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CCWRO 2012-2013 Budget Alert

Currently, the CalWORKs fixed income level is the same as it was in 1985.

There is a way to save money for the General Fund without hurting poor families and children—

exempt families with children under the age of 6 from participation in the WtW Program.

Savings = About \$1 Billion a Year

Today, there are 14 people looking for three (3) available jobs. Many of them have college degrees.



CCWRO 2012-2013 Budget Alert

HOW IS CalWORKs Funded?

Federal Block Grant Funds - \$3.7 billion

**State matching dollars needed to access the
\$3.7 billion federal block grant funds –
\$2.9 billion**

**How much of the total \$6.6 billion is spent on
CalWORKs recipients in 2011-2012?
\$5.3 billion**

**How much of the \$6.6 billion designated for CalWORKs
families, who live on 1985 fixed incomes levels, was in
the Governor's 2012-2013 proposed budget?
\$4.8 Billion**

**Does CalWORKs need more General Fund Money? No. We
need to insure that money for CalWORKs is used specifically for
CalWORKs. See attached re: how much CalWORKs recipients have
contributed to the General Fund for two (2) decades. The budget steals
about a billion from poor families to fund the State's \$1.1 billion reserve.**

SOURCE: LAO - <http://www.lao.ca.gov/laoapp/PubDetails.aspx?id=%202570>

"Three Sources of Funding Support the CalWORKs Program. The CalWORKs program is funded by a combination of federal, state, and local funds. Federal funding is provided through an annual \$3.7 billion TANF block grant. While a majority of the TANF block grant is used to fund the CalWORKs program, TANF funds can be used for any activities that meet the broad purposes of the TANF program (see Figure 1). To receive the full TANF block grant, California must contribute at least \$2.9 billion from various nonfederal sources to meet a maintenance-of-effort (MOE) requirement. Although the MOE requirement is primarily met through state and county spending on CalWORKs, some state expenditures in other programs (such as subsidized child care) also count toward satisfying the requirement. County costs to administer the CalWORKs program, as well as provide employment services and childcare to CalWORKs recipients, are funded through an annual block grant (known as the single allocation) provided by the state. In addition, as a result of the 2011-12 realignment, \$1.1 billion in local funds were redirected to cover a portion of CalWORKs cash grant costs."

QUESTIONS POOR FOLKS WOULD LIKE TO ASK JERRY BROWN AT MAY REVISE PRESS CONFERENCE

1. Why are you taking over 1 billion dollars from poor families to pay for your rainy day fund or to balance the budget?

Our children go to sleep hungry because our food stamps run out at the end of every month.

2. CalWORKs is funded with federal dollars and matching funds to access those federal funds.

You want a \$1 billion surplus. Why balance the budget on the backs of poor kids with money designated for the poor?

3. Why not exempt families with kids under 6 years of age from the work program while there are currently 14 people looking for three (3) available jobs, some with college degrees?

If you say that the federal law requires it, the fact is that California has failed to meet the federal work participation rates for the past four (4) years and nothing has happened.

4. These cuts will mean more kids in foster care. We pay \$180 for per kid on welfare and over \$2,000 per kid in foster care. Does that make sense?

