



# COMMONWEALTH of VIRGINIA

*Department of Planning and Budget*

DANIEL S. TIMBERLAKE  
Director

1111 E. Broad Street  
Room 5040  
Richmond, VA 23219-1922

October 31, 2012

The Honorable Walter A. Stosch  
Chairman, Senate Finance Committee  
General Assembly Building, Room 626  
Richmond, Virginia 23219

Dear Senator Stosch:

Please find enclosed the Department of Planning and Budget's (DPB) official forecasts of expenditures for the Temporary Assistance to Needy Families (TANF), mandatory child day care, foster care maintenance and adoption subsidy programs for fiscal years 2013 through 2015.

Be aware that the forecasts associated with child welfare services will have a higher than normal error rate since recent policy changes that will have a direct impact on future expenditures are not accounted for in the forecasts. Specifically, the Department of Social Services reduced the rate structure for enhanced maintenance payments effective October 1, 2012. This action will exert downward pressure on expenditures over the forecast horizon; however, since changes to supplemental payments happened so recently, they cannot be modeled in time series forecasting. Even though the forecast shows increased expenditures in child welfare over the next three years, DPB does not expect that a corresponding increase in appropriation will be necessary at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel S. Timberlake".

Daniel S. Timberlake

Enclosure

c: The Honorable Richard D. Brown  
The Honorable William A. Hazel Jr., MD  
Ms. Betsey Daley



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October 31, 2012

The Honorable Lacey E. Putney  
Chairman, House Appropriations Committee  
General Assembly Building, Room 947  
Richmond, Virginia 23219

Dear Delegate Putney:

Please find enclosed the Department of Planning and Budget's (DPB) official forecasts of expenditures for the Temporary Assistance to Needy Families (TANF), mandatory child day care, foster care maintenance and adoption subsidy programs for fiscal years 2013 through 2015.

Be aware that the forecasts associated with child welfare services will have a higher than normal error rate since recent policy changes that will have a direct impact on future expenditures are not accounted for in the forecasts. Specifically, the Department of Social Services reduced the rate structure for enhanced maintenance payments effective October 1, 2012. This action will exert downward pressure on expenditures over the forecast horizon; however, since changes to supplemental payments happened so recently, they cannot be modeled in time series forecasting. Even though the forecast shows increased expenditures in child welfare over the next three years, DPB does not expect that a corresponding increase in appropriation will be necessary at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Timberlake", written over a white background.

Daniel S. Timberlake

Enclosure

c: The Honorable Richard D. Brown  
The Honorable William A. Hazel Jr., MD  
Mr. Robert Vaughn, Staff Director, House Appropriations Committee

**TANF Expenditure Forecast**

	FY2013	FY2014	FY2015
Jul	\$8,227,449	\$8,541,776	\$8,837,230
Aug	\$8,257,687	\$8,557,825	\$8,815,548
Sep	\$8,316,539	\$8,587,543	\$8,821,857
Oct	\$8,448,280	\$8,646,315	\$8,837,545
Nov	\$8,480,591	\$8,708,335	\$8,814,570
Dec	\$8,519,336	\$8,720,541	\$8,820,715
Jan	\$8,559,776	\$8,773,134	\$8,828,884
Feb	\$8,577,908	\$8,773,009	\$8,815,673
Mar	\$8,586,242	\$8,782,043	\$8,822,061
Apr	\$8,584,401	\$8,791,462	\$8,827,773
May	\$8,547,377	\$8,805,401	\$8,802,272
Jun	\$8,558,368	\$8,826,825	\$8,812,939
FY Total	\$101,663,954	\$104,514,209	\$105,857,067

**Mandated Childcare Expenditures**

	FY2013	FY2014	FY2015
Jul	\$4,517,996	\$5,212,308	\$5,320,543
Aug	\$4,702,635	\$5,197,216	\$5,329,225
Sep	\$5,693,795	\$5,556,823	\$5,679,175
Oct	\$5,366,979	\$5,241,203	\$5,347,649
Nov	\$5,015,376	\$5,248,697	\$5,357,305
Dec	\$4,966,784	\$5,249,197	\$5,366,447
Jan	\$5,174,270	\$5,258,756	\$5,375,454
Feb	\$5,250,021	\$5,273,651	\$5,384,695
Mar	\$5,159,041	\$5,284,167	\$5,394,015
Apr	\$5,116,282	\$5,290,882	\$5,403,183
May	\$5,175,846	\$5,299,414	\$5,412,252
Jun	\$5,224,129	\$5,310,334	\$5,421,363
FY Total	\$61,363,154	\$63,422,648	\$64,791,306

**Title IV-E Foster Care Maintenance Expenditure  
Forecast**

	FY2013	FY2014	FY2015
Jul	\$3,944,765	\$4,723,692	\$5,077,044
Aug	\$3,944,540	\$4,638,876	\$5,035,919
Sep	\$4,115,963	\$4,707,236	\$5,131,747
Oct	\$3,975,727	\$4,623,270	\$5,090,920
Nov	\$3,955,715	\$4,712,284	\$5,187,831
Dec	\$3,870,281	\$4,664,718	\$5,153,683
Jan	\$4,057,582	\$4,786,476	\$5,254,263
Feb	\$4,126,429	\$4,766,866	\$5,225,803
Mar	\$4,383,504	\$4,899,893	\$5,326,783
Apr	\$4,448,934	\$4,882,198	\$5,299,728
May	\$4,641,900	\$5,003,595	\$5,397,255
Jun	\$4,620,356	\$4,972,722	\$5,368,897
FY Total	\$50,085,696	\$57,381,826	\$62,549,873

**Title IV-E Adoption Subsidy Expenditure Forecast**

	FY2013	FY2014	FY2015
Jul	\$5,874,340	\$5,773,191	\$5,963,005
Aug	\$5,321,561	\$5,753,976	\$5,978,597
Sep	\$5,792,684	\$5,799,780	\$5,998,298
Oct	\$5,439,889	\$5,794,129	\$6,014,856
Nov	\$5,748,191	\$5,829,437	\$6,034,024
Dec	\$5,534,516	\$5,832,379	\$6,051,236
Jan	\$5,733,630	\$5,861,130	\$6,070,113
Feb	\$5,604,882	\$5,869,532	\$6,087,781
Mar	\$5,736,725	\$5,894,206	\$6,106,520
Apr	\$5,662,054	\$5,906,095	\$6,124,519
May	\$5,751,312	\$5,928,252	\$6,143,213
Jun	\$5,710,625	\$5,942,384	\$6,161,463
FY Total	\$67,910,409	\$70,184,491	\$72,733,625

<b>Special Needs (GF) Adoption Subsidy Expenditure Forecast</b>
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	FY2013	FY2014	FY2015
Jul	\$3,110,274	\$3,361,067	\$3,547,234
Aug	\$3,225,386	\$3,376,509	\$3,562,860
Sep	\$3,187,202	\$3,391,924	\$3,578,502
Oct	\$3,232,479	\$3,407,381	\$3,594,160
Nov	\$3,234,107	\$3,422,845	\$3,609,834
Dec	\$3,256,340	\$3,438,334	\$3,625,524
Jan	\$3,267,821	\$3,453,837	\$3,641,229
Feb	\$3,284,919	\$3,469,360	\$3,656,950
Mar	\$3,299,316	\$3,484,900	\$3,672,686
Apr	\$3,315,131	\$3,500,458	\$3,688,437
May	\$3,330,246	\$3,516,033	\$3,704,202
Jun	\$3,345,737	\$3,531,625	\$3,719,982
FY Total	\$39,088,958	\$41,354,273	\$43,601,600