



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Director's Comments



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

October 25, 2011



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Outline of Director's Comments

- Site Visits
- Good News Sharing
- Supplemental Nutrition Assistance Program (SNAP) Update
- SFY 2012 budget follow-up
- Capital Bond Refinancing
- Information Items
- Major Issues Ahead



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Site Visits



Site Visits

- Volunteerism Conference: Training and recognition of volunteers.
- Statewide Child Care Services conference
- Multiple 90 day reviews with staff.
- Justice Reinvestment Act – Corrections Task Force
- Meeting with Representatives of Region VI of the U.S. Department of Health and Human Services
- Annual Report Final Review
- Planning Session with Aging Services representatives



Site Visits

- OKDHS Live status report and planning sessions
- Early Learning Challenge Grant Steering Committee meetings
- Presentations regarding Oklahoma's enhancement of its Practice model with Trauma Informed Care by Representatives of the NCTSN (Tulsa, OK)
- Early Learning Challenge Grant application review sessions
- Continuous Quality Improvement session for Area III leadership
- Practice & Policy Lecture Series; Early Childhood efforts of the GKF Foundation



Site Visits

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- MOSAIC meeting
- Meeting with representatives of pediatric psychological hospitals regarding licensing simplification
- Meetings regarding IT consolidation through OSF
- Area IV site visit to Hugo, Oklahoma (Choctaw County)
- Meeting with the District Attorneys Association – Durant, OK
- Oklahoma Institute for Child Advocacy Fall Forum presentation.
- Monthly case reviews
- Annual Latino Heritage Celebration



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Site Visits

- Completing the Circle – Area III Native American heritage event for foster children
- Oklahoma Capitol Improvement Authority meeting
- Casey Family services meeting
- Fatherhood interim study for the House of Representatives
- House of Representations study committee initial meeting
- Meeting with Area VI Leadership staff to review planning efforts
- Meeting with Commissioner of Mental Health regarding space needs of DMHSAS and vision for substance abuse services



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Good News Sharing



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Thank you to Paula Hearn, Chief Administrative Officer

- **Former City Manager, City of Oklahoma City**
- **Former Cabinet Secretary of Administration and Director, Oklahoma Department of Central Services**
- **Former Director, OKDHS Office Support Services Division**
- **OKDHS Chief Administrative Officer since 2008.**
- **Let many cross divisional initiatives for 508 compliance; budget saving efforts; inventory controls, communications and property initiatives**





Welcome to Sandra Harrison, CAO

OKLAHOMA DEPARTMENT OF HUMAN SERVICES

- **Legislative Staff, House of Representatives and State Senate**
- **Private Practice of Law representing several Native American Nations**
- **Director of the Office of Intergovernmental Relations and Policy**
- **Will assume responsibilities as Chief Administrative Officer on October 15, 2011 and will follow Paula Hearn who is retiring**





OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Director's Award: Marietta Sousis, RN

- **Saved the life of a choking baby (Blakely) at an apartment complex in Stillwater**
- **A divine appointment for Marietta and Blakely, the child**
- **Administered first aid techniques; three sharp blows between the shoulder blades to dislodge the obstruction without success.**
- **Then administered a sweeping technique to clear the passage way for breathing and a white lifesaver was dislodged**
- **Broke her ankle in a fall rushing to help the baby.**





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Director's Award: James Kyle Chaufy

- Recognized a youth going into a medical distress due to heat while photographing foster youth.
- The youth was experiencing severe dehydration due to high temperatures
- Kyle immediately administered aid to the youth and stayed with him until emergency personnel arrived and transported the youth to a nearby hospital.



OKDHS Data Services Division Project Management Office (PMO) Recognized

- OKDHS was featured in a new book detailing some of the world's most high-performing project management offices (PMO). “An Inside Look at High-Performing PMOs,” authored by J. Kent Crawford and Jeannette Cabanis-Brewin, was released Oct. 1.
- A PMO is a group or department defining and maintaining standards, such as policies, processes, methods—for project management to help ensure the organization is working on the right projects and doing them correctly.
- OKDHS received the prestigious “**PMO of the Year**” award, which is co-sponsored by PM Solutions and the Project Management Institute.





