


**Department of  
Children, Youth & Their Families  
Fiscal Year 2010  
Budget Development**

Presented to:  
Citizen's Advisory Committee  
January 8, 2009



# Objectives

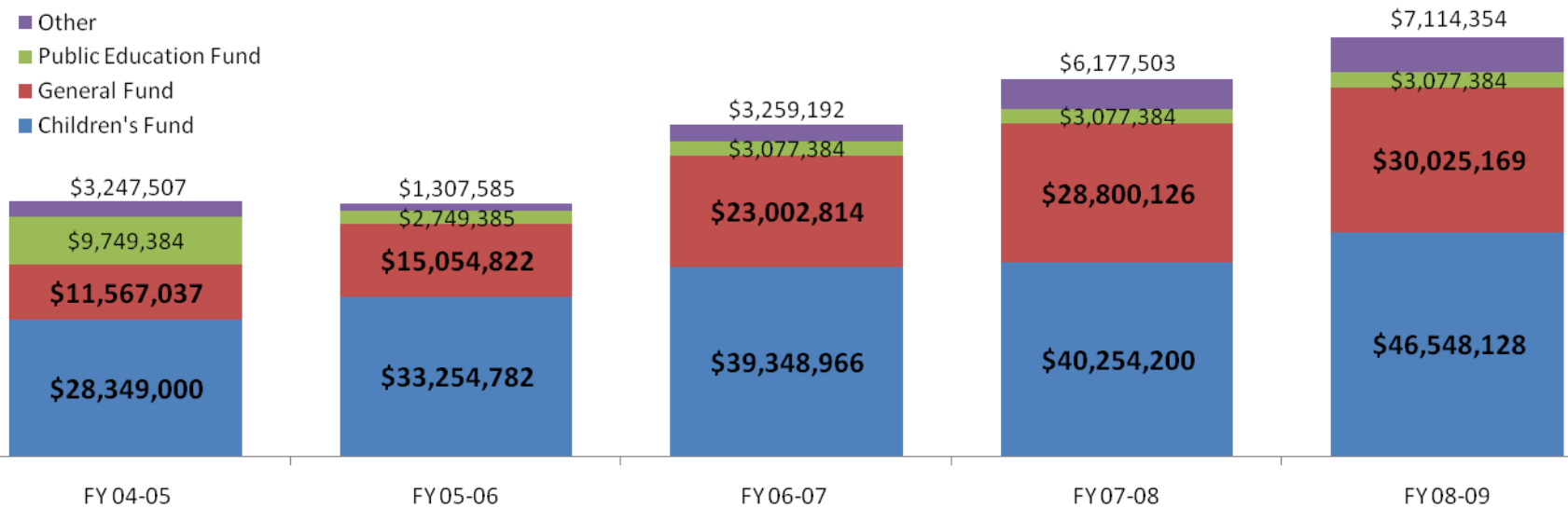
- Provide overview of Department budget
- Local and state budget context
- Discuss budget instructions received
- Report results of constituent survey
- Share preliminary recommendations from staff on approach
- Communicate timeline, identify next steps
- Receive feedback

