

Agency: 101 Caseload Forecast Council
Decision Package Code/Title: A2 Information Systems/Data Specialist
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

Funding is requested to restore a vital position responsible for maintaining the agency's information systems infrastructure. This position would maintain the essential connectivity to database management systems of other state agencies to ensure timely, accurate, and confidential extraction of data utilized in caseload forecast production; coordinate and support the increasingly complex data infrastructure needs of the agency; and manage the security of the agency's data which contains sensitive information, including information relating to adult and juvenile offenses, to protect the agency and the state of Washington from significant data accountability risk.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		136,000	136,000
Total Cost		136,000	136,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	.0	1.0	.5

Package Description:

At inception of the Caseload Forecast Council (CFC) in 1997, the agency employed a dedicated Information Systems Specialist to provide technical support to the senior forecasters in the areas of: 1) extraction of data from large databases with millions of individual, confidential records, 2) consultation with numerous state agency technical and management staff on issues pertaining to caseload-related information systems, and 3) strategic planning for forecast model development using specialized knowledge of these information systems. This position also provided key information technology (IT) expertise in operating system and network architecture, applications support and enhancement, data and security architecture/administration, and management of the agency's IT Security and Disaster Recovery Plans. As of 2010, the agency ceased to support a full-time staff dedicated to these efforts, the Executive Director assumed the core IT functions, and each individual caseload forecaster became solely responsible for the data extraction and handling necessary to complete the statutorily required caseload forecasts. Over the last five years, however, the data needs, responsibilities, and workload of the agency have increased substantially, as have the management duties of the Executive Director, making this arrangement unsustainable which places the CFC and the state of Washington at risk.

The duties of the CFC increased substantially in 2011, when the Legislature enacted Engrossed Substitute Senate Bill 5891 (ESSB 5891), making the CFC the source of statewide data on individual adult sentences and juvenile dispositions that feed into the annual Sentencing Guidelines and Juvenile Disposition Manuals, the associated Statistical Summaries, and the prison Bed Impact Analyses that are the foundation for measuring the fiscal note cost or savings impacts for proposed criminal justice legislation. Additionally, over the last eight years, the Legislature has expanded the statutory authority of the CFC to encompass new caseload areas with new

data infrastructure needs and challenges (i.e. Early Childhood Education and Assistance Program, College Bound Scholarship Program, and new and increasingly complex Medicaid caseloads resulting from the implementation of the Affordable Care Act). In order to satisfy its statutory directives, the CFC must continue to access large databases with confidential information and with that accessibility comes the obligation to maintain the privacy and security of the data. As data continues to become more complex, and security and personal privacy become larger issues, it is not feasible or appropriate for the agency to maintain disparate handling of this information.

Funding this decision package is the CFC's immediate priority and will provide the agency with the necessary resources to: 1) restore a critical function of the agency; 2) enable the necessary expertise to ensure the ongoing integrity, accessibility, and confidentiality of agency information that now spans records for adult and juvenile offenses; 3) allow for a more efficient and effective use of state resources by shifting IT responsibilities away from the Executive Director and staff not trained as IT specialists; 4) protect the agency and the state of Washington from significant risk and potential lawsuits by ensuring an ongoing process and policy of handling sensitive and confidential information and minimizing the risk of harm to, or loss of, that information; and 5) incorporate the knowledge and expertise required to manage the evolutionary nature of big data and the data mining infrastructure capabilities of the agency to accurately and efficiently disseminate the data in support of meeting the agency's statutory requirements.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The principle performance measure for agency activity level A001 is "Caseload Forecasting" and for A002 is "Sentencing Data Maintenance and Research".

Funding this decision package will build the necessary staffing capacity and expertise to: 1) allow greater coordination and management of the IT needs of the agency, 2) manage and maintain the integrity, accessibility, and confidentiality of sensitive information utilized to complete its official caseload forecasts and the criminal justice statistical summaries and sentencing manuals, 3) ensure the ability of the agency to maintain historical caseload and criminal justice data, and 4) manage the CFC's IT security and disaster recovery functions in accordance with state requirements to protect the agency and the state of Washington from significant risk and potential lawsuits by minimizing the risk of harm to, or loss of, that information.

