



**TEXAS**  
Department of Family  
and Protective Services

# Joint Budget Hearing of the Legislative Budget Board and the Office of the Governor

## DFPS FY 2026-27 Legislative Appropriations Request

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**Stephanie Muth**  
**DFPS Commissioner**

**Lea Ann Biggar**  
**DFPS Chief Financial Officer**

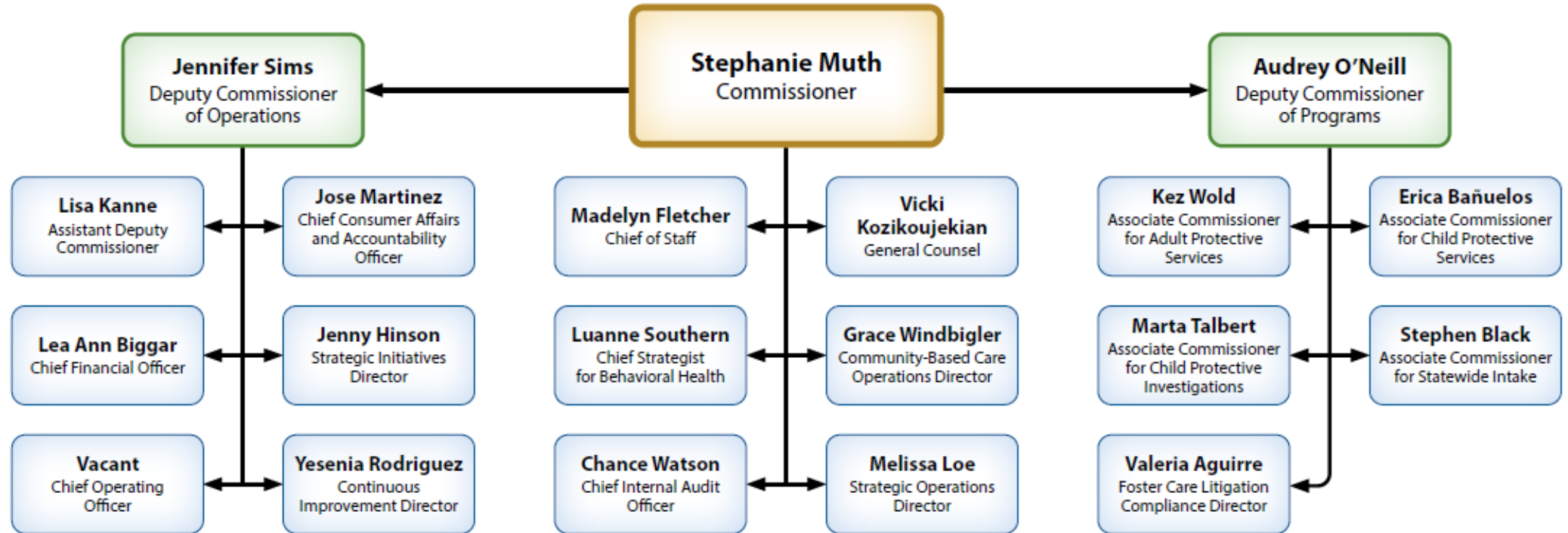
September 26, 2024

# Table of Contents

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- I. Organizational Structure
- II. DFPS Overview
  - a. Core Function
  - b. Budget Overview
- III. Budget Drivers:
  - I. Conservatorship Census
  - II. Children Without Placement Data
  - III. Community Based Care
  - IV. Texas Child Centered Care (T3C)
- IV. Overview of Exceptional Item Funding Request
  - I. Exceptional Items
- V. Appendix – Data by Program

# DFPS Organizational Chart



# DFPS Core Functions

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## **Statewide Intake (SWI)**

Operates 24 hours a day, seven days a week, as the centralized point of intake for reporting suspected incidents of abuse, neglect, and exploitation and childcare licensing standards violations.

## **Child Protective Investigations (CPI)**

Investigates reports of abuse, neglect, and exploitation, including those within certain residential facilities.