# DCYF Budget Overview

DCYF Revenue Trends, FY 04-05 through FY 08-09

*FY 08-09 amounts approximate*

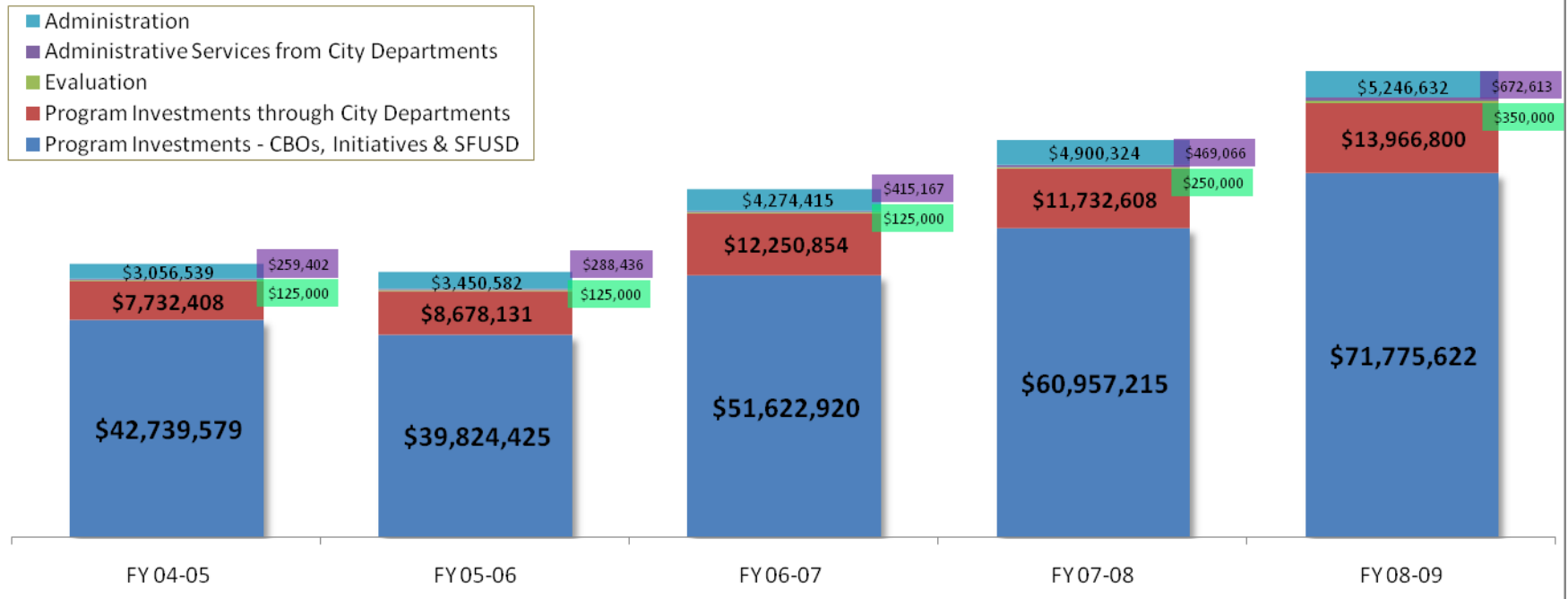
- Other
- Public Education Fund
- General Fund
- Children's Fund



