

# DCYF Legislative Update: COVID-19 Budget Ramifications

**Welcome to today's webinar.**



**Please remember to mute your phone and computer upon entry.**



**We will begin shortly. Thank you!**

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**CHILDREN, YOUTH & FAMILIES**

# DCYF Legislative Update: COVID-19 Budget Ramifications

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May 20, 2020

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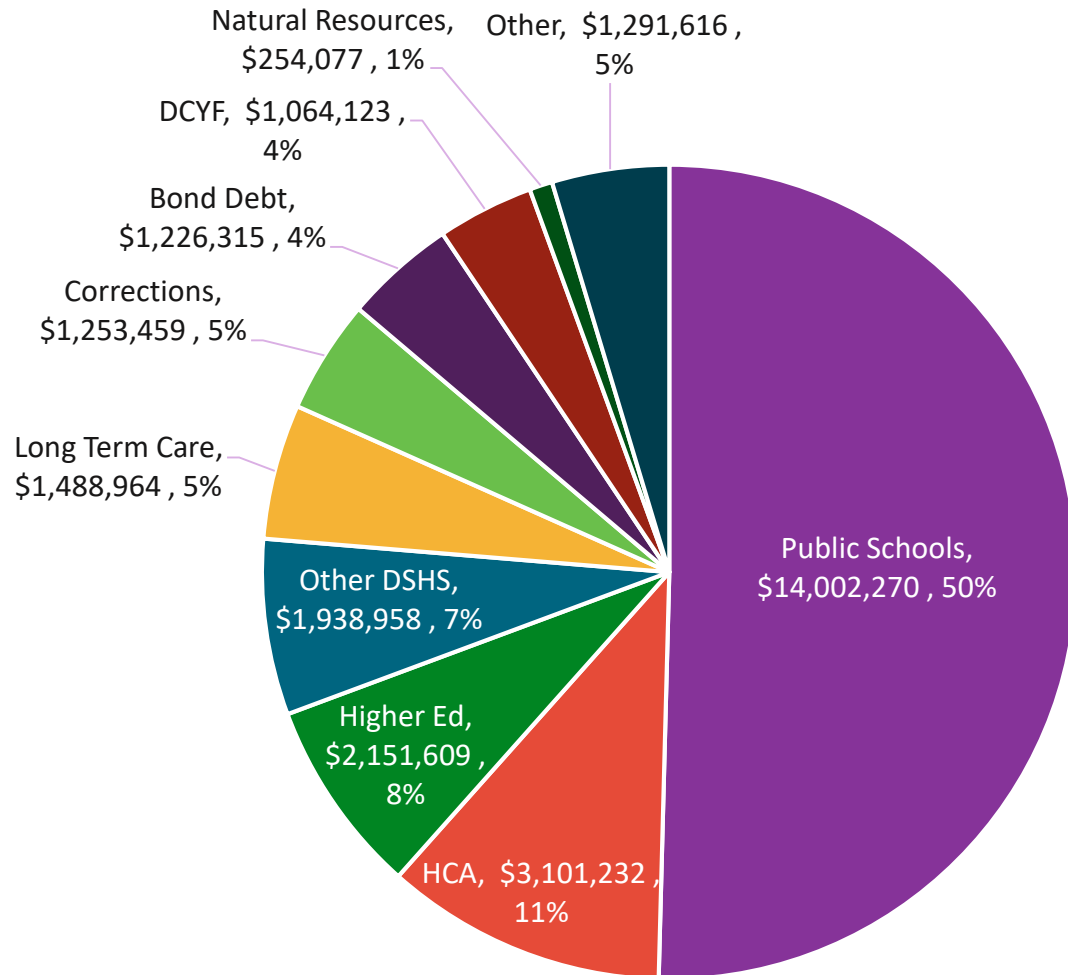
# Agenda



