

**State of Alaska
FY2017 Governor's Operating Budget**

**Department of Health and Social Services
Subsidized Adoptions & Guardianship
Component Budget Summary**

Component: Subsidized Adoptions & Guardianship**Contribution to Department's Mission**

Facilitates permanent placements through adoptive or guardianship homes for the increasing number of children in state custody for whom special needs make them hard to place. Adoption is viewed as the most permanent placement for a child and is therefore the preferable option.

Guardianships are considered for children who cannot be considered for adoption, but for whom a reasonably permanent home can be provided through guardianship. This is often the best choice for children who cannot live with their parents, but continue to maintain an important emotional tie with their families that should not be severed.

Core Services

- Facilitate permanency through recruitment of homes for children who need permanent homes; home studies on potential adoptive and guardianship families; pre-adoption services for the child and family; and post-adoption services after the final adoption or guardianship court hearing.
- Provide for permanent homes to children that are in the custody of the state and who are unlikely to be adopted without a subsidy.

Major Component Accomplishments in 2015

The Office of Children's Services has continued to experience success in finding homes for children as they are simultaneously presented in the Alaska Adoption Exchange, the Northwest Adoptions Exchange, and AdoptUSKids. At the end of June 2012 there were 2,850 continuing adoptions and guardianships, which includes 357 new adoptions and guardianships. As of June 2013, there were 2,971 continuing adoptions and guardianships, which include 336 new adoptions and guardianships. At the end of June 2015, there were 3,309 continuing adoptions and guardianships, which include 388 new adoptions and guardianships.

Key Component Challenges

When children leave foster care, their special needs are reassessed to determine whether they will need continuing assistance through the Subsidized Adoption & Guardianship program. Approximately 95% of children exiting custody, through adoption or legal guardianship, have special needs and will continue to receive state benefits through the subsidy programs.

Children that have been removed from situations of maltreatment and that have experienced physical, mental, or emotional disturbances continue to struggle even after being removed from their home. The Office of Children's Services has recognized for some time that the level of disturbance and complexity of problems for children in custody is increasing. These factors make it difficult to find permanent adoptive or guardianship homes without providing a subsidy. It is preferable and more cost-effective for the state to provide a means for children to be given a permanent home with a state-funded subsidy than for the state to continue being solely financially responsible for the child. The adoption or guardianship subsidy covers the costs of the child's special needs and is available to the family until the child reaches age 18.

Significant Changes in Results to be Delivered in FY2017

The subsidy program will continue to support adoption and guardianship families by helping to defray the costs of care and meeting the child's ongoing special needs. There has been an upward trend in the number of continuing and on-going subsidies.

Statutory and Regulatory Authority

AS 25.23

Adoption

AS 25.23.190-240 Subsidy for hard-to-place child
AS 47.10.080 Judgments and orders
7 AAC 53 Article 2 Subsidized Adoption and Subsidized Guardianship Payments

Title IV-E of the Social Security Act
42 USC 1305 Adoptions & Safe Families Act of 1997

Contact Information

Contact: Sana P. Efird, Assistant Commissioner
Phone: (907) 465-1630
Fax: (907) 465-2499
E-mail: sana.efird@alaska.gov

**Component Detail All Funds
Department of Health and Social Services**

Component: Subsidized Adoptions & Guardianship (1962)
RDU: Children's Services (486)

Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	112.3	526.3	526.3	526.3	526.3	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	31,182.0	27,080.3	27,080.3	27,080.3	36,730.3	9,650.0	35.6%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	31,294.3	27,606.6	27,606.6	27,606.6	37,256.6	9,650.0	35.0%
Fund Sources:							
1002Fed Rcpts (Fed)	16,179.2	13,777.0	13,777.0	13,777.0	18,602.0	4,825.0	35.0%
1003G/F Match (UGF)	4,054.4	2,354.4	2,354.4	2,354.4	7,179.4	4,825.0	204.9%
1004Gen Fund (UGF)	11,060.7	11,475.2	11,475.2	11,475.2	11,475.2	0.0	0.0%
Unrestricted General (UGF)	15,115.1	13,829.6	13,829.6	13,829.6	18,654.6	4,825.0	34.9%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	16,179.2	13,777.0	13,777.0	13,777.0	18,602.0	4,825.0	35.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Subsidized Adoptions & Guardianship (1962)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2016 Conference Committee To FY2016 Authorized *****												
FY2016 Conference Committee												
	ConfCom	27,606.6	0.0	0.0	526.3	0.0	0.0	27,080.3	0.0	0	0	0
1002 Fed Rcpts		13,777.0										
1003 G/F Match		2,354.4										
1004 Gen Fund		11,475.2										
	Subtotal	27,606.6	0.0	0.0	526.3	0.0	0.0	27,080.3	0.0	0	0	0
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
Growing Number of Children in Subsidized Adoptions and Guardianships												
	Inc	9,650.0	0.0	0.0	0.0	0.0	0.0	9,650.0	0.0	0	0	0
1002 Fed Rcpts		4,825.0										
1003 G/F Match		4,825.0										

Increased number of subsidized adoptions and guardianships as well as the increased rates paid for children entering into a subsidized adoption or guardianship.

