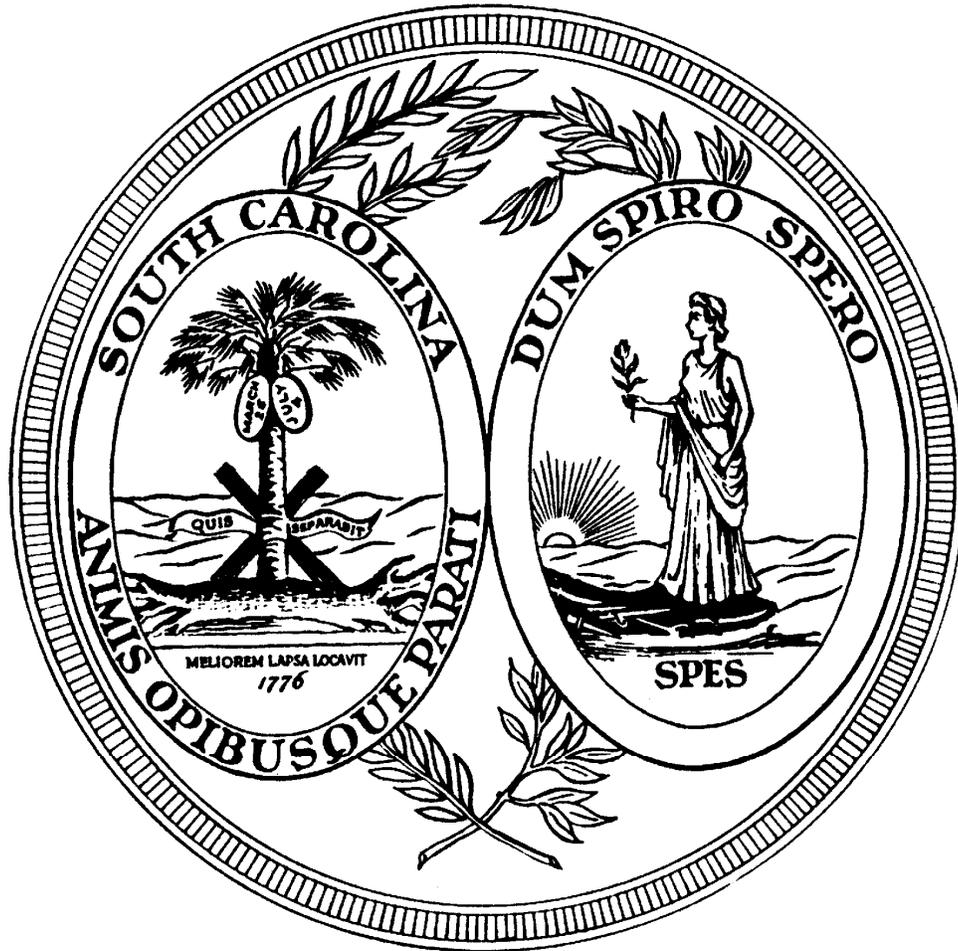


# The South Carolina Department of Social Services



Challenges - 2010

## **Mission and Values:**

The mission of the South Carolina Department of Social Services is to ensure the safety and well-being of children and adults who cannot protect themselves, and to assist families to achieve stability through food assistance, child care, child support, and temporary benefits while transitioning into employment.

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## **Major Program Areas:**

### **Child Welfare**

Child welfare programs ensure the safety and well-being of children. This system of services includes Child Protective Services, Foster Care, and Adoption Services.

### **Adult Protection**

The adult protective services program is designed to protect a vulnerable adult from harm caused by self-neglect or another person. The services include evaluating the need for protective services, securing and coordinating existing services, arranging for living quarters, obtaining financial benefits to which a vulnerable adult is entitled, and securing medical services, supplies, and legal services, and other services as needed.

### **Domestic Violence**

South Carolina ranks 2nd in the nation for domestic violence incidents. In response, DSS works with a combination of entities including Attorney General's office, SCCADVASA, and various shelters for victims as well as batterer treatment programs for offenders.

### **Temporary Assistance for Needy Families**

The Temporary Assistance for Needy Families (TANF) program assists those in need of temporary financial and employment-related assistance.

### **Supplemental Nutrition Assistance Program (SNAP) Formerly known as Food Stamps**

The food stamp and family nutrition program consists of a network of food assistance programs that improve the health and well-being of children and adults who cannot provide adequate nutrition for themselves.

### **Child Care Services**

This program is administered to increase the availability, affordability, and/or quality and safety of child care. It includes the federal Child Care Development Fund, federal Social Services Block Grant and Child Care Regulatory and Licensing.

The ABC child care funding vouchers provide children from low income families with affordable child care, helping working families stay employed.

DSS child care website developed in 2007 for parents wishing to locate or review child care facilities in their community has been well received and is considered to be a national model. The web address for this site is <http://childcare.sc.gov/main/>.