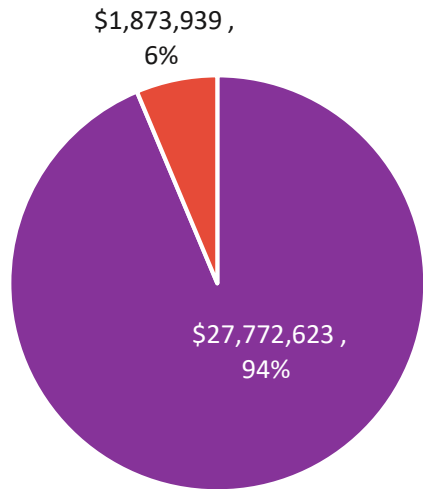
- State Budget Picture Overview
- DCYF Budget Overview
- OFM Budget and Timeline Directions
- Process and Timeline



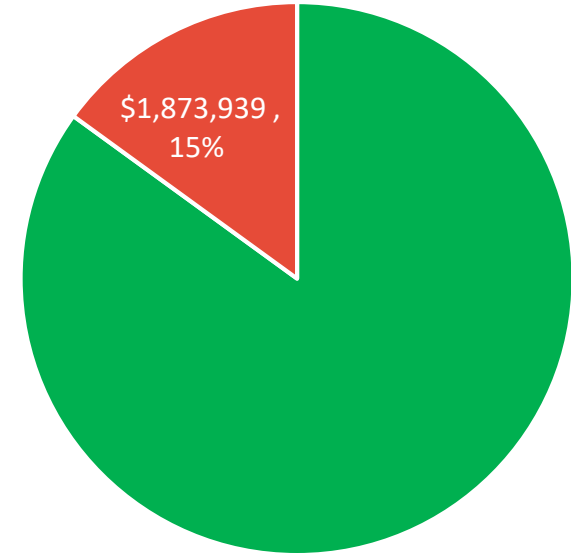
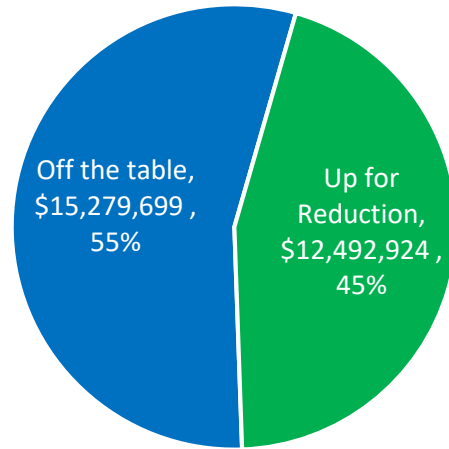
# Washington State Budget Overview