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Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamp) Update



OKDHS Agency Overview

SNAP – A Brief Analysis

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Supplemental Nutrition Assistance Program Persons:

	2011	2010	2009	2008	2007	2006	2005	1 Yr % Inc.
Jan	614,267	567,669	442,299	415,162	421,685	438,130	426,004	+ 8.2
Feb	605,130	570,668	444,184	417,624	416,422	433,693	420,044	+ 6.0
Mar	607,397	575,898	450,057	410,440	414,514	430,354	419,346	+ 5.5
Apr	608,497	582,051	463,426	411,789	413,450	427,584	418,199	+ 4.5
May	611,285	586,536	474,971	413,183	414,412	429,026	417,953	+ 4.2
Jun	612,285	588,334	491,914	414,843	414,777	431,261	420,309	+ 4.1
Jul	614,076	598,126	509,627	417,551	415,600	428,594	419,613	+ 2.7
Aug	622,911	606,700	524,536	423,444	420,705	434,330	429,303	+ 2.7
Sep	625,004	612,347	535,880	426,114	417,763	432,697	436,585	+ 2.0
Oct		610,995	546,988	432,642	419,604	431,117	440,107	+11.7
Nov		613,914	561,111	435,564	417,973	428,557	441,707	+ 9.48
Dec		615,664	566,122	442,140	415,026	426,454	443,045	+ 8.0

(up 16.5% from 2 yrs; up 46.7% from 6 yrs)

May children: 274,959 (30% of all children in Oklahoma)

May adults: 336,326 September, 2011 was the 7th Consecutive Monthly

May total: 611,285 Increase:



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SFY 2012 Budget Follow-up



SFY 2012 Budget Follow-up

- SFY 2012 Budget is in place
- As part of the Finance Division's continuous improvement initiatives, they have been able to determine that certain encumbered funds from prior years will be available. These funds are normally identified in the spring, but with improved processes they have been identified earlier.
- These funds improved our prior year's cash position from the \$7 million dollars projected for the year to \$17 million dollars.



SFY 2012 Budget Follow-up

- Staff are recommending the following SFY 2012 budget adjustments which primarily reduce the more than \$39 million state dollar cuts which were developed for the SFY 2012 year.
- The recommended budget adjustments are:
 - Restore \$6,834,569 to child care subsidy to avoid the co-pay reductions previously approved.
 - Restore the \$595,000 in Family Support payment reductions to families with children with developmental disabilities
 - Restore \$2,090,458 of the reductions planned for field operations (\$2,226,077 state dollars have already been cut)
 - Add an additional \$1 million to legal fees as a precaution



SFY 2012 Budget Follow-up

Reasons for the recommendations:

- Reduces the consequences of the continuing challenge we face between high demand for help and limited funding.
- Defers the effects in hopes that revenues will recover enough to avoid permanent reductions
- Legal fees are estimated based on a current trial date of February. These fees may be less if trial is unnecessary or delayed.
- We will still avoid dipping below the \$12.5 million TANF reserve amount set by the Commission
- We will have about the same cash position we projected when the budget was put into place.



SFY 2012 Budget Follow-up

Concerns about the recommendation:

- Although the SFY 2012 budget will be about \$30 million less than SFY 2011, it would be \$39 million without these adjustments
- These are one-time funds used to pay recurring costs which will have to be revisited when putting the SFY 2013 budget together.
- This will add about \$10 million to the already existing \$35 million (excluding \$22.6 million of ARRA replacement assumed to be in the base) in the state budget work program of recurring costs funded with one time funds and about \$10 million of TANF expenditures funded with one-time TANF reserves