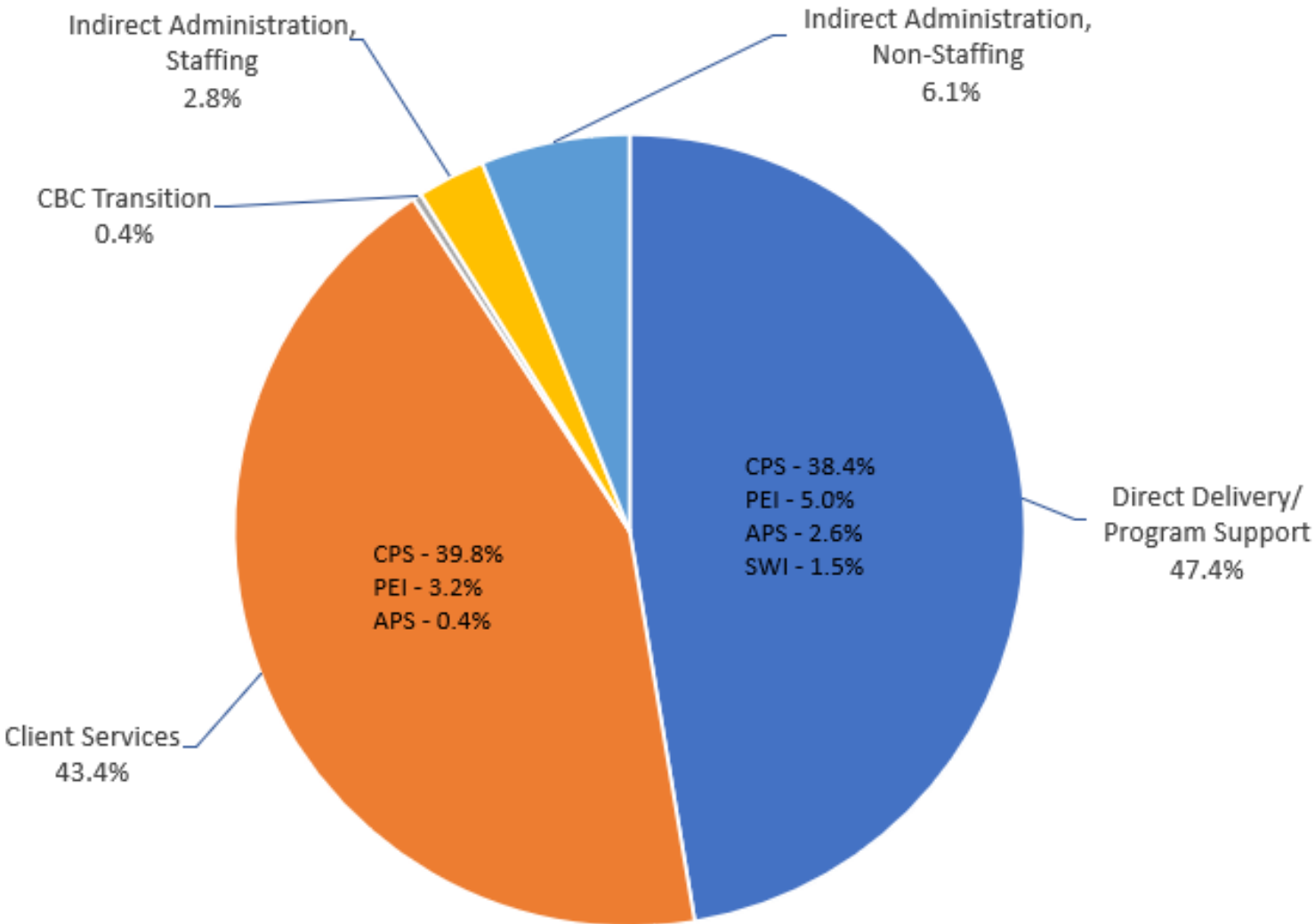
## **Child Protective Services (CPS)**

Assesses and places children in foster care when they are not safe in their own homes, and for ensuring the best permanency outcomes for children in care.

## **Adult Protective Services (APS)**

Protects adults living in their own homes who have disabilities or who are 65 years old or older by investigating reports of abuse, neglect, and exploitation and providing short-term services.

# DFPS Budget Overview



**FY 2024-25  
Appropriation:  
\$4.95 Billion**

**Appropriated FTEs:  
12,077.8**

# DFPS Census

Most children in DFPS care reside in family-like home settings. Of the 16,080 children in care (ages 0-17) at the end of August 2024, 13,256 (82.4%) resided in a family-like home setting:

**9,715/ 60.4%**  
were in foster care

 **7,203/ 44.8%**  
Foster Family Homes

**1,122/ 7.0%**  
Residential Treatment Centers


**14/ 0.08%**  
Children without Placement

**778/ 4.8%**  
GRO Childcare Only


**315/ 2.0%**  
Emergency Shelters

**297/ 1.8%**  
Other Foster Care

**6,365/ 39.6%**  
were in other types of substitute care

 **5,823/ 36.2%**  
Kinship Care (unverified)

**312/ 1.9%**  
Independent Living and Other

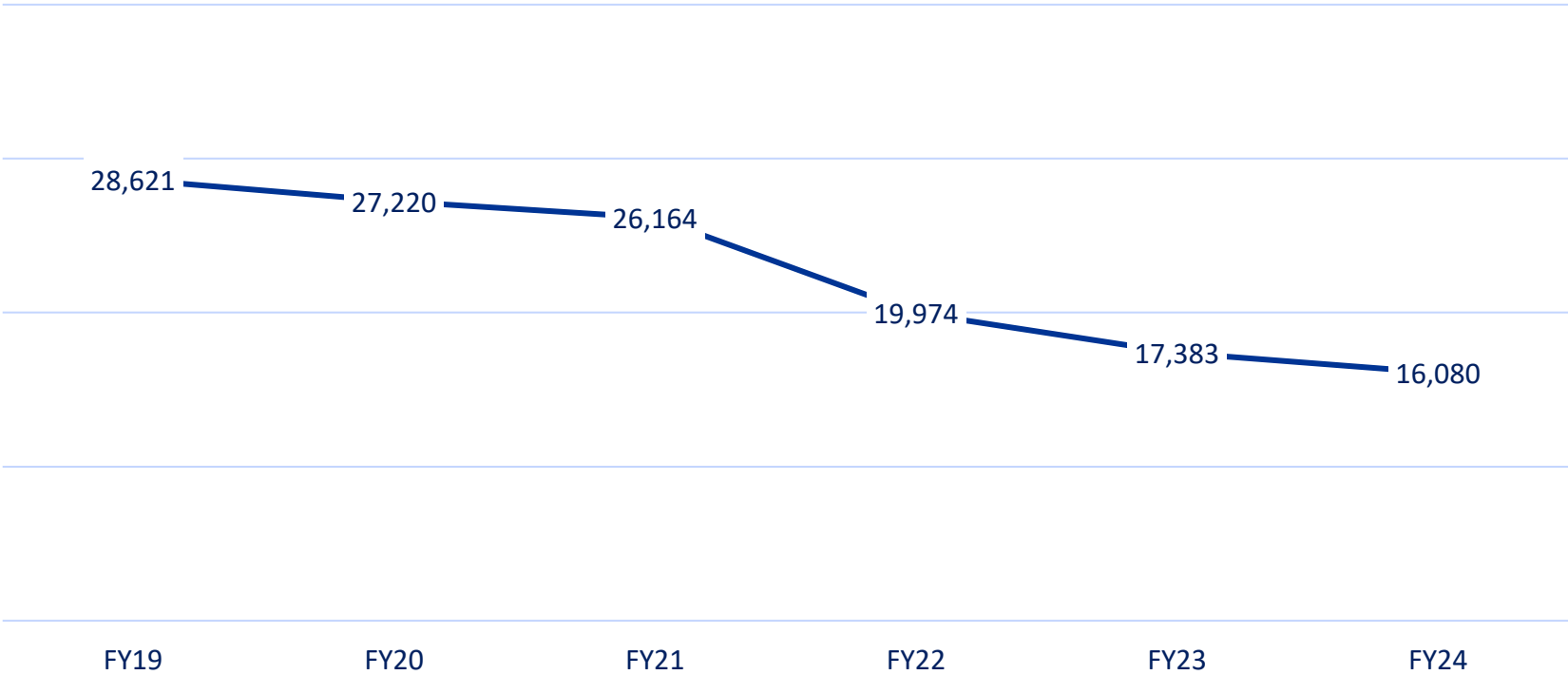
 **230/1.4%**  
Adoptive Homes

 =  
Family-Like Setting

Data Source: CWOP Tracker and Data Warehouse SA\_05s,  
Warehouse Data As of: 9/7/24 Report Run Date: 9/16/2024