# OFM currently projects a \$1.9 billion budget gap in SFY 2021



All 2021 NGFS Appropriation

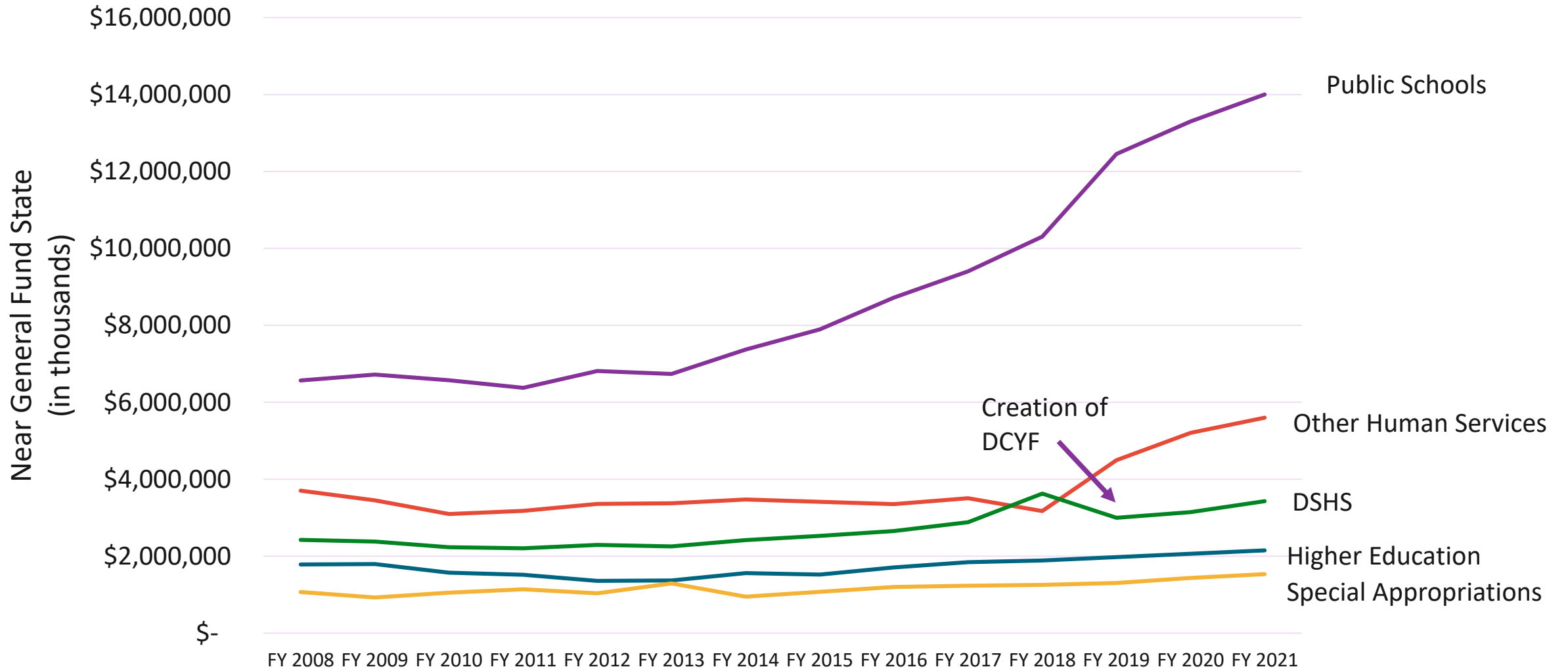