Performance Measure Detail

Activity: A001Caseload Forecasting

Incremental Changes

No measures submitted for package

Activity: A002Sentencing Data Maintenance and Research

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The mission of the CFC is two-fold: 1) to provide state government with accurate, unbiased, and widely understood caseload forecasts that provide the foundation of the maintenance level budget, and 2) to provide accurate statewide adult and juvenile sentencing data and up-to-date adult and juvenile sentencing guidelines manuals and statistical summaries. It is imperative that the CFC maintain an adequate level of staffing with the appropriate knowledge and expertise to accomplish this mission.

Funding this decision package will add the necessary capacity to coordinate and support the IT needs of the agency; manage and maintain the integrity, accessibility, and confidentiality of sensitive information utilized to produce the official caseload forecasts and the criminal justice statistical summaries and sentencing manuals; manage the CFC's IT security and disaster recovery functions to ensure greater accountability of data; and incorporate the knowledge and expertise required to manage the evolutionary nature of big

data and the data mining infrastructure capabilities of the agency to accurately and efficiently disseminate the data in support of meeting the agency's statutory requirements.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This decision package provides essential support for the Governor's Results Washington Goal 5: Efficient, effective and accountable government.

The funding requested in this decision package will provide the appropriate staffing needed to manage and maintain the increasingly complex data infrastructure of the agency and the essential connectivity to database management systems of other state agencies in support of the agency's statutory directive to produce accurate, unbiased, and well understood caseload forecasts that allow resources to be properly allocated to fulfill entitlement obligations and policy intent, and to determine available resources for other state priorities. In addition, this position will protect the agency and the state of Washington from significant risk and potential lawsuits by incorporating a level of expertise currently absent in the agency that will bolster the agency's accountability for managing and maintaining a consistent process and policy of handling sensitive and confidential information, including information related to adult and juvenile offenses.

What are the other important connections or impacts related to this proposal?

The CFC was created by the Legislature in 1997 to be an independent, unbiased voice in the production of caseload forecasts to fulfill entitlement obligations and policy intent in order to maintain a separation between the production of these estimates and the estimates of broader agency budgets. The lack of funding enabling the CFC to employ the appropriate level of expertise to manage and maintain the increasingly complex data needs of the agency runs counter to the broader purpose of the CFC. Additionally, the time and expertise the Executive Director is able to provide in this capacity is inadequate, unsustainable, and detracts from the ability to meet other administrative demands within the agency.

Funding this decision package will enable the CFC to maintain its independence in consistently accessing the large quantities of raw data managed by other state agencies; to utilize in-house expertise to bring structure to large quantities of formless data in support of producing the mandated caseload forecasts as per Legislative intent; to preserve the CFC's ability to maintain historical caseload and criminal justice data; to manage the CFC's IT security and disaster recovery functions in accordance with state requirements; and to enable the Director to meet other administrative demands of the agency.

What alternatives were explored by the agency, and why was this alternative chosen?

The CFC has been without the necessary expertise in this capacity since the individuals who filled portions of this role retired from the agency. The CFC is a very small agency and currently has FTE authority that remains unfilled (2.5 FTEs) due to previous budget reductions. Approximately 76 percent of the agency budget is allocated for compensation related expenditures. In addition, 77 percent of the budget that is currently allocated to goods and services will be spent on costs such as rent, utilities, etc.; making 92 percent of the overall budget dedicated to non-discretionary costs. The CFC does not have the financial resources necessary to hire an Information Systems Specialist/Data Scientist without additional appropriations.

What are the consequences of adopting or not adopting this package?

Not funding this decision package will leave a critical void in the management of the information systems infrastructure of the agency and the corresponding storage and use of sensitive and confidential information, including data associated with adult and juvenile offenses. This puts the agency at potential risk of lawsuits should this infrastructure be compromised.