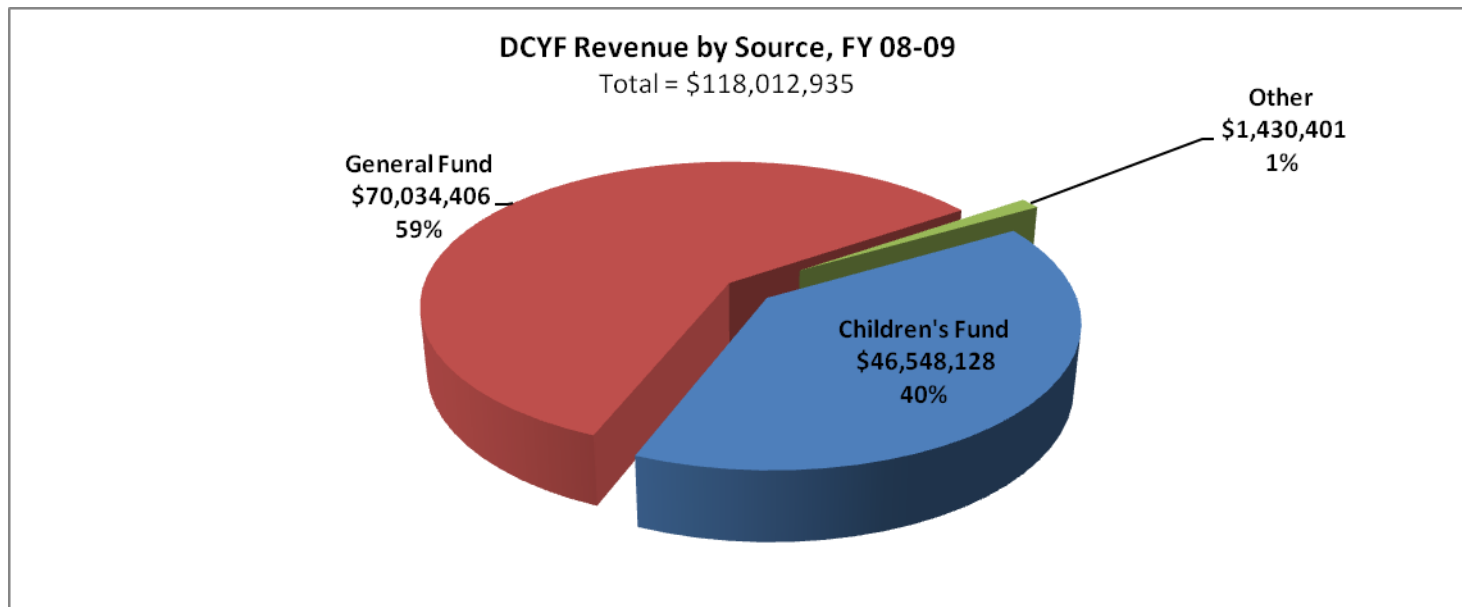
# DCYF Budget Overview

DCYF Expenditure Trends, FY 04-05 through FY 08-09

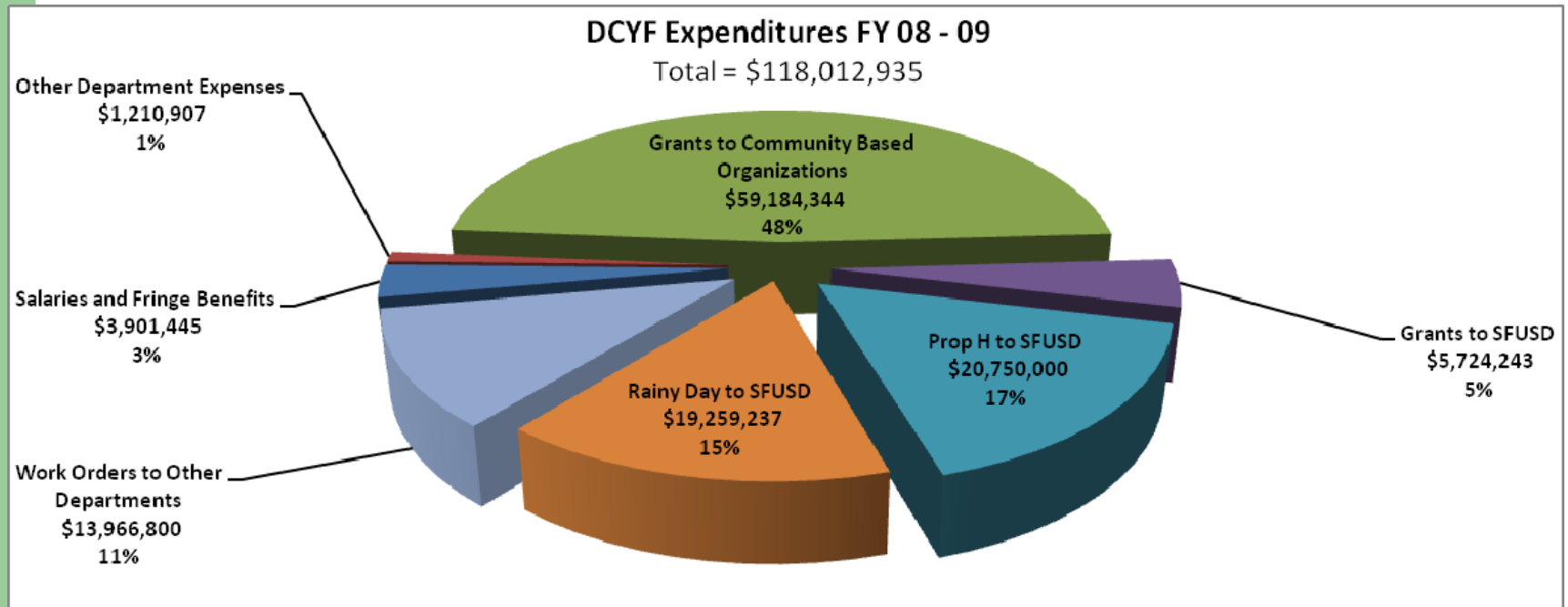
*FY 08-09 amounts approximate*



# DCYF Budget Overview



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## Examples of General Fund Investments

### Early Care and Education

Examples: Child Care Subsidies (\$3,710,000), CARES (\$1,500,000), Facilities (\$1,970,000), Technical Assistance (\$450,000)

### Health and Wellness

Support programs and services that encourage children and youth to make positive decisions to have and maintain good behavioral health, participate in physical activity and have knowledge of good nutritional practices.

Examples: Healthy Kids and Families (\$3,625,479), Wellness Centers (\$320,000), Early Childhood Mental Health Consultation (\$1,000,000)

### Out of School Time

Examples: Safe-Havens (\$1,000,000), Beacon Case Management, Excelsior Youth Center

# General Fund Investments (cont)

## Examples of General Fund Investments

### Violence Response and Truancy Prevention

Developmentally appropriate series of responses to the epidemic of violence when it impacts children, youth and families in their homes, schools and communities.

Examples: Safety Network (\$450,000), Case Management (\$600,000), Community Response Network (\$2,650,000), Truancy Prevention (\$474,500)

### Youth Workforce Development

Programs that provide opportunities on the continuum of experiences to support young people's progression from work readiness to private sector employment.

Examples: MYEEP (\$1.5 million), New Directions (\$1.6 million)

# General Fund Investments (cont)

## Examples of General Fund Investments

### Transitional Age Youth

Community based programming which support disconnected and at risk youth ages 16 – 24 to make a successful transition to adulthood.

Example: TAYSF Initiative (\$450,000), Employment (\$600,000)