# DFPS Census Over Time

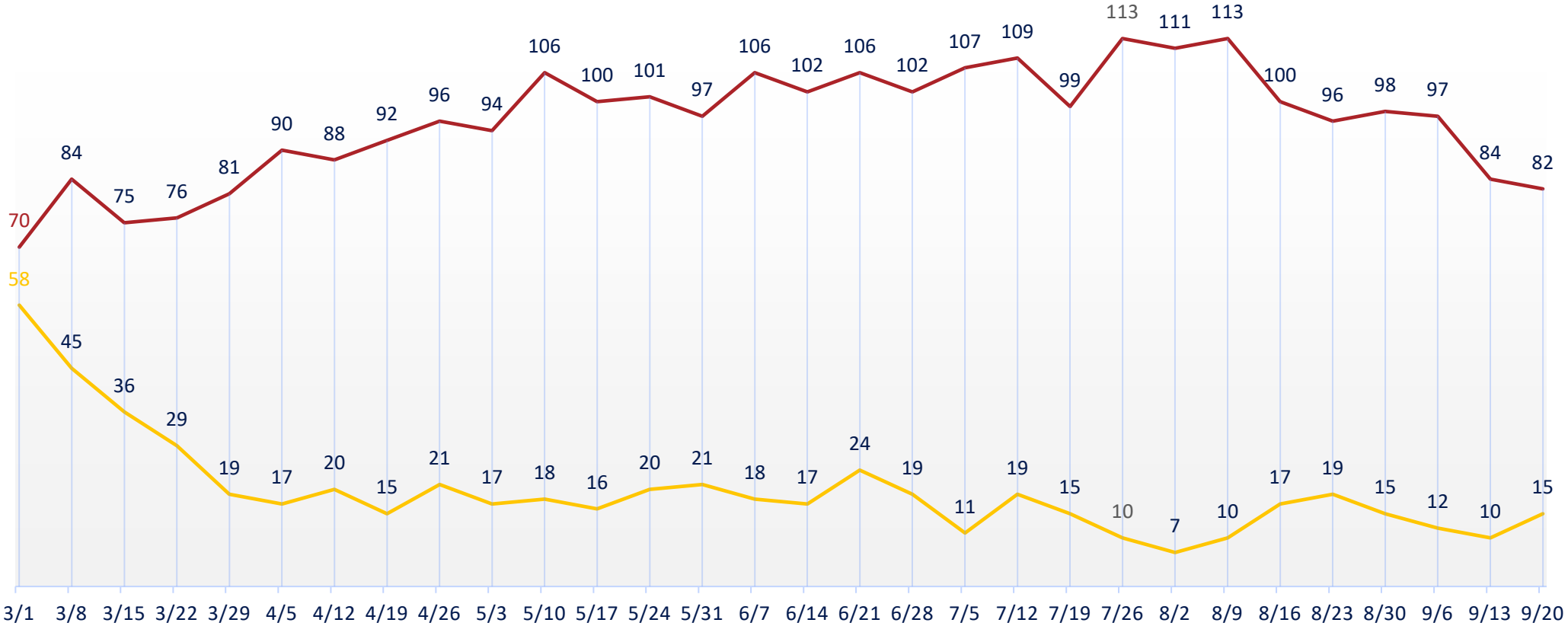
Children in Substitute Care Placements on August 31  
Children/Youth Age 0-17



Data Source: cps\_sa\_05, Warehouse Data As of: 09/07/24  
Report Run Date: 9/17/2024  
Data reflects data on August 31 of each fiscal year.

# Child Without Placement Data

Number of CWOP Per Day – (March to September – 2023 v. 2024)



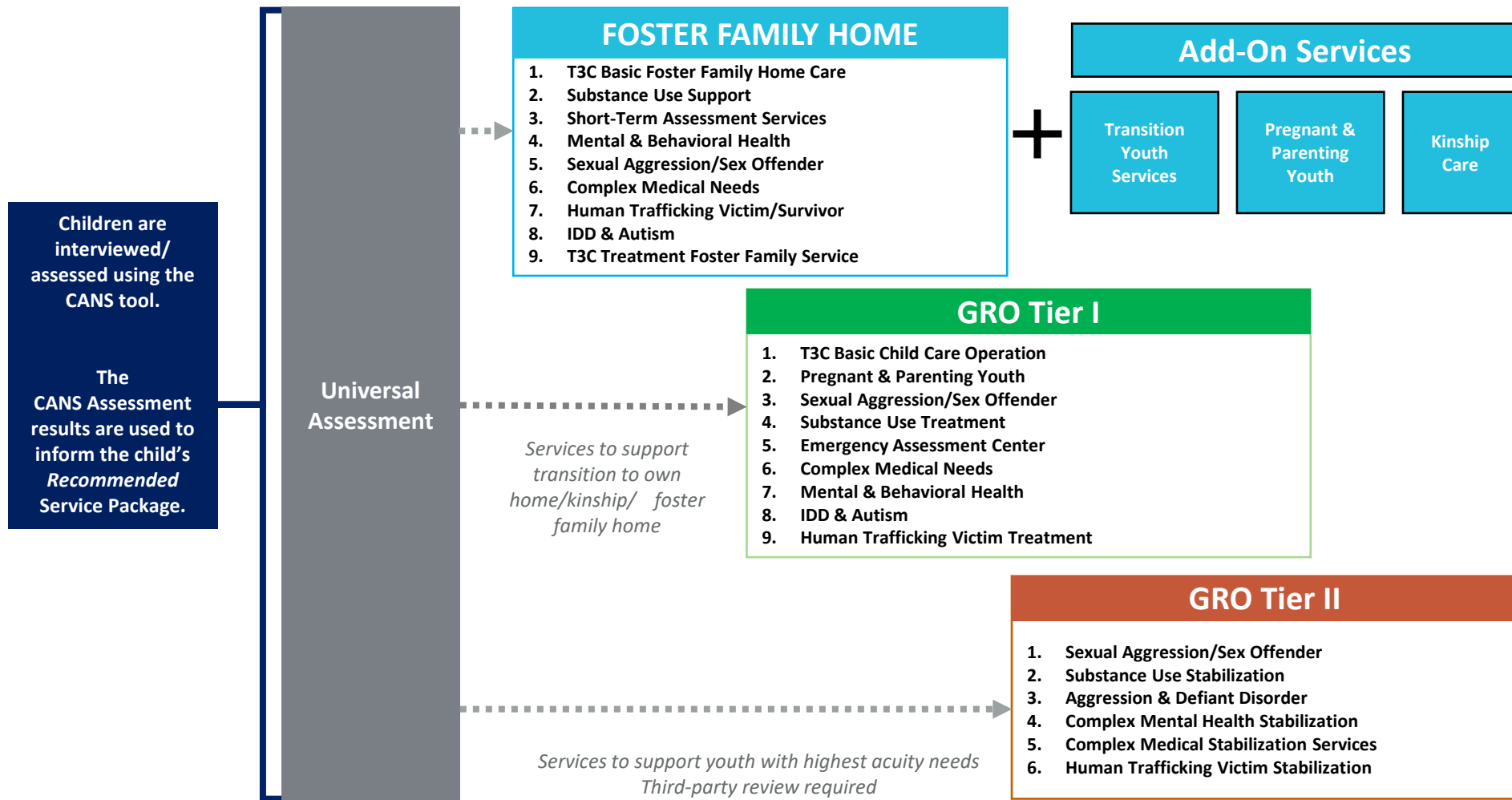
A child without placement event refers to when a child or youth was without placement for at least two consecutive, uninterrupted nights. If a youth goes missing during a child without placement event, the youth will be in a missing status rather than a child without placement event to ensure protocols are followed to ensure the safe return of a youth. If the youth returns from the missing event, a new event starts after at least two consecutive, uninterrupted nights.