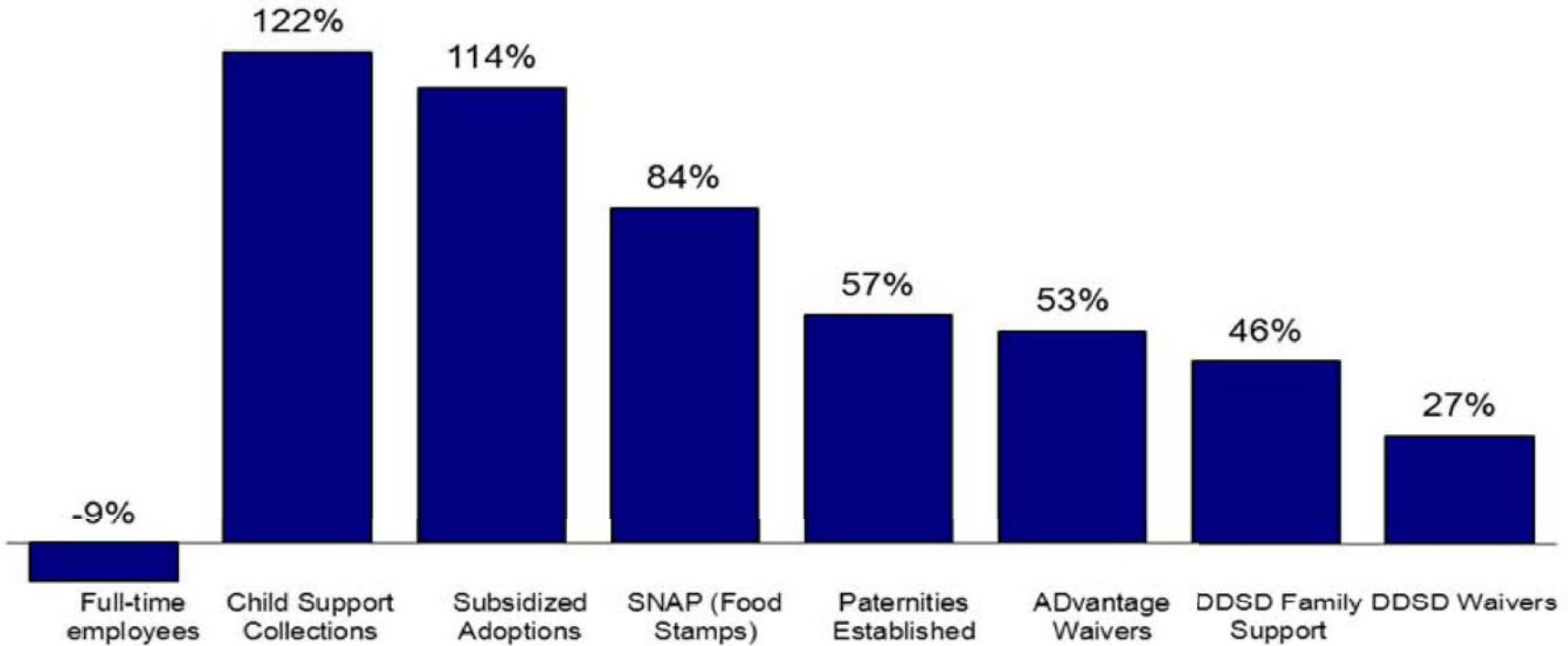
SFY 2012 Budget Follow-up

Alternatives to the recommendation:

- The main concern is the amount of recurring costs funded with one-time funds
- If the one-time funds are spent as recommended, they will not be available to help balance the SFY 2013 budget.
- We could proceed with the cuts recommended now and use the one-time funds to minimize cuts that may be required in SFY 2013.
 - For child care co-pays, this would mean proceeding under the emergency rulemaking rules and involve compliance with the APA.
 - May not get all of the cut planned, but some funds would be saved to address needs in SFY 2013.
 - Cuts to Field Ops could proceed, but the quality of service concerns may exist.



The Productivity Challenge



FY	Full-time employees	Child Support Collections (millions)	Subsidized Adoptions	SNAP	Paternities Established	ADvantage Waivers	DDSD Family Support	DDSD Waivers
2002	8,010	\$143.0	5,798	479,744	13,082	13,938	1,551	4,015
2010	7,397	\$298.3	11,924	779,086	20,297	22,790	2,369	5,157
2011	7,257	\$318.0	12,384	880,939	20,543	21,341	2,258	5,096



OKLAHOMA DEPARTMENT OF HUMAN SERVICES

Capital Bond Refinancing



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Capital Bond Refinancing

- Proposal would refinance existing bonds at lower interest rates
- No increased in our budgeted monthly cash outlay is required
- The new bonds would be financed over 13 years rather than the usual 15 years.
- Financing would still require approval of the Oklahoma Development Finance Authority and the Council on Bond Oversight
- New bonds would pay off existing debt and provide \$10 million for capital needs mostly involved in three projects:
 - Completing the renovations to the Tulsa Skyline Building;
 - Constructing alternative space in Osage County;
 - Remodeling and expansion of space in Pawnee County



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Information Items



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Information Items

Information Technology Consolidation

- Conversations to continue with the CIO for more clarification on the deferral of a consolidation decision due to cost allocation issues
- Act transfers assets and personnel to OSF unless an exemption is granted, subject to an appeal.
- Loss of federal funds and service quality loss are concerns
- “Hot site” capacity solution has been developed.



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Information Items

Information Technology Consolidation

- Some pending IT initiatives are moving slowly due to uncertainty internally, at DCS and at OSF:
 - Fingerprinting service
 - Child Care monitoring information service
 - Completing the family support imaging initiative
 - Completing OKDHS Live
 - Personnel guidance
 - Maintaining network equipment, etc.



Information Items

● Changing Character of Benefit Eligibility Determination:

- We continue to expand the rollout on a limited basis of www.okdhslive.org
- Initial experience is very good. – about 50% of the families given the choice to use the site, actually used the site for their renewal the first time they were given the opportunity
- We will gradually increase the volume of eligibility renewals through this website over the next three months.



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Major Issues Ahead



Major Issues Ahead

- Continue rollout of OKDHS live.
- Work with the State CIO on the improved processes for handling IT matters.
- Work with our consultant to develop the plan for SORC and NORCE which we hope to present at the next commission meeting.