### Family Support

Example: Miscellaneous grants made by addback process

### San Francisco Unified School District

Example: Elementary Arts (1,257,000)

Athletics (\$1,056,000)

Field Trips (\$250,000)

San Francisco Promise (\$500,000)

# State Budget Context

State budget shortfall projected at least \$42 billion

Services vulnerable to cuts:

| <u>Service</u>              | <u>FY08-09 GF Spending</u> |
|-----------------------------|----------------------------|
| ● K-12 Education            | \$41.6 billion             |
| ● Higher Education          | \$12.1 billion             |
| ● Health and Human Services | \$31.1 billion             |

Source: California Department of  
Finance

# Local Budget Context (GF in Millions)

| <b>Sources</b>                                      | <b><u>FY 2009-10</u></b> |
|---|--------------------------|
| Net Loss of One-Time Sources                        | -77.4                    |
| Revenue Growth                                      | <u>-188.4</u>            |
| Sources Subtotal                                    | -\$265.8                 |
| <br>  |                          |
| <b>Uses</b>   |                          |
| Operating Costs                                     | -230.8                   |
| Voter Approved Baselines                            | <u>-7.0</u>              |
| Uses Subtotal                                       | -\$237.8                 |
| <br>  |                          |
| Estimated State Cuts                                | -72.0                    |
| <br>  |                          |
| <b>Shortfall Projection</b>                         | <b>-\$575.6</b>          |
| <br>  |                          |
| Est FY09-10 Savings from FY08-09 Reductions         | 115.2                    |
| <br>  |                          |
| <b>Projected Shortfall with Mid-Year Reductions</b> | <b>-\$460.4</b>          |