Items that are excluded for reduction include:

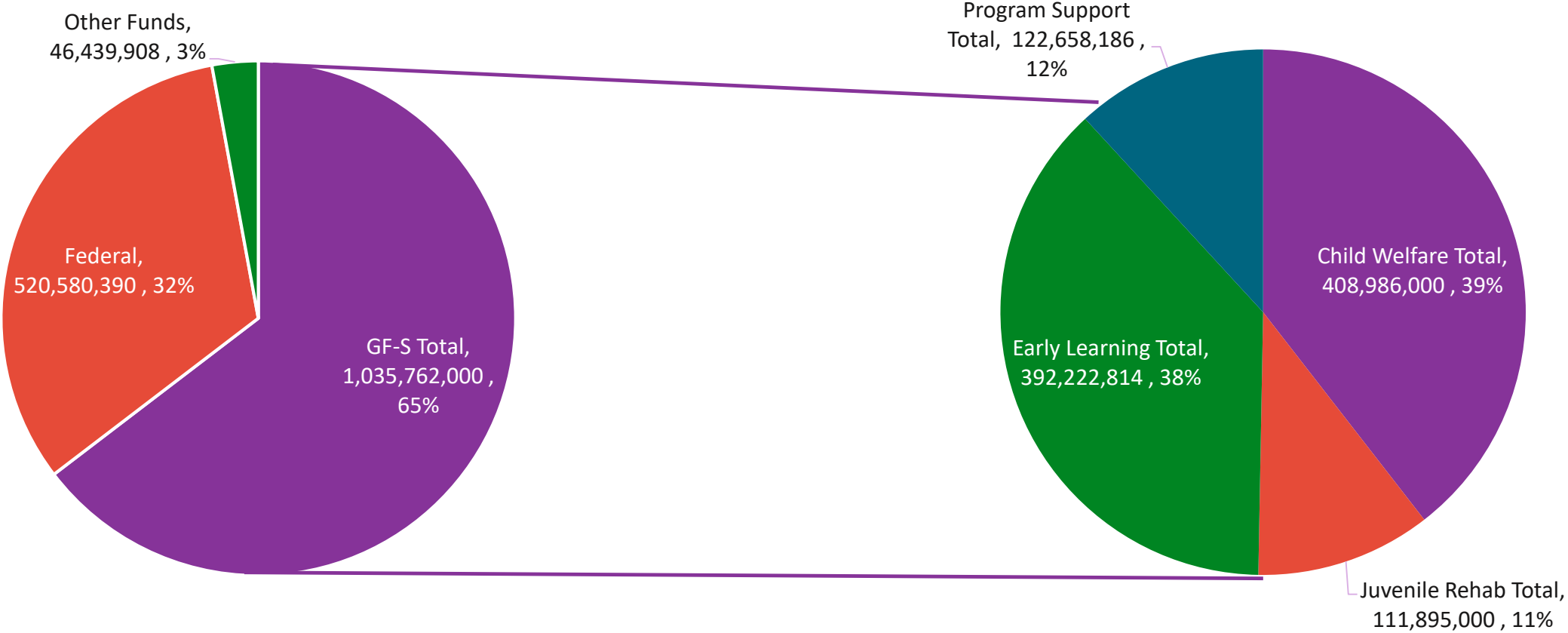
- Basic Education
- Bond Payments
- Legislative and Judicial Branch Agencies