The CFC was created intentionally by the Legislature in 1997 to be an independent, unbiased voice in the production of caseload forecasts to fulfill entitlement obligations and policy intent in order to maintain a separation between the production of these estimates and the estimates of broader agency budgets. The lack of funding enabling the CFC to continue to manage and maintain the independent accessibility of large database management systems and managing their evolutionary nature runs counter to the broader purpose of the CFC. Furthermore, without the additional staff capacity and expertise, the existing caseload forecasters will not have the data resources necessary nor sufficient time to conduct comprehensive, in-depth analyses of factors driving the caseload trends and explaining forecast variances. This inability to regularly maintain a comprehensive understanding of caseload movement will impact forecast accuracy and could result in inefficiencies in the appropriation of resources among programs impacted by the official caseload forecasts.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

Costs are calculated as follows: 1.0 FTE Information Systems Specialist/Data Scientist at mid-range of EMS Band III, the salary range of the eliminated position, (\$88,000) ; benefits at 25% of salary costs (\$22,000), and goods and services (\$24,000), travel (\$1,000), and capital outlays (\$1,000) at the average cost per FTE based on actual expenditures during the 2013-15 biennium

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Funding for this decision package is ongoing.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages		88,000	88,000
B Employee Benefits		22,000	22,000
E Goods\Other Services		24,000	24,000
G Travel		1,000	1,000
J Capital Outlays		1,000	1,000
Total Objects		136,000	136,000

Agency: 101 Caseload Forecast Council
Decision Package Code/Title: A3 TANF/WCCC Caseload Forecasts
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

Pursuant to the 2012 enactment of Engrossed House Bill 2262 (EHB 2262), funding is requested for one-half FTE to shift the production of the caseload forecasts of the Temporary Assistance for Needy Families (TANF) and the Working Connections Child Care (WCCC) programs from the Office of Financial Management (OFM) to the Caseload Forecast Council (CFC).

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State		73,000	73,000
Total Cost		73,000	73,000
Staffing	<u>FY 2016</u>	<u>FY 2017</u>	<u>Annual Average</u>
FTEs	.0	.5	.3

Package Description:

Since inception of the CFC in 1997, the TANF forecast has been presented to the Council as an informational forecast by OFM. In 2012, the Legislature enacted EHB 2262, which directed the CFC to provide courtesy forecasts of the caseloads of TANF and WCCC but did not provide funding to enable the CFC to take on the responsibility for producing these forecasts. As a result, an agreement was reached with OFM for OFM to continue to present the TANF forecast to the CFC and to add to their presentation a forecast of the WCCC program. Continuing in this manner, however, is not an ideal solution and does not fully meet the expectations of the Legislature.

The mission of the CFC is to provide state government with accurate, unbiased, and widely understood caseload forecasts; to analyze key forecast drivers; and to identify the potential risks to the forecasts. Over the last 8 years, a total of 6 official forecasts have been added to the duties of the CFC without additional funding. These additional forecasts include Extended Foster Care, Early Support for Infants and Toddlers (courtesy), State Children's Health Insurance Program, Medicaid Expansion - New Eligibles, TANF (courtesy), and WCCC (courtesy). The CFC employs nine staff - four of whom produce the caseload forecasts (including the Director who produces forecasts on a part-time basis), one confidential secretary, and the remaining four are dedicated to the criminal justice sentencing functions of the agency. With the existing four forecasters, the CFC produces 23 official caseload forecasts, the vast majority of which are comprised of a number of sub-forecasts bringing the total number of forecasts produced by the four staff to over 200. Without additional staff capacity, the existing four forecasters will be unable to absorb the forecasts of the TANF and WCCC programs. Nor will they be able to conduct regular, comprehensive, in-depth analyses of factors driving the caseloads and forecast modeling methodology which will negatively impact the overall understanding of caseload movement and the accuracy of forecasts produced and could result in inefficiencies in the appropriation of resources among programs impacted by the official caseload forecasts.

Funding this decision package will provide the CFC with the additional resources needed to hire additional staff so that the CFC can be independently responsible for producing the caseload forecasts of TANF and WCCC as per Legislative intent and to provide the needed capacity to allow for more equitable distribution of the forecasting workload among the forecasting staff, which will further support the work of the CFC in preparing high quality, accurate caseload forecasts.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The principle performance measure for agency activity level A001 "Caseload Forecasting" is forecast accuracy.

Funding this decision package will build the necessary staffing capacity to develop three accurate, independent forecasts of the TANF and WCCC caseloads each year. The added capacity will also allow for a more equitable distribution of workload among existing forecasters (and the Director) to facilitate ongoing, comprehensive reviews of caseload forecast drivers and methods, which will support achieving greater accuracy of all caseload forecasts.