# Budget Instructions

- Prepare a budget with a 12.5% reduction in the revised general fund budget (\$3.3 million)
- Prepare an additional 12.5% contingency reduction in general fund budget (\$3.3 million)
- For planning purposes, assume Children's Fund revenue will remain flat (until specific revenue target received in 1 – 2 weeks)

# Budget Instructions

- Creatively explore internal and interdepartmental strategies to meet targets through revenue or expense strategies
- City wide work groups have been convened to explore changes

# Budget Framework for 2009-2010

Reductions in General Fund and Children's Fund spending will be required

- 08-09 budget balanced based on \$650,000 in one time revenue from prior year
- Revenue reductions
- Budgeted increases of personnel costs of approximately \$225,000

# DCYF GF Proposed Reductions, Public Input Survey

DCYF created a short (4 questions) online survey which asked for input for the difficult round of mid year budget reductions

- Received a total of 55 responses
- Survey did not ask respondents to identify themselves
- Staff, Grantees and Community members were included

# Q1: “Least-harm” approach to consider reductions

- Agency/program performance, outcomes, quality (18 responses)
- Highest need populations, including low income (6 responses)
- Impact of other funding cuts on agency (3 responses)
- Preserve direct services (3 responses)

## Q2: What should NEVER be cut under any circumstances?

- Child Care (12 responses)
- Special Populations – including immigrants/underserved (8 responses)
- Afterschool and OST programs (7 responses)
- Basic needs – including food, shelter (4 responses)
- Direct Services (4 responses)
- Infrastructure, preserve non profit jobs (3 responses)

## Q3: Should we consider across the board cuts?

No (37 responses)

Yes (16 responses)

- Most “yes” responses indicated an across the board cut would be fair and equitable
- A few “no” responses include suggestions for a case by case process

# Preliminary approach

Work to identify targeted, least-harm cuts through a data-driven, results based approach balancing the following factors:

- Direct services core to Children's Amendment
- Populations served
- Mayoral priority
- Collaborations with other departments to determine impacts on services of other funding streams to extent known and identifications of efficiencies with partners.

# Preliminary approach

Active collaboration with our local funders, public and private to best understand impacts and efficiencies

Examples:

- Joint public and private funders of early care and education working collaboratively to protect the system of care for children and families to greatest extent possible
- Implementing Family Resource Center alignment project
- Agreement with DCYF, JPDI and MOCI to blend funding for violence response and juvenile justice funding
- Conversations with Department on Status of Women

# Preliminary Approach

Staff will work to identify reductions as responsibly as possible:

- (1) Eliminating programs that have not yet started or slow down ramp up of newly launched efforts;
- (2) Program restructuring to preserve intent and direct service but create efficiencies;
- (3) Consideration of funding trends at a program level including revenue increase and decreases from other sources;
- (4) Reductions in contracts or programs based on under-spending;
- (5) Reductions in contracts or programs based on under-utilization;
- (6) Reductions in contracts or programs which are performing but do not provide direct services

# Working Timeline

Mid- Dec - Budget instructions received

Dec. 12 – Constituent survey for feedback on budget development released

Jan. 5 – Constituent survey closed

Jan. 8 – First CAC/ Public Meeting on budget

# Working Timeline (cont)

Feb. 5 – Second CAC/ Public Meeting on budget

**Feb. 20 – Final proposed budget submitted to Controller's Office**

Feb. 27 - Second round layoff notices issued


March 2- Controller's office submits budget to Mayor's Office

May 1 - Second round layoffs take effect

June 1 - Mayor Releases Proposed FY 10 budget

July 17 – Board of Supervisors consideration

July 31 – Board of Supervisors Adoption



# Feedback and Discussion