data source: CWOP Placement Tracker as of 9/23/24





# Texas Child Centered Care



# FY26-27 DFPS Exceptional Items Request

| Exceptional Item                             | FY 2026            |                    | FY 2027            |                    | Biennial           |                    | FY 2026-27   |              |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------|--------------|
|  | GR/GRD             | All Funds          | GR/GRD             | All Funds          | GR/GRD             | All Funds          | FTE          | FTE          |
| 01 Sustain Client Services and Staffing      | 49,292,345         | 49,865,395         | 50,634,056         | 51,149,133         | 99,926,401         | 101,014,528        | 181.4        | 181.4        |
| 02 Annualize and Expand Community-based Care | 88,555,490         | 94,347,487         | 110,897,601        | 118,235,676        | 199,453,091        | 212,583,163        | 27.0         | 34.0         |
| 03 Improve Client Safety through Services    | 21,736,051         | 21,736,051         | 22,964,531         | 22,964,531         | 44,700,582         | 44,700,582         | -            | -            |
| 04 Meet the Needs of High Acuity Youth       | 7,594,972          | 7,610,974          | 7,594,972          | 7,610,974          | 15,189,944         | 15,221,948         | -            | -            |
| 05 Stabilize and Retain Workforce            | 53,682,583         | 57,463,018         | 53,712,820         | 57,493,255         | 107,395,403        | 114,956,273        | -            | -            |
| 06 Strengthen Agency Operations              | 15,809,681         | 16,502,859         | 14,694,435         | 15,361,036         | 30,504,116         | 31,863,895         | 77.0         | 77.0         |
| 07 Strengthen IT and Data Resources          | 24,982,166         | 26,649,627         | 20,829,304         | 22,219,592         | 45,811,470         | 48,869,219         | 18.0         | 20.0         |
| <b>Grand Total</b>                           | <b>261,653,288</b> | <b>274,175,411</b> | <b>281,327,719</b> | <b>295,034,197</b> | <b>542,981,007</b> | <b>569,209,608</b> | <b>303.4</b> | <b>312.4</b> |

# DFPS FY 2026-27 Exceptional Item Overview

## 1. Sustain Client Services and Staffing

- a. Annualize Adult Protective Services (APS) Financial Exploitation Units
- b. Strengthen Services for APS
- c. Sustain Current APS Caseloads
- d. Sustain Day Care
- e. Annualize Relative Caregiver Payments

## 2. Annualize and Expand Community-Based Care

- a. Fund Comprehensive Community-Based Care (CBC) Process Evaluation
- b. SSCC Resource Transfer Network Support Payment Increase
- c. Annualize Existing CBC
- d. Expand CBC into Four Stage I and Four Stage II
- e. Increase Resources for CBC to Mirror the DFPS Targeted Agency Salary Request

## 3. Improve Client Safety Through Services

- a. Strengthen Supports for Families and Youth
  1. Expand Daycare for Kinship Caregivers
  2. Restore Transitional Living Services Budget Allocation

## 4. Meet the Needs of High Acuity Youth

- a. Strengthen Behavioral Health Services – Residential Treatment Technical Assistance
- b. Strengthen Support for Youth and Families
  1. Expand Kinship Family Supports for Children with Behavioral Health Needs
  2. Pilot Enhanced Services for High Acuity Youth

## 5. Stabilize and Retain Workforce

- a. Address Targeted Salary Compression to Retain Experienced Staff and Provide Career Advancement Opportunities
- b. Address Caseworker Pay Disparity Across Programs
- c. Strengthen Employee Retention Through an On-going Merit Program

## 6. Strengthen Agency Operations

- a. Enhance Records Management Operations
- b. Strengthen Services for Statewide Intake (SWI)
  1. SWI Quality Assurance Staff
  2. Improving SWI Operations: 5-minute Hold Time
- c. Strengthen APS Program Support w/ Policy and Quality Assurance
- d. Enhance Safety of Clients through Background Check
- e. Fund HB 2374 DFPS Efficiency Audit

## 7. Strengthen Information Technology (IT) and Data Resources

- a. Advancing Cybersecurity Technologies and Personnel
- b. Continue Development of Contracts and Grants Management System
- c. Replace and Address Technical Debt
- d. Utilize Artificial Intelligence (AI) to Increase Efficiency of IT Operations
- e. Continue Efforts to Enhance Data Exchange and Improve Data Analysis

## Placeholders:

- Replacement of Case Management System
- Business Process Redesign
- Texas Family First Pilot Program
- Interagency Background Check System
- Post-Adopt/Post-Permanency Services for High Acuity Youth
- Interagency Efforts to Address Children's Behavioral Health



# 1. Sustain Client Services and Staffing

## A. Annualize APS Financial Exploitation Units

- Annualize APS Financial Exploitation Units to continue to provide focused investigation expertise on complex cases.
  - \$3.2 GR / \$3.3 AF for the biennium

## B. Strengthen Services for APS

- Fully implement the Training While Working Pilot which allows for dedicated field supervisors to train new caseworkers under the training model.
  - \$10.9 GR / \$11.1 AF and 40.0 FTEs for the biennium

## C. Sustain Current Caseloads for APS

- Additional caseworkers to meet the caseload standard of 23 cases per worker set by the Legislative Budget Board.
  - \$29.2 GR / \$29.9 AF and 141.4 FTEs for the biennium

## D. Sustain Day Care

- Sustain daycare funding due to Texas Workforce Commission (TWC) rate increases and higher Family-Based Safety Services caseloads.
  - \$50.2 GR/AF for the biennium

## E. Annualize Relative Caregiver Payments

- Annualize the relative caregiver payments to 50% of the new basic foster care rate under the fully-funded Texas Child Centered Care (T3C) rate structure.
  - \$6.4 GR/AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$49.3  | \$50.6  | \$99.9   |
| All Funds (AF)       | \$49.9  | \$51.1  | \$101.0  |
| FTEs                 | 181.4   | 181.4   |          |

## 2. Annualize and Expand Community-Based Care

### A. Fund Comprehensive CBC Process Evaluation

- Contract to independently evaluate the fiscal and performance outcomes of Single Source Continuum Contractors (SSCCs).
  - \$3.7 GR / \$4.0 AF for the biennium