## The majority of increases in state spending is with public schools



# DCYF's SFY 2021 Budget

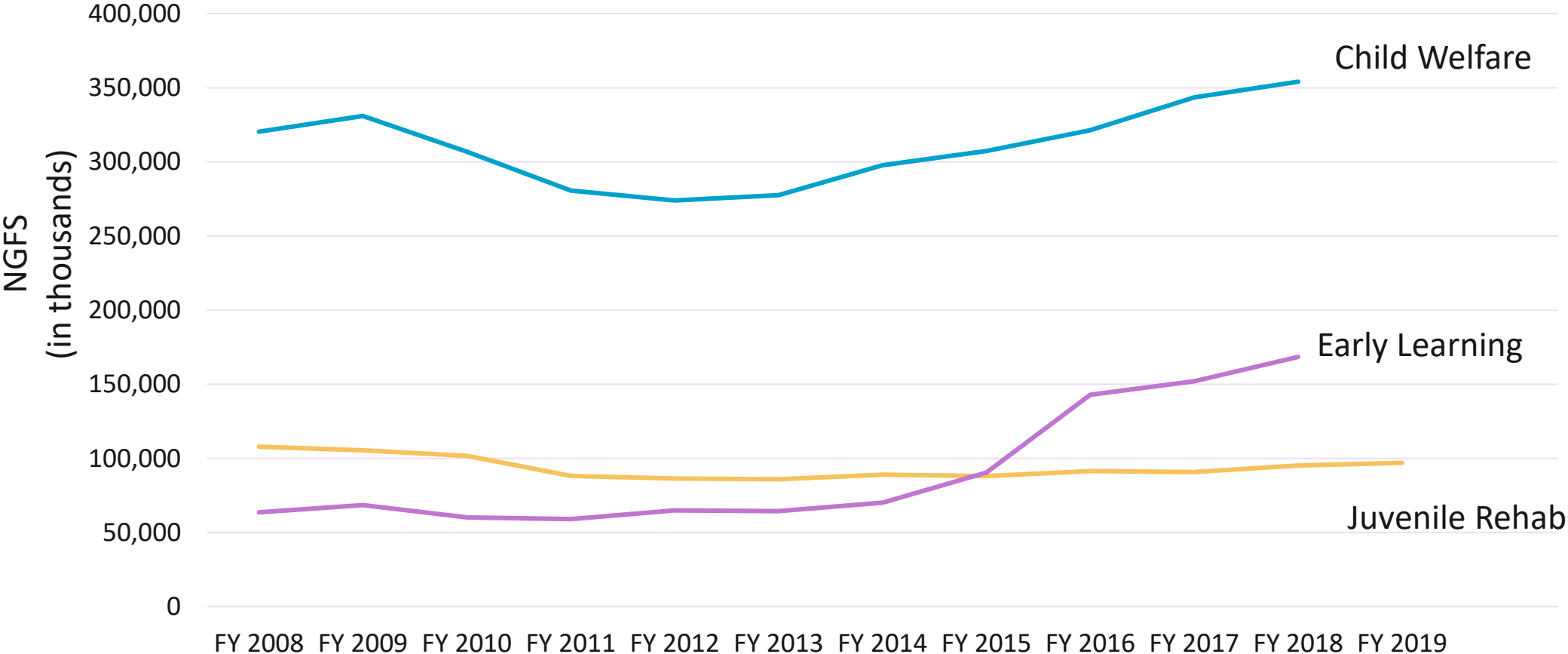


