reach Up program over the past several fiscal years, which it finds disconcerting.