### B. SSCC Resource Transfer/Network Support Payment Increase

- Sustain the FY 2024-25 SSCC resource transfer for SSCCs.
  - \$\$13.0 GR/AF for the biennium

### C. Annualize Existing CBC Catchments

- Annualize funding for existing CBC areas.
  - \$68.9 GR / \$74.4 AF for the biennium

### D. Expand CBC into Four Stage I and Four Stage II

- Request resources for the continued expansion of CBC for four new Stage I areas (7A, 7B, 11A, 11B) and four new Stage II areas (6A, 6B, 7A, & 8A).
  - \$85.9 GR / \$91.1 AF and 27.0 FTEs for the biennium

### E. Increase Resources for CBC to Mirror the DFPS Targeted Agency Salary Request

- Proving Existing SSCC Contractors Additional Resources, if Targeted Salary Request are Funded. (See Exceptional Items 5A on Slide 7)
  - \$27.8 GR / \$30.1 AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$88.6  | \$110.9 | \$199.5  |
| All Funds (AF)       | \$94.3  | \$118.2 | \$212.5  |
| FTEs                 | 27.0    | 27.0    |          |

# 3. Improve Client Safety Through Services

## A. Expand Daycare for Kinship Caregivers

- Expand the populations of relative care placements who can receive daycare support year-round.
  - \$41.9 GR/AF for the biennium

## B. Restore Transitional Living Services Budget Allocation

- Restore GR funding to draw down federal funding for Transitional Living Services that support older foster youth.
  - \$2.8 GR/AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$21.7  | \$23.0  | \$44.7   |
| All Funds (AF)       | \$21.7  | \$23.0  | \$44.7   |
| FTEs                 | -       | -       |          |

**Placeholder:**

### Texas Family First Pilot Program

FFTA funds which currently fund the FFPSA Texas Family First Pilot initiated by HB 3041 (87th), expire in October 2025. Additional funds are needed to sustain the pilots.

# 4. Meet the Needs of High Acuity Youth

## A. Strengthen Behavioral Health Services – Residential Treatment Technical Assistance

- Resources to continue and expand technical assistance support to enhance the quality and effectiveness of residential treatment for children and youth.
  - \$412,440 GR / \$444,444 AF for the biennium

## B1. Expand Kinship Family Supports for Children with Behavioral Health Needs

- Continue and expand kinship support funding received in the 88th which increased SSCCs' capacity to provide behavioral health supports and services specifically to children and caregivers in kinship placements.
  - \$14.8 GR/AF for the biennium

## B2. Pilot Enhanced Services and Supports for High Acuity Youth

- Pilot enhanced services and supports for high acuity youth to provide targeted interventions with youth aged 16+ placed in congregate care or at risk of becoming without placement.
  - \$3.5 GR/AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$7.6   | \$7.6   | \$15.2   |
| All Funds (AF)       | \$7.6   | \$7.6   | \$15.2   |
| FTEs                 | -       | -       |          |

### Placeholders:

#### Post-Adopt / Post-Permanency Services for High Acuity Youth

Funding request for wrap-around supports and services for children and their families after they have exited the child protection system.

#### Interagency Efforts to Address Children's Behavioral Health

DFPS is working with the Health and Human Services Commission (HHSC) and other agencies to develop a Children's Behavioral Health Strategic plan which will include recommendations to improve behavioral health services and supports.



# 5. Stabilize and Retain Workforce

## A. Address Targeted Salary Compression to Retain Experienced Staff and Provide Career Advancement Opportunities

- Funding to address salary compression and entry-level support staff salaries, both on-going issues for DFPS.
  - \$75.8 GR / \$80.9 AF for the biennium

## B. Improve Pay Disparity for Caseworkers Across Select Programs

- Funding to reduce the significant pay disparities between caseworker titles across agency programs pay equity for APS, Residential Child Care Investigations (RCCI), and Day Care Investigations (DCI) caseworkers.
  - \$1.3 GR/AF for the biennium

## C. Strengthen Employee Retention Through an On-going Merit Program

- Request will provide funding for an on-going merit program to support staff retention.
  - \$30.3 GR / \$32.7 AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$53.7  | \$53.7  | \$107.4  |
| All Funds (AF)       | \$57.5  | \$57.5  | \$115.0  |
| FTEs                 | -       | -       |          |

# 6. Strengthen Agency Operations

## A. Enhance Records Management Operations

- Address 60K records request a year – a 12% increase from last biennium – and backlog for foster youth, adoptive parents, and providers. Additional funding to support increased cost of electronic content management system.
  - \$16.3 GR / \$17.3 AF and 20.0 FTEs for the biennium

## B1. SWI Quality Assurance Program Support

- Strengthen quality assurance in SWI to provide dedicated oversight and assistance to intake specialist.
  - \$1.5 GR/AF and 6.0 FTEs for the biennium

## B2. Improving SWI Operations: 5-minute Hold Time

- Request additional intake specialist to improve SWI hold time from 7.4 to 5 minutes.
  - \$8.9 GR / \$9.0 AF and 41.0 FTEs for the biennium

## C. Strengthen APS Program Support

- Strengthen APS program support and quality assurance staffing to provide greater program support and increased real time case reads to improve casework quality and client outcomes.
  - \$2.7 GR / \$2.8 AF and 10.0 FTEs for the biennium

## D. Maintain and Enhance Safety of Clients Through Background Checks

- Funding to cover FBI fingerprint check costs as well as the Department of Public Safety name-based checks for employees and clients, who have access to IMPACT or DFPS systems and networks.
  - \$980,594 GR / \$1.0 AF for the biennium

## E. Fund HB 2374 (87R) DFPS Efficiency Audit Requirement

- Funding to comply with HB 2374 (87R) to conduct external efficiency audit.
  - \$234,356 GR / \$250,000 AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$15.8  | \$14.7  | \$30.5   |
| All Funds (AF)       | \$16.5  | \$15.4  | \$31.9   |
| FTEs                 | 77.0    | 77.0    |          |

Placeholder:

### Business Process Redesign

The 88th Texas Legislature directed DFPS to contract with a third-party entity to evaluate and recommend improvements to investigations (CPI) process. DFPS is in the procurement stage and is evaluating the cost of additional stages of service.