# DCYF's SFY 2021 Budget

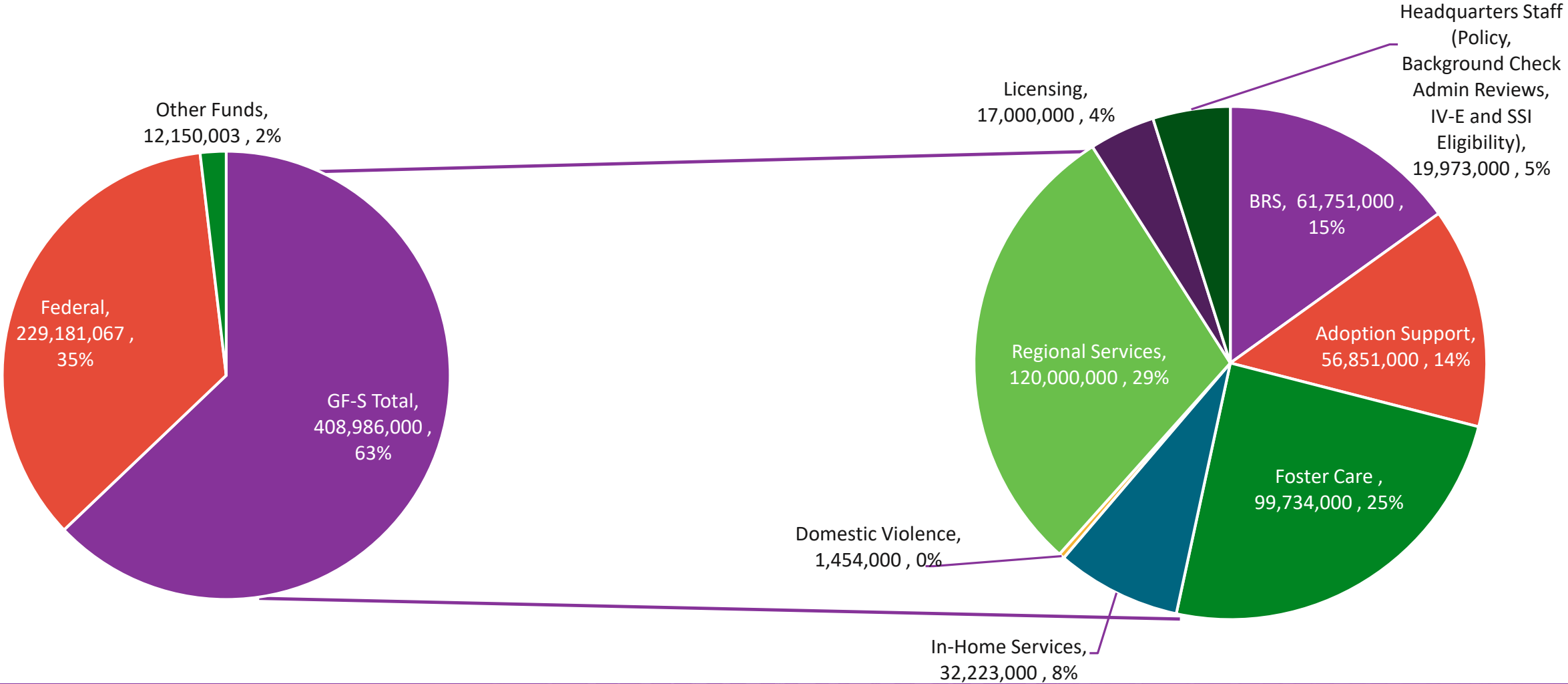




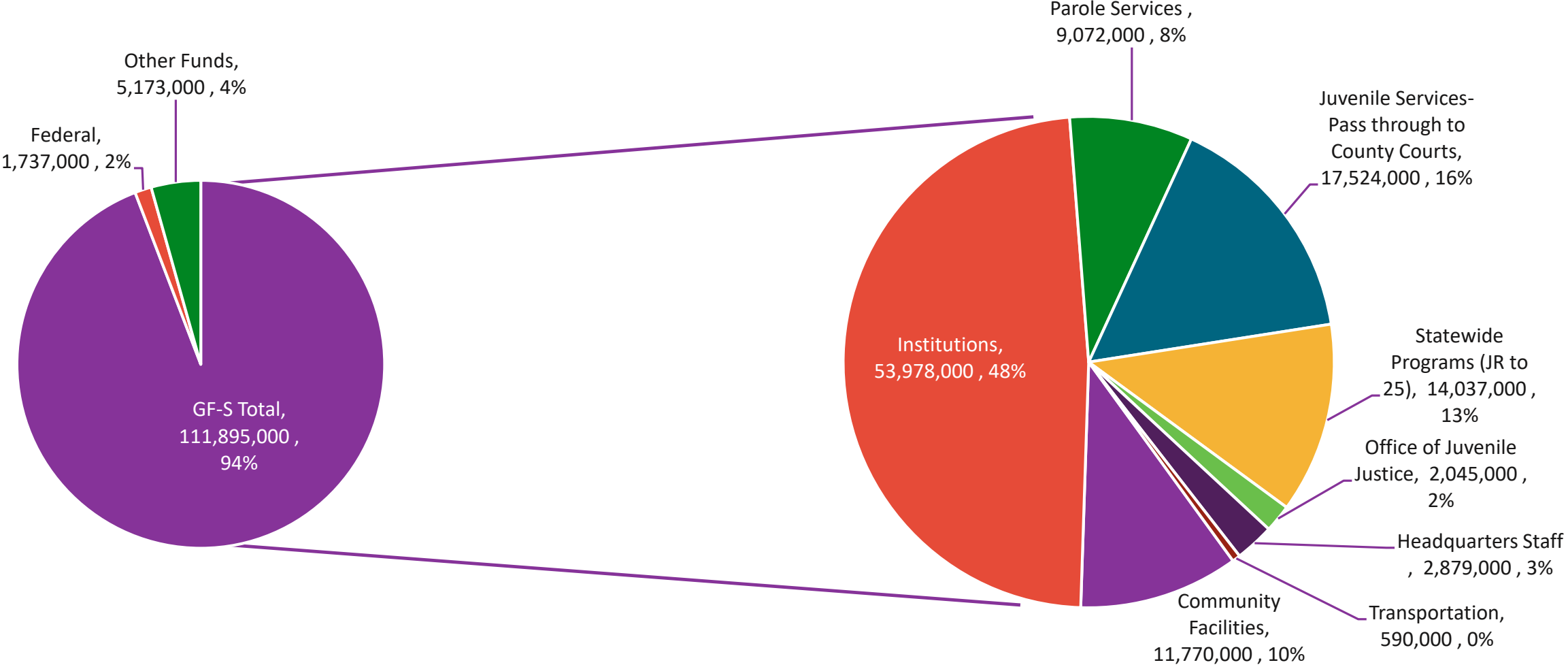
# Near General Fund State Historical Trends