### **Child Support Enforcement**

This program establishes and enforces orders for child support for more than 220,000 citizens on a daily basis, establishes paternity for children when paternity is an issue, provides locator services when whereabouts are unknown, and collects and distributes child support payments.

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## **Economic and Caseload Issues**

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### **Leverage**

- The department receives over \$1 billion in federal funds to provide services to South Carolina citizens.
- For every State dollar lost there is a direct reduction in Federal dollars.

### **Agency Wide**

- Approximately 900,000 clients were served last year.
- The Department of Social Services staffing has declined between 11% and 12% since 2002.
- There is a direct relationship between a declining economy and increased caseloads in Food Stamps, Child Support, Child Protective Services and Adult Protective Services programs. If we could have kept caseload



levels the same between January 2007 and November 2008 in TANF, Food Stamps and Child Support, we would have needed 92 new employees. Instead, DSS has lost a total of 380 staff or full time positions to budget cuts and has implemented statewide furloughs of 10 days for managers and five days for direct services staff.

### **Child Protective Services**

- In the last two years reports of abuse and neglect have increased 4% and the number of children in protective services cases has increased 2%.
- In FY 2007-08, DSS received more than 27,000 reports of suspected abuse and/or neglect.
- As of June 30, there were approximately 11,000 children in protective services cases and 5,400 children in foster care.

- In 2007, DSS caseloads were close to the national average as a result of special assistance from the General Assembly which funded 350 additional child welfare staff. Unfortunately following budget cuts the agency caseload is currently at about 85% of the national child welfare standards.

### Food Stamp Program

- From January 2007 to December 2009 there has been an increase of approximately 235,000 citizens receiving food stamps (a 43% increase). For the first 11 months of 2009, the number of food stamp recipients has increased by approximately 115,000, a 17% increase.
- South Carolina has the lowest administrative cost and the lowest employee salaries in the nation. South Carolina's administrative cost is \$14 versus the national average of \$39.
- The agency is currently having difficulty meeting the Federal requirements for processing cases accurately. South Carolina is facing federal penalties for the amount of processing errors that are occurring, after leading the country for many years.
- Food Stamps serve as an economic stimulus; \$5 in new benefits generates \$9.20 in total community spending. A total of \$900 million was paid to clients last year.
- This program primarily serves working families, however approximately 30,000 are disabled citizens while an additional 35,000 are elderly citizens.



### TANF

- From January 2007 to December 2009, the number of TANF recipients increased from 33,854 to 50,875, a 50 % increase.
- In FY 2008-09, about 8,200 jobs were obtained by employable recipients.
- DSS is struggling to meet the increased benefit amounts for eligible clients and the challenges prescribed by the federal government for work participation in TANF. The monetary sanctions for failure to meet participation goals, which must be paid with state funds, range from \$4.9



million to a total potential sanction of \$20.7 million.

- In FY 2008-09, more than \$39.7 million was paid in Family Independence benefits. We anticipate and expenditure of more than \$44 million in FY 2009-10.

### Child Care

- ABC vouchers are designed to provide quality child care for the working poor in South Carolina so that they can maintain their jobs and be productive citizens.
- ABC vouchers serve 20,289 children per month, yet only about 20% of the eligible population receive the benefit.
- Approximately 3,500 child care facilities are licensed by the department.

### Child Support

- Caseloads in the CSED remain the highest in the nation with 835 cases per FTE. The National average is 261 cases per FTE.
- The department distributed \$255 million dollars in child support collections in FFY2009.
- For every \$1 spent in child support activities \$5.59 is returned for the custodial parent.



### Adult Protective Services

- In FY 2008-09, there were over 3,300 new clients reported.
- In FY 2008-09, there were approximately 4,500 clients receiving services.
- Due to budget cuts DSS reduced homemaker services to vulnerable adults.



## **Fast Facts about the Family Independence and Food Stamp Program**

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The South Carolina Department of Social Services (SCDSS) operates the welfare and food stamp programs for the state of South Carolina. Both programs are federally funded and designed as a safety net for low-income families.

More families are turning to SCDSS and other state agencies for help in providing food and shelter for their children. In the past two years, the number of families receiving assistance has increased dramatically because of the recession. Food stamp cases have increased by 50% and welfare cases by 38%.

For more information about the following programs, please visit the SCDSS website at [www.dss.sc.gov](http://www.dss.sc.gov).

### **Welfare (The Family Independence Program)**

- The welfare program in South Carolina is called “Family Independence (FI)” to highlight the program’s emphasis on employment and financial independence.
- The program serves three different kinds of families, families in which the parent is completely disabled, children being cared for by a relative because their parents have abandoned them, and families with an able-bodied parent.
- All able-bodied parents on the FI program are required to be in work or training 30 hours each week. If they fail to attend the work or training classes their welfare case is closed.
- Able-bodied parents who are required to be in work or training 30 hours per week receive child care for their children under age 13. This child care is paid through the ABC child care voucher program, a federally funded program.
- The average family size for welfare recipients in South Carolina is a parent and two children. South Carolina’s welfare program contains what is known as a “family cap” provision. This means that welfare checks are not increased if additional children are born to the family while they are on welfare.
- South Carolina has one of the strictest time limits on receipt of assistance in the nation. Families may not receive assistance for more than 24 months in any ten year period.
- South Carolina’s welfare policy does not allow children under the age of 18 to receive an assistance check. If a child under 18 is a parent and needs assistance, the child is required to remain in school and any assistance provided is issued to an adult guardian on behalf of the minor.
- Each family receiving assistance develops a Family Plan with their SCDSS case manager. These family plans lay out goals for parents and children. Parents are asked to attend school meetings, help with home work and request extra help if their children are having difficulties.