# 7. Strengthen IT and Data Resources

## A. Advancing Cybersecurity Technologies and Personnel

- Address current cybersecurity threats and prepare DFPS to mitigate future risks in a dynamic cybersecurity landscape proactively.
  - \$10.5 GR / \$11.2 AF and 7.0 FTEs for the biennium

## B. Continued Development of Contracts and Grants Management System

- Continue development of contracts and grants management system funded by the 88th Legislature to develop an external facing system for applicants, providers, grantees, and subcontractors to support contracts and grants management practices
  - \$2.0 GR/AF and 7.0 FTEs for the biennium

## C. Replace and Address Technical Debt

- Addresses the need to replace and address technical debt through a one-time investment for vital technological infrastructure upgrades.
  - \$14.3 GR / \$15.3 and 1.0 FTE for the biennium

## D. Utilize Artificial Intelligence (AI) Efficiency of IT Operations

- Funding to addresses the utilization of Artificial Intelligence (AI) to increase efficiency of IT operations.
  - \$3.1 GR / \$3.2 AF for the biennium

## E. Continue Efforts to Enhance Data Exchange and Improve Data Analysis

- Continue enhancement efforts and improve data analysis to have the 360-degree view of a child’s care
  - \$15.9 GR / \$17.0 AF for the biennium

| (\$ in Millions)     | FY 2026 | FY 2027 | Biennium |
|----------------------|---------|---------|----------|
| General Revenue (GR) | \$25.0  | \$20.8  | \$45.8   |
| All Funds (AF)       | \$26.6  | \$22.2  | \$48.8   |
| FTEs                 | 18.0    | 20.0    |          |

### Placeholders:

#### Replacement of Case Management System

The 88th Texas Legislature requested a plan to transition the current case management system (IMPACT) to a new efficient and interoperable system.

#### Interagency Background Check System

SB 1849 (88R) directed the development of an interagency background check system. Additional funding is needed to fully implement SB 1849.



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# Appendix I

## Data by Program

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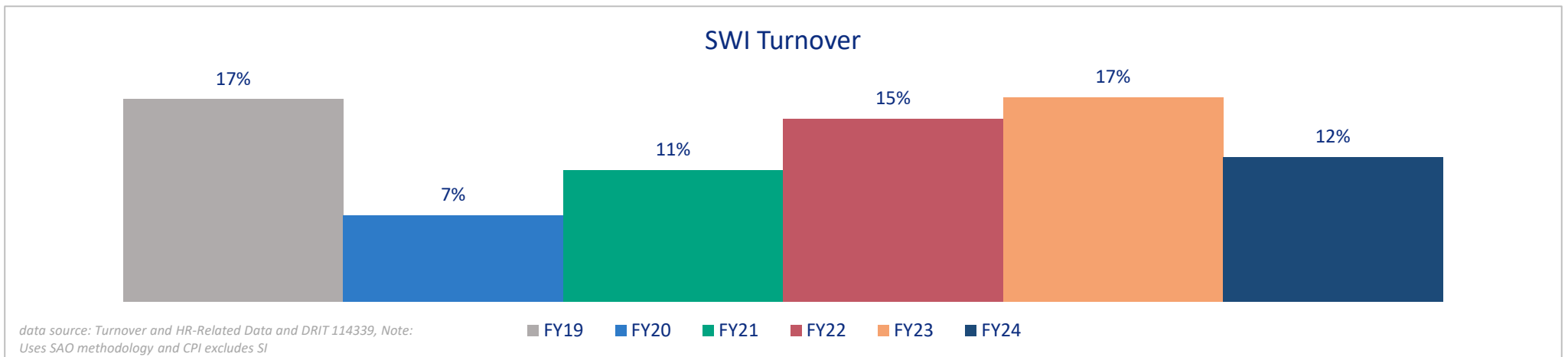
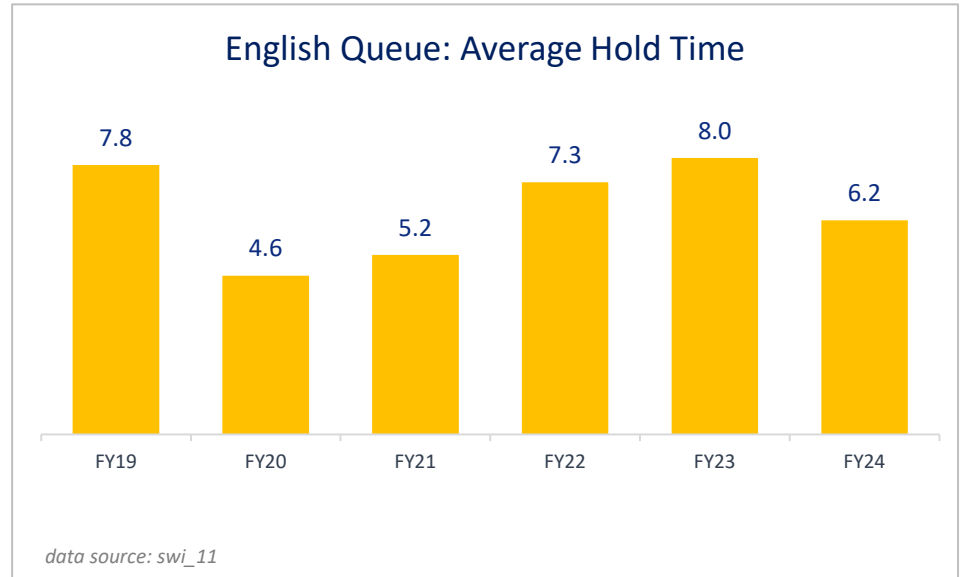
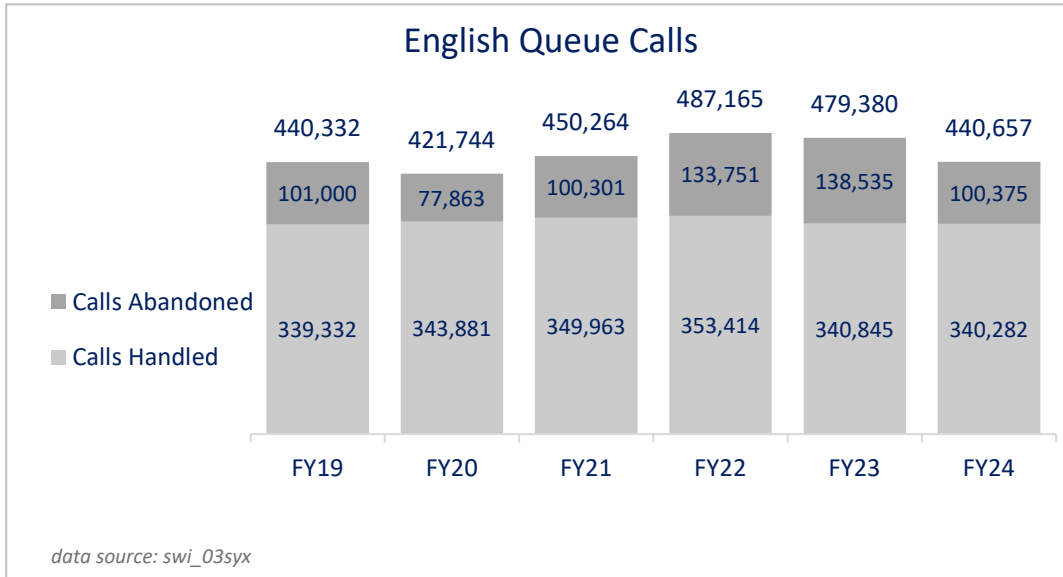
Statewide Intake