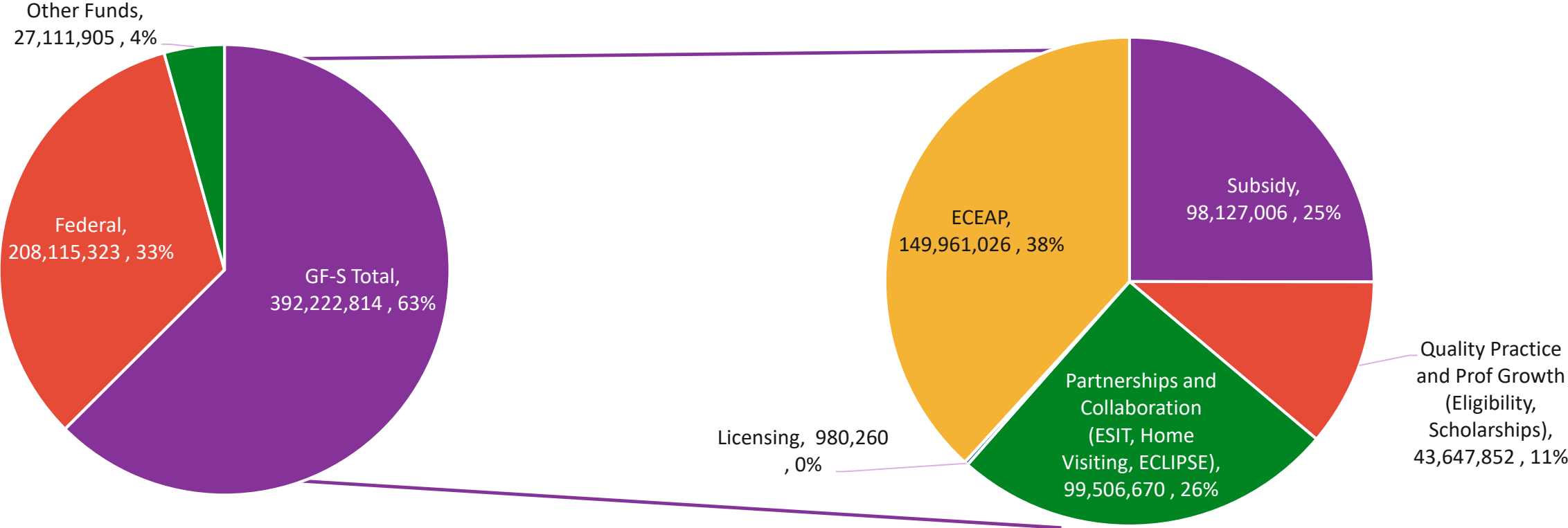
# Projected 2021 Child Welfare Budget



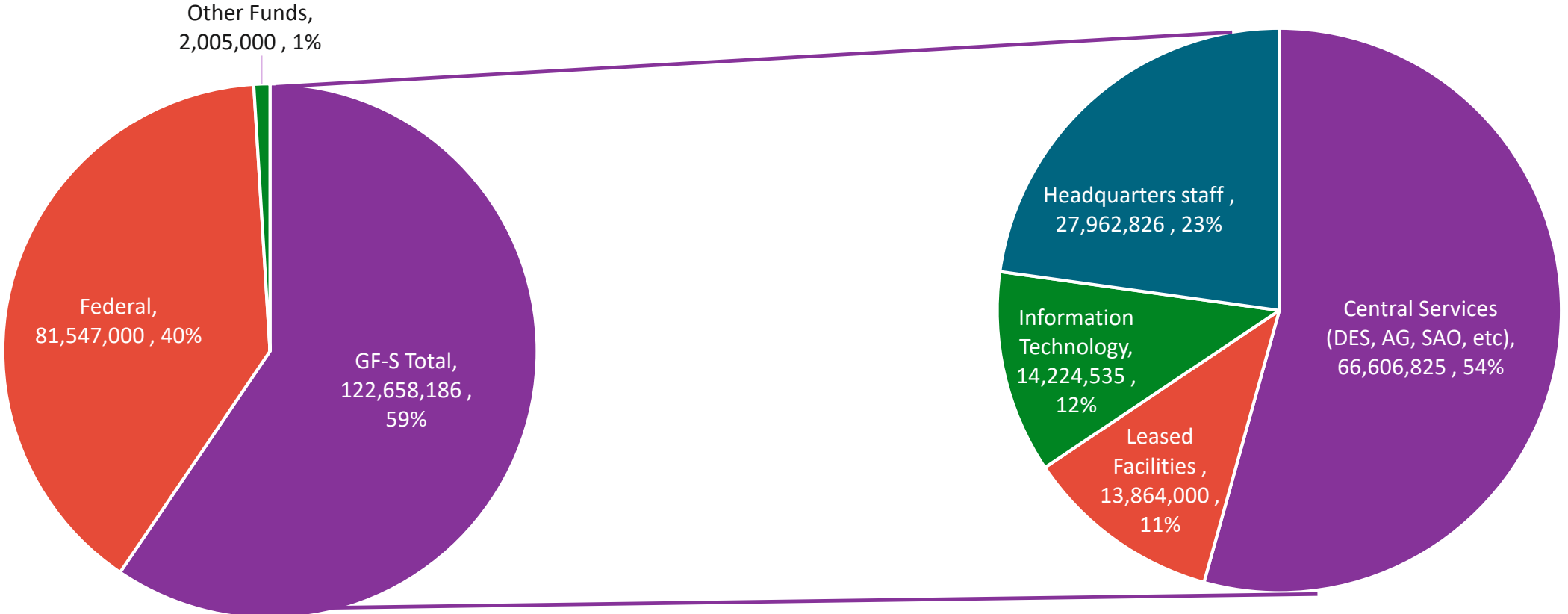
# Projected 2021 Juvenile Justice Budget



# Projected 2021 Early Learning Budget



# Projected 2021 Program Support Budget



# Realities

- Next revenue and caseload forecast June 17
  - Current projected -\$7 billion in revenue collections over the next 3 years
  - FY 21 projected shortfall is \$2-3billion
- Office of Financial Management released immediate combined savings options target on May 14<sup>th</sup>
- The total reduction is \$1.9 billion for FY 21 across all Executive Cabinet Agencies
- DCYF must submit \$155 million savings options – 15% of near-general fund budget
- Partial State Agency Hiring & Contracts Freeze

# OFM Budget Savings Directions

## Savings Targets

- Identify under-expenditures, premium adjustments and efficiencies
- Focus mainly on Near General Fund accounts, but consider all accounts
- Use other funds in lieu of General Fund-State whenever possible
- Reduce, delay or eliminate programs
- Identify programs or services that do not meet DCYF's core mission
- Look for opportunities to immediately realize savings through program changes that you anticipate proposing in your 2021–23 budget requests



# OFM Budget Savings Directions

## Additional Considerations

- Central services charge programs (would the action drive up central service costs?)
- Offsets to savings (does the reduction to one program move the problem and cost to another program?)
- Overlapping programs (does the reduction cross programs and/or agencies?)
- Timing of savings (how long would implementation of reductions actually take?)
- Are legislative changes required to implement any of the savings options?



# Process & Timelines

- Hiring freeze effective May 18<sup>th</sup>
- DCYF staff are developing reduction options across the agency. These are due May 22<sup>nd</sup>.
- DCYF Leadership will evaluate options and develop final recommendations by May 29<sup>th</sup>.
- DCYF savings recommendations due to OFM by June 1<sup>st</sup>
- DCYF Recommendations Overview webinar June 3, 2020



# Thank you!

## **Contact:**

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