5. These cuts will mean more families will become homeless. Is that fair?

CalWORKS and TANF Funding Chart

	FY 1998-99	FY 1999-00	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 Estimate	2012-13 GB
Total TANF Grant/Required MOE	6,640,971,000	6,639,655,000	6,457,111,000	6,439,482,000	6,425,431,000	6,425,952,000	6,420,148,000	6,408,523,000	6,406,842,000	6,402,415,000	6,583,092,000	6,584,132,000	6,950,599,000	6,574,441,000	6,569,122,000
CalWORKs Program (Actuals) ¹	5,452,464,887	5,644,024,929	5,228,224,151	5,065,837,696	5,234,304,599	4,726,460,275	4,977,898,939	4,827,632,403	4,780,360,853	5,035,819,569	5,341,526,077	5,341,519,431	5,876,729,520	5,303,820,001	3,035,745,000
Grants	3,728,895,597	3,409,184,226	3,110,590,925	3,128,453,615	2,998,104,490	3,058,377,136	3,272,331,000	3,067,470,861	2,949,089,178	3,006,359,917	3,275,881,220	3,406,732,000	3,674,460,000	3,261,728,000	3,160,144,000
Administration	518,317,463	563,062,953	539,640,224	554,944,600	499,797,000	477,145,347	477,510,368	534,258,293	555,745,996	584,572,008	579,578,620	590,571,121	619,727,897	664,540,667	799,952,223
Services	450,275,279	569,166,870	659,554,385	725,821,297	766,605,000	593,584,707	666,412,363	692,825,442	717,380,363	804,993,424	829,198,822	798,905,700	784,790,383	841,538,887	1,013,016,865
Child Care	360,733,329	524,045,984	571,661,082	537,865,541	548,577,000	486,111,807	451,267,208	428,742,096	450,703,076	526,040,292	542,554,111	440,639,196	388,502,665	416,595,447	501,483,912
Substance Abuse/Mental Health Svcs	21,212,219	67,946,896	96,777,535	98,752,643	118,377,109	111,241,278	110,378,000	104,335,711	107,442,240	113,853,928	114,313,304	104,671,414	109,248,575	119,417,000	128,306,000
CalWORKs Refocus ⁴															(2,567,158,000)
County Share of Admin/Svcs ²	80,807,136	82,344,889	70,220,490	63,070,804	65,344,000	53,410,000	61,429,000	57,462,000	27,550,000		27,214,878	8,368,000			
Unallocated Reduction															
Tribal TANF ³											71,001,000	69,750,000	69,073,000	78,420,000	87,703,000
Performance Incentives(budgeted)	373,031,000	510,618,000	250,000,000	20,000,000	302,844,000										
Probation	201,413,000	201,413,000	201,413,000	201,413,000	201,413,000	201,413,000	67,138,000								
Student Aid Commission															
KinGAP			25,519,000	69,859,000	76,232,000	88,318,000	94,308,000	96,340,000	137,425,000	120,737,000	114,052,000	107,687,000	91,033,000	57,309,000	736,362,000
ARRA Subsidized Employment - ECF															
ARRA Non-Recurrent Short Term Benefits ECF															
Non MOE/TANF in CDSS ⁵	(11,269,000)	(8,429,000)	(7,708,000)	(14,356,000)	(2,330,000)	(12,363,000)	(10,322,000)	(10,219,000)	(197,460,000)	(192,378,000)	(196,041,000)	(179,056,000)	(158,118,000)	(163,094,000)	(275,602,000)
Other MOE/TANF in CDSS ⁶	305,663,000	334,380,000	344,605,000	402,604,000	384,872,000	331,849,000	315,403,000	331,194,000	214,330,000	263,857,000	271,073,000	299,394,000	303,620,000	306,299,000	1,954,287,000
MOE in Other Department Budgets	402,839,000	410,869,000	466,450,000	474,184,000	377,043,000	461,401,000	411,967,000	500,527,000	476,424,000	1,005,748,000	714,079,000	668,044,000	641,575,000	683,180,000	489,775,000
State Support	29,016,000	26,714,000	26,592,000	29,198,000	23,979,000	27,242,000	27,462,000	26,060,000	24,909,000	25,774,000	28,131,000	27,687,000	29,180,000	31,155,000	31,155,000
Total Expenditures	6,380,126,887	6,606,971,929	6,285,095,151	6,228,739,696	6,295,513,599	5,824,320,275	5,893,854,939	5,771,534,403	5,435,988,853	6,259,557,569	6,343,821,077	6,892,156,000	6,772,215,520	6,297,089,001	6,110,964,000
Federal TANF	3,472,973,887	3,703,134,929	3,561,802,151	3,523,075,696	3,603,900,599	3,132,186,275	3,422,342,000	3,297,312,000	2,972,412,000	3,272,511,000	3,560,047,000	4,041,842,000	3,810,007,000	3,356,134,000	3,275,660,000
General Fund ⁷	2,733,123,474	2,708,262,505	2,545,307,737	2,477,681,856	2,521,316,388	2,487,383,000	2,490,171,000	2,483,755,000	2,518,089,000	2,498,949,000	2,715,820,000	2,712,840,000	3,103,684,000	1,759,747,000	1,628,448,000
Other State Funds (ETF)		30,000,000	30,000,000	86,700,000	30,000,000	56,432,000	40,475,000	38,010,000	20,087,000	45,000,000	35,000,000	20,000,000			
County Funds ⁸	174,029,526	167,574,495	147,985,263	141,282,144	140,296,612	148,319,000	155,684,000	152,940,000	134,848,000	124,648,000	133,454,000	117,474,000	113,097,000	1,181,208,000	1,206,856,000
Total TANF transfers	284,965,000	531,654,000	606,149,000	497,376,000	636,521,000	675,546,000	475,396,000	689,917,000	798,270,000	468,773,000	442,017,000	440,818,000	440,163,000	449,192,000	458,158,000
Non-CalWORKs Transfers			5,339,000	70,793,000	100,135,000	85,579,000	191,489,000	176,409,000	175,403,000	169,793,000	186,921,000	197,931,808	192,243,500	180,684,149	
Transfers to Stage 2, Title XX for Child Care, Tribal TANF and Reserves	284,965,000	531,654,000	600,810,000	497,376,000	565,548,000	575,411,000	389,817,000	498,428,000	621,861,000	293,370,000	272,224,000	253,897,000	242,231,192	256,948,500	277,473,851
TANF Grant/Required MOE	6,640,971,000	6,639,655,000	6,457,111,000	6,439,482,000	6,425,431,000	6,425,952,000	6,420,148,000	6,408,523,000	6,406,842,000	6,402,415,000	6,583,092,000	6,584,132,000	6,950,599,000	6,648,392,000	6,569,122,000
General Fund Above Base MOE														97,889,000	
Prior Year TANF Carryforward	617,020,000	854,309,000	520,661,000	503,004,000	283,783,000	509,190,000	545,245,000	638,369,000	424,356,000	457,466,000	119,532,000	117,100,000	233,398,000	71,508,000	
ARRA - Emergency Contingency Funds											259,212,000	370,195,000	125,626,000		
ARRA - Subsidized Employment												159,386,000	215,348,000		
ARRA - Non-Recurring ECF												176,233,000	27,225,000		
Net TANF Block Grant															
Unspent Performance Incentives					600,000,000										
High Performance Bonus						14,219,000	7,044,000	12,922,000							
Total Available Funding	7,257,991,000	7,493,964,000	6,977,772,000	6,942,486,000	7,309,214,000	6,949,361,000	6,972,437,000	7,059,814,000	6,831,198,000	6,859,881,000	6,961,836,000	7,407,046,000	7,552,196,000	6,817,789,000	6,569,122,000
Total TANF/MOE Expenditures	6,665,091,887	7,142,163,682	6,880,657,505	6,708,379,364	6,916,571,463	6,472,469,139	6,584,068,000	6,661,934,000	6,234,259,853	6,728,330,569	6,785,838,077	7,332,974,000	7,212,378,520	6,746,281,001	6,569,122,000
NET TANF Carry-over Funds ⁹	592,899,113	351,800,318	97,114,495	234,106,636	392,642,537	476,891,861	388,369,000	397,880,000	387,492,000		75,498,000	74,072,000	91,187,000	71,508,000	
CalWORKs contribution to the General Fund	\$ 708,502,000	\$ 745,249,000	\$ 1,021,913,000	\$ 1,126,647,000	\$ 1,088,940,000	\$ 1,163,238,000	\$ 1,087,321,000	\$ 1,299,448,000	\$ 1,184,134,000	\$ 1,745,291,000	\$ 1,268,997,000	\$ 1,262,046,000	\$ 1,234,159,808	\$ 1,239,031,500	\$ 2,676,285,000