The subsidized adoption and guardianship program facilitates permanent placements in adoptive and guardianship homes for an increasing number of children in custody whose special needs make them hard to place. Adoption and guardianship is considered for children who cannot return to their parents.

At the end of FY2015, 3,309 children were living in permanent homes assisted through subsidized adoptions and guardianships. Since FY2009, the number of subsidized adoptions and guardianships has steadily increased at a rate of 4.5 percent annually.

While it is difficult to point to one definitive reason for the growth, there are elements that appear to be growing trends. Some of those contributing factors are: annual rate of children in out-of-home placement is growing, the special needs of many of these children are increasingly complex in nature, and many of the families require the maximum amount allowable based on the child's needs and the rising cost of treatment services.

Additionally, the Office of Children's Services increased foster care rates twice in recent years; in July 2008 and again in July 2013, following a lawsuit. In addition to the change in basic foster care rates, in July 2013 a significant increase was made to the augmented care rates. Augmented care rates provide additional assistance to families caring for children with needs for a higher level of care due to special needs. Subsidized adoption and guardianship rates are tied to the current foster care rate. Therefore, the increase in foster care rate impacts the subsidy expenditures.

Year	2012	2013	2014	2015	Projected 2016	Projected 2017
Expenditure and Projected	25,708.4	26,916.2	28,907.4	31,294.3	34,256.6	37,256.6
Growth	6%	5%	7%	8%	9%	9%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Subsidized Adoptions & Guardianship (1962)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
	Totals	37,256.6	0.0	0.0	526.3	0.0	0.0	36,730.3	0.0	0	0	0

Line Item Detail
Department of Health and Social Services
Services

Component: Subsidized Adoptions & Guardianship (1962)
RDU: Children's Services (486)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000	Services		112.3	526.3	526.3
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals			112.3	526.3	526.3
73025	Education Services	Training services and conference costs	0.0	0.0	1.0
73156	Telecommunication	Miscellaneous audio/video conference costs	0.6	0.6	1.0
73225	Delivery Services	Postage and freight	0.0	0.0	1.0
73450	Advertising & Promos	Recruitment postings, media campaigns, and notices necessary to meet legal requirements.	0.0	0.0	25.0
73750	Other Services (Non IA Svcs)	Provide Assistance to adoptive children and families to include pre-adoptive services and post-adoption services following the final adoption or guardianship hearing. Contract with outside vendor for permanent families services that focus on adoption recruitment and referral, home study services to families who want to adopt children in OCS custody, and post-adoption services. Contract with outside vendor for participation in the adoption exchange, and promote earlier identification of children awaiting adoption and potential families waiting to adopt.	92.8	150.0	150.0
73756	Print/Copy/Graphics	Copying/printing costs for recruitment postings, media campaigns, and notices necessary to meet legal requirements.	0.0	0.0	1.5
73812	Legal		18.9	0.0	0.0
73812	Legal	Law RSA: Department of Law, Civil Division, Permanency Placement (Project Succeed). Fund legal services to promote and identify permanent placements for those children who have been in state custody for extended periods. Includes case costs such as travel, outside contracts, and transcription services.	0.0	375.7	346.8

Line Item Detail
Department of Health and Social Services
Grants, Benefits

Component: Subsidized Adoptions & Guardianship (1962)
RDU: Children's Services (486)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
77000	Grants, Benefits		31,182.0	27,080.3	36,730.3
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
77000 Grants, Benefits Detail Totals			31,182.0	27,080.3	36,730.3
77110	Grants	Grants to support foster care, and adoption services.	1,590.1	1,590.1	1,600.0
77670	Benefits	Fund adoption and guardianship subsidies to facilitate permanent placements in adoptive homes, or stable guardianships for children in state custody whose special needs make them hard to place. Federal guidelines for Title IV-E federal adoptions define a hard-to-place child as a "minor who is not likely to be adopted or to obtain a guardian by reason of physical or mental disability, emotional disturbance, recognized high risk of physical or mental disease, age, membership in a sibling group, racial or ethnic factors, or any combination of these conditions." Grant to outside vendor (Northwest Resources Associates) to recruit adoptive families that reflect the ethnic and racial diversity of the children served by OCS. Costs include training and support of resource families designed to improve the safety of children in care, streamline procedures, and avoid delays. \$575.0	29,591.9	25,490.2	35,130.3

Restricted Revenue Detail
Department of Health and Social Services

Component: Subsidized Adoptions & Guardianship (1962)
RDU: Children's Services (486)

Master Account	Revenue Description			FY2015 Actuals	FY2016 Management Plan	FY2017 Governor	
51010	Federal Receipts			16,179.2	13,777.0	18,602.0	
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
57370	Title Ivc Non Vol Fc Title IV-E of the Social Security Act Social Services Block Grant		06213800	11100	12,080.2	13,325.0	18,602.0
57390	Fed Proj- Social Svc				4,022.6	375.6	0.0
57590	Fed Projects- Health				76.4	76.4	0.0