Performance Measure Detail

Activity: **A001 Caseload Forecasting**

Incremental Changes

No measures submitted for package

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The mission of the CFC is to provide state government with accurate, unbiased, and widely understood caseload forecasts, to analyze key forecast drivers, and to identify the potential risks to the forecasts. It is essential that the CFC maintain an adequate level of staffing to accomplish this mission. Forecast workload has increased over the last few years, especially with implementation of the Affordable Care Act, changes in the K12 system (i.e. expansion of full day Kindergarten and implementation of charter schools), and expansions made to Extended Foster Care. The requested staffing is essential to more adequately meet Legislative intent with respect to the caseload forecasts of the TANF and WCCC programs and to support the continued production of three official forecast updates per year while maintaining the current high level of forecast accuracy.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This decision package provides essential support for the Governor's Results Washington Goal 5: Efficient, effective and accountable government.

The CFC produces accurate, unbiased, and well understood caseload forecasts that allow resources to be properly allocated to fulfill entitlement obligations and policy intent, and to determine available resources for other state priorities. The staffing increase in this decision package will enable the CFC to independently produce the caseload forecasts of the TANF and WCCC programs as per Legislative intent and, by facilitating a more equitable distribution of workload among forecast staff, will support greater accuracy of all caseload forecasts produced by the CFC.

What are the other important connections or impacts related to this proposal?

The CFC was created by the Legislature in 1997 to be an independent, unbiased voice in the production of caseload forecasts to fulfill entitlement obligations and policy intent in order to maintain a separation between the production of these estimates and the estimates of broader agency budgets. The lack of funding enabling the CFC to take on the independent production of the forecasts of the TANF and WCCC programs runs counter to the broader purpose of the CFC. Additionally, the Director of the agency works part-time as a caseload forecaster (currently 75% as a forecaster and 25% as Director) and although this helps with meeting the demands of the forecasting workload, the time spent in this capacity detracts from the ability to meet other administrative demands within the agency.

This decision package will enable the CFC to independently produce the caseload forecasts of the TANF and WCCC programs as per Legislative intent and will allow a more equitable distribution of workload among the existing forecasters to enable greater in-depth analysis of factors driving caseload changes and forecast modeling methodology in support of achieving greater forecast accuracy of all caseload forecasts produced by the agency and will enable the Director to meet other administrative demands of the agency.

What alternatives were explored by the agency, and why was this alternative chosen?

The CFC is a very small agency and currently has FTE authority that remains unfilled (2.5 FTEs) due to previous budget reductions. Approximately 76 percent of the agency budget is allocated for compensation related expenditures. In addition, 77 percent of the budget that is currently allocated to goods and services will be spent on costs such as rent, utilities, etc.; making 92 percent of the overall budget dedicated to non-discretionary costs. The CFC does not have the financial resources necessary to incorporate the caseload forecasts of the TANF and WCCC programs per Legislative intent without additional appropriations.

What are the consequences of adopting or not adopting this package?

Not funding this decision package will continue the existing process of OFM presenting forecasts of the TANF and WCCC programs to the CFC. This situation, however, does not adequately meet Legislative intent. The CFC was created intentionally by the Legislature in 1997 to be an independent, unbiased voice in the production of caseload forecasts to fulfill entitlement obligations and policy intent in order to maintain a separation between the production of these estimates and the estimates of broader agency budgets. The lack of funding enabling the CFC to take on the independent production of the forecasts of the TANF and WCCC programs runs counter to the broader purpose of the CFC.

In addition, without additional staff capacity, the existing forecasters will be unable to conduct comprehensive, in-depth analyses of factors driving the caseloads and forecast modeling methodology. Without the additional capacity to incorporate this level of regular review, the overall understanding of caseload movement and the accuracy of forecasts produced will be impacted and could result in inefficiencies in the appropriation of resources among programs impacted by the official caseload forecasts.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

Costs are calculated as follows: 0.5 FTE at current average salary of Senior Caseload Forecaster positions (\$48,000) ; benefits at 25% of salary costs (\$12,000), and goods and services (\$12,000), travel (\$500), and capital outlays (\$500) at the average cost per FTE based on actual expenditures during the 2013-15 biennium.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Funding for this decision package is ongoing.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries And Wages		48,000	48,000
B Employee Benefits		12,000	12,000
E Goods\Other Services		12,000	12,000
G Travel		500	500
J Capital Outlays		500	500

Total Objects

73,000

73,000