

**State of Alaska**  
**FY2010 Governor's Operating Budget**

**Department of Health and Social Services**  
**Subsidized Adoptions & Guardianship**  
**Component Budget Summary**

## Component: Subsidized Adoptions & Guardianship

### Contribution to Department's Mission

The Subsidized Adoption & Guardianship program facilitates permanent placements in adoptive homes or stable guardianships for the increasing number of children in state custody whose special needs make them hard-to-place. Adoption is viewed as the most permanent placement for a child and is therefore generally the preferable option.

Guardianships are considered for children who cannot be freed for adoption, but for whom a reasonably permanent home can be provided through guardianship. This is often the best choice for children who cannot live with their parents, but continue to have an important emotional tie with their families that should not be severed.

### Core Services

- Provide for permanent homes to children that are in the custody of the state and who are unlikely to be adopted without a subsidy.
- Facilitate permanency through recruitment of homes for children who need permanent homes; home studies on potential adoptive families; pre-adoption services for the child and family; and post-adoption services for up to one year after the final adoption or guardianship court hearing.

### FY2010 Resources Allocated to Achieve Results

<b>FY2010 Component Budget: \$24,541,300</b>	<b>Personnel:</b>	
	Full time	0
	Part time	0
	<b>Total</b>	<b>0</b>

### Key Component Challenges

The OCS needs to bring adoptions and guardianship subsidy levels in line with foster care base rates. While adoption and guardianship subsidies are negotiated, the starting point for that negotiation is the base rate – the base rate being the cap. Most rates are negotiated at 85% of the average base rate.

When children leave foster care, their special needs are reassessed to determine whether they will continue to need assistance through the Subsidized Adoption & Guardianship program. Approximately 95 percent of children exiting custody have special needs and continue to receive state benefits.

Children that have been removed from situations of abuse or neglect and that have physical, mental or emotional disturbances are placed at high risk for subsequent abuse or neglect. The OCS has recognized for some time that the level of disturbance and complexity of problems for children in custody is increasing. These factors make it difficult to find permanent adoptive or guardianship homes without a subsidy. It is preferable and cost effective for the state to provide a means for children to be given a permanent home with a state-funded subsidy than for the state to continue to be completely responsible for the child. The adoption or guardianship subsidy covers the costs for the child's special needs and is available to the family until the child reaches age 18. The special needs of these children combined with budgetary constraints make this a challenging task at best.

Efforts to recruit adoptive families that reflect the ethnic and racial diversity of the children served by the OCS continue to be a challenge.

The OCS needs to reduce the delays being experienced for completion of home studies that are required before a

child can be adopted.

## Significant Changes in Results to be Delivered in FY2010

Bringing adoption and guardianship subsidies in line with foster care rates, providing for an inflationary adjustment, and increasing the level of funding toward that need will allow for continued efforts for permanency and help the division move toward the recruitment and retention of good, permanent homes for children who cannot be reunited with their parents.

## Major Component Accomplishments in 2008

The OCS experienced increased success in finding homes for children as children are simultaneously presented in the Alaska Adoption Exchange as well as the Northwest adoptions exchange and AdoptUSkids. The OCS has demonstrated a steady increase in performance timeliness of adoptions. The National standard for timeliness of adoptions is 106.4, with Alaska demonstrating increased performance from 76.5 to 94.1 in 2008. This is a composite indicator that relates to timeliness of adoptions of children discharged from foster care, progress toward adoption for children in foster care more than 17 months, and progress toward adoption for children who are legally free to be adopted. Please see [http://acf.hhs.gov/programs/cb/cwmonitoring/data\\_indicators.htm](http://acf.hhs.gov/programs/cb/cwmonitoring/data_indicators.htm) for more detailed information on the composite.

Permanent adoptive or guardianship homes and subsidies for children with special needs that are in custody of the state are provided through the Subsidized Adoptions and Guardianships component. These children would likely not be adopted without a subsidy because of their documented special needs. The program has been successful due to an increased emphasis on permanency planning and the commitment to move children from foster care to a permanent placement in as safe and as timely a manner as possible.

As of June, 2008, there were 2,395 continuing adoptions and guardianships, and 289 new adoptions and guardianships for Alaska.

## Statutory and Regulatory Authority

AS 25.23	Adoption
AS 25.23.190-240	Subsidy for hard-to-place child
AS 47.10.080	Judgments and orders
7 AAC 53 Article 2	Subsidized Adoption and Subsidized Guardianship Payments
Title IV-E of the Social Security Act	

### Contact Information

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**Subsidized Adoptions & Guardianship  
Component Financial Summary**

*All dollars shown in thousands*

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
<b>Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	5.2	0.0	0.0
73000 Services	196.8	1,026.3	1,026.3
74000 Commodities	6.6	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	20,231.7	20,512.8	23,515.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>20,440.3</b>	<b>21,539.1</b>	<b>24,541.3</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	11,000.4	11,346.8	12,388.2
1003 General Fund Match	3,134.4	3,134.4	3,134.4
1004 General Fund Receipts	6,305.5	7,057.9	9,018.7
<b>Funding Totals</b>	<b>20,440.3</b>	<b>21,539.1</b>	<b>24,541.3</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	11,000.4	11,346.8	12,388.2
<b>Restricted Total</b>		<b>11,000.4</b>	<b>11,346.8</b>	<b>12,388.2</b>
<b>Total Estimated Revenues</b>		<b>11,000.4</b>	<b>11,346.8</b>	<b>12,388.2</b>

**Summary of Component Budget Changes  
From FY2009 Management Plan to FY2010 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2009 Management Plan</b>	<b>10,192.3</b>	<b>11,346.8</b>	<b>0.0</b>	<b>21,539.1</b>
<b>Proposed budget increases:</b>				
-Fund Increased Costs for Subsidized Adoptions and Guardianship Due to Growth	498.4	179.0	0.0	677.4
-Increase Adoption Subsidies to Foster Care Base Rate Levels - Final Phase	1,407.1	862.4	0.0	2,269.5
-Maintain Service for Children's Services Adoption/Guardianship Grantees	55.3	0.0	0.0	55.3
<b>FY2010 Governor</b>	<b>12,153.1</b>	<b>12,388.2</b>	<b>0.0</b>	<b>24,541.3</b>