Child Protective Investigations

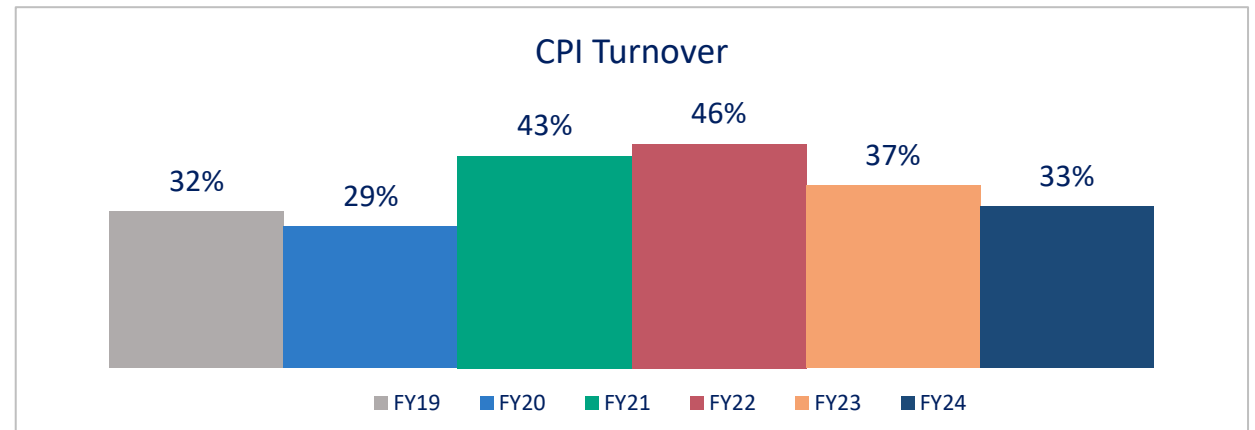
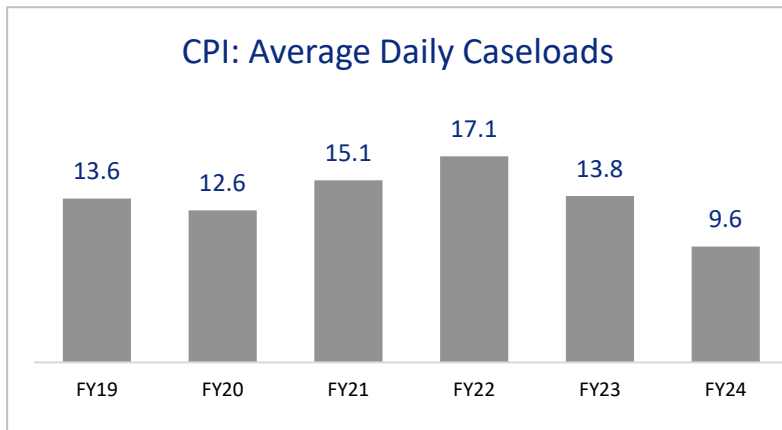
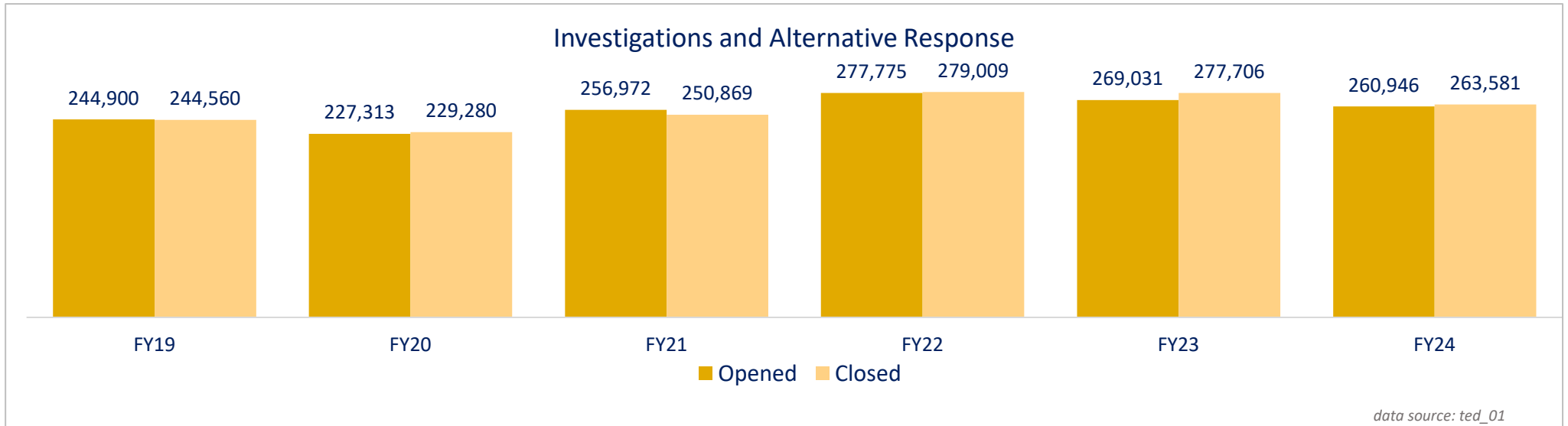
Child Protective Services