Note: CalWORKs Contribution to the General Funds Includes KinGAP, Other MOE in CDSS, Other Department MOE, Student Aid Commission, Non CalWORKs TANF Transfers, WPR adjustment for meeting the rate, and, beginning in FY 2012-13, the Child Maintenance Program.

*For 2010-11 Estimate: TANF Grant/Required MOE amount increased by \$365,900,000 to reflect the Budget Action request of an advance of TANF Funds in FY 2010-11.

/1 FY 2010-11 CalWORKs Program Expenditures (excluding pass through funding) for Administration, Services (including Mental Health/Substance Abuse) and Child Care reflect actual expenditures (including overmatch for counties that exceed their allocation).

Prior years' expenditures remain the same (as previously published in this document). The Administration, Services, and Child Care figures for FY 2011-12 and FY 2012-13 reflect an adjustment to display the budgeted dollars based on FY 2010-11 actual expenditure levels.

Other figures represent the last updated budget amounts.

/2 This is a non-add line because the estimated county share is included in the CalWORKs actual budgeted expenditures.

/3 The Tribal TANF funds reflected in FY 2008-09 were formally included in the Grants, Admin and Services sections but are now shown separately.

/4 FY 2012-13 CalWORKs Refocusing reflects savings from CalWORKs refocusing proposal and savings of moving Child Maintenance cases out of the CalWORKs Budget.

/5 FY 2012-13 Non-CalWORKs MOE/TANF in CDSS includes \$101,940,000 related to the Child Maintenance program.

/6 FY 2012-13 Other MOE/TANF in CDSS includes \$1,625,270,000 related to the Child Maintenance program.

/7 FY 2011-12 and FY 2012-13 reflects a shift of \$1,086,897 and \$1,128,001, respectively, for CalWORKs MOE Subaccount Funds (AB x1 16) due to realignment.

/8 Reflects the estimated amount of carry-over funds appropriated to the next year.

How Much Have CalWORKs Recipients Contributed to the General Fund to Date?

\$20,641,063,308

Revised 2/6/12