Adult Protective Services

# Statewide Intake



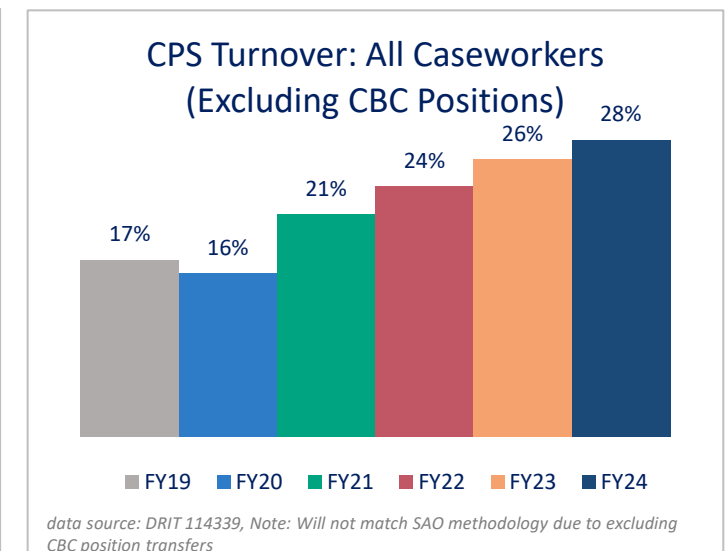
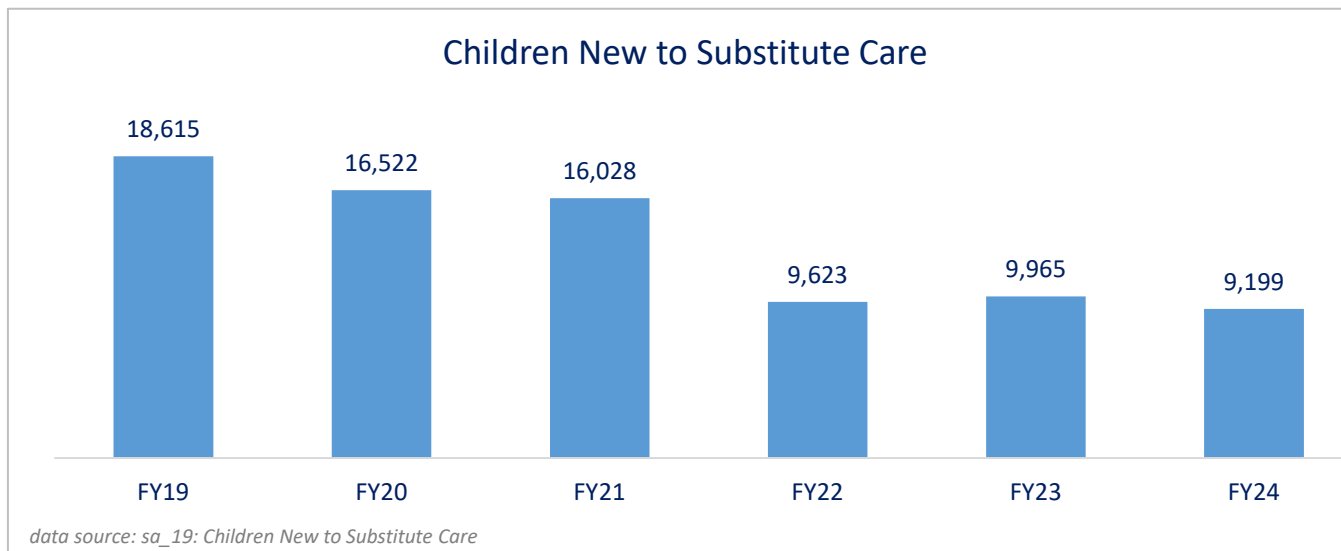
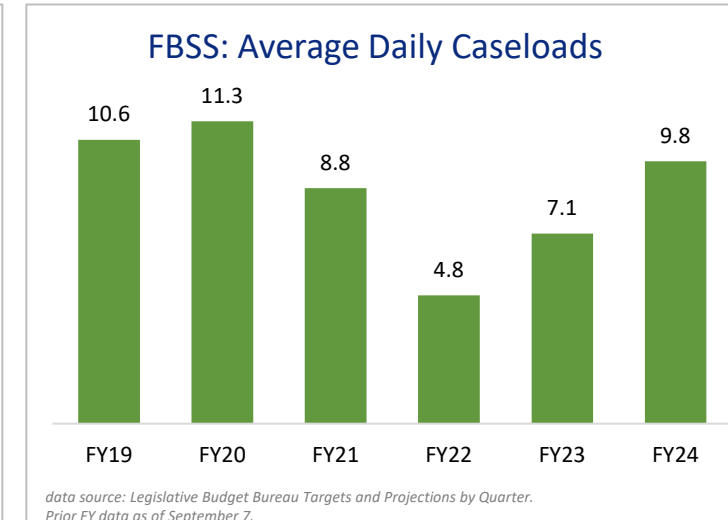
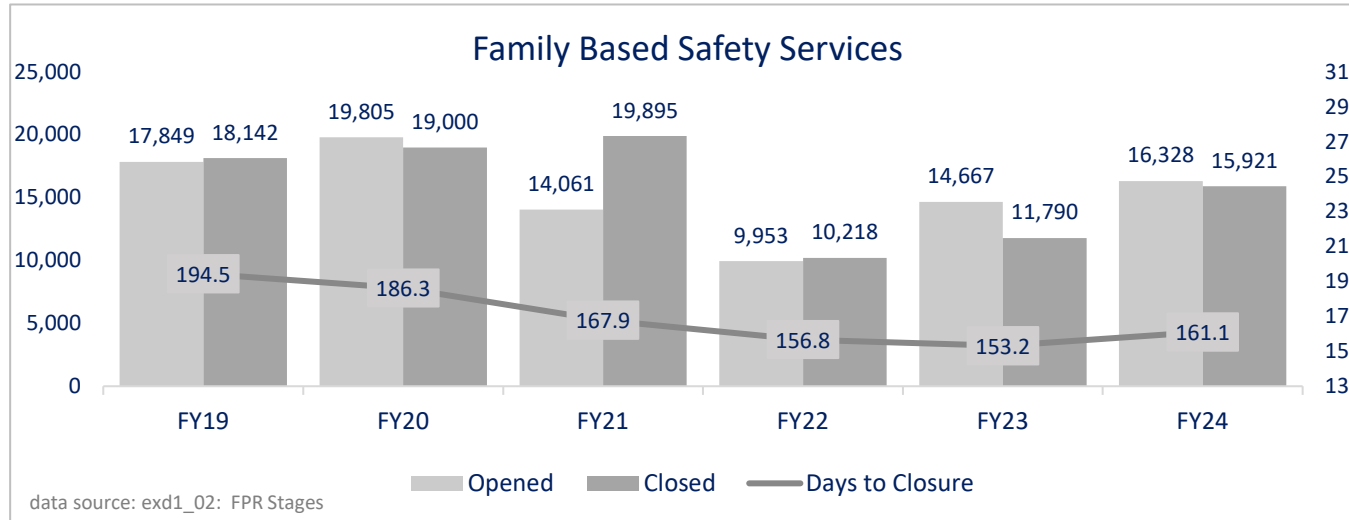
# Child Protective Investigations



*data source: Legislative Budget Bureau Targets and Projections by Quarter. Prior FY data as of September 7.*

*data source: Turnover and HR-Related Data and DRIT 114339, Note: Uses SAO methodology and CPI excludes SI*

# Child Protective Services



# Adult Protective Services