- Recipients who are identified with alcohol or other drug problems are ineligible unless they agree to participate in a treatment program and make good progress in that program.
- South Carolina provides one of the lowest assistance checks in the nation. A mother with two children receives a maximum payment of \$271 a month to pay for rent, utilities, clothing and all other needs except food. This amount is 18% of the amount of annual earnings that would place the family in poverty according to federal poverty guidelines.

### **Food Stamps (The SNAP Program)**

- The Food Stamp Program was renamed by Congress and is now the “Supplemental Nutrition Assistance Program” or “SNAP.”
- SNAP benefits can only be used to purchase food. Articles such as soap, toothpaste, laundry detergent, paper towels, etc. cannot be purchased with food stamps. Eligible families receive an electronic benefit card for purchases.
- SNAP income and benefit levels are set by the federal government and are designed to ensure that low-income working families can purchase sufficient nutritional food.
- Individuals convicted of a drug felony after August 22, 1996 are permanently ineligible to receive assistance in SNAP.
- The most recent data shows that half of all individuals who entered SNAP stayed 8 months or less and 61 percent exited within 1 year.
- The average household size is 2.3 persons. Forty-nine percent of all participants are children (18 or younger).
- Seventy-six percent of all benefits go to households with children, 16 percent go to households with disabled persons, and 9 percent go to households with elderly persons.
- The average gross monthly income per SNAP household is \$673.
- 65% of SNAP participants are not expected to work due to age or disability; they are either younger than 18 or older than 60. However, many individuals older than 60 work and may participate in all work programs.
- 60% of SNAP participants who are able to work are:
  - Working full or part time, or
  - Living with another employed adult, or
  - Subject to a meaningful work requirement

### ***Reauthorized TANF Contingency Fund***

The Temporary Assistance for Needy Families (TANF) program was implemented in October of 1996. This is the program that is commonly referred to as welfare reform. The TANF program replaced the old Aid to Families with Dependent Children (AFDC) program which was created in the 1930 during FDR's administration. AFDC was an open-ended entitlement program. Under AFDC states could receive as many federal dollars as they could draw down with state match. There was no cap on the program and funding could expand or contract according to the needs of the state.

When TANF was passed in 1996 funding changed from an open-ended entitlement program to a block grant. Each state received a set amount of money on an annual basis. This was the states' block grant and the state could receive no additional federal dollars for their welfare programs. As a result of this capped amount of funding states were concerned about what would happen if there were to be a major economic downturn and many more people came flooding back onto the TANF rolls. They were concerned that their block grant might not be enough to accommodate the increased caseload.

In order to provide some security for states who were concerned about this issue, Congress created the TANF Contingency Fund and appropriated \$2.5 billion dollars to this fund. In order to access this fund states had to have had an increase in needy families in the state as measured by families receiving food stamps. The state was also required to be investing additional state dollars on needy families. Because the requirements to access the Contingency fund were so stringent, only SC and TN were able to draw down Contingency fund dollars.

SC was able to access the fund because food stamp caseloads were increasing and because DSS was able to use state investments in 4K kindergarten and lottery scholarships awarded to needy families to meet the state investment requirements. As a result of tapping in to these funds the agency received \$160 million in additional funding over the past eight years. The state of Tennessee received an even larger amount.

Because the contingency fund was appropriated more than two billion dollars and only two states were able to draw down these dollars, SC anticipated continuing to receive these funds. However, beginning with the economic downturn in 2008, many other states qualified for the fund and the fund was completely depleted in 2009. Instead of the \$20 million SC had been receiving annually, we received a total of \$3.6 in January and we will receive no additional funds unless the contingency fund is replenished.

The President Obama called for the contingency fund to be replenished in his budget. A replenishment of the 1996 funds would enable DSS to continue and expand our employment-based assistance to low-income families. Without additional funds some job programs will be terminated in September of 2010.

### ***Early Reauthorization of TANF***

The welfare program that was established during FDR's administration continued pretty much unchanged until 1996 when the welfare reform program was implemented. Under the old program, parents were not required to work and the federal government supplied an unlimited pot of money for states to use to pay welfare checks. The only catch was that states had to supply their own funds to match the federal dollars. States like SC with smaller state revenue had less money to put up for match and they got fewer federal dollars back from Washington to spend on welfare, while states with big state revenues, like New York or California got lots of federal dollars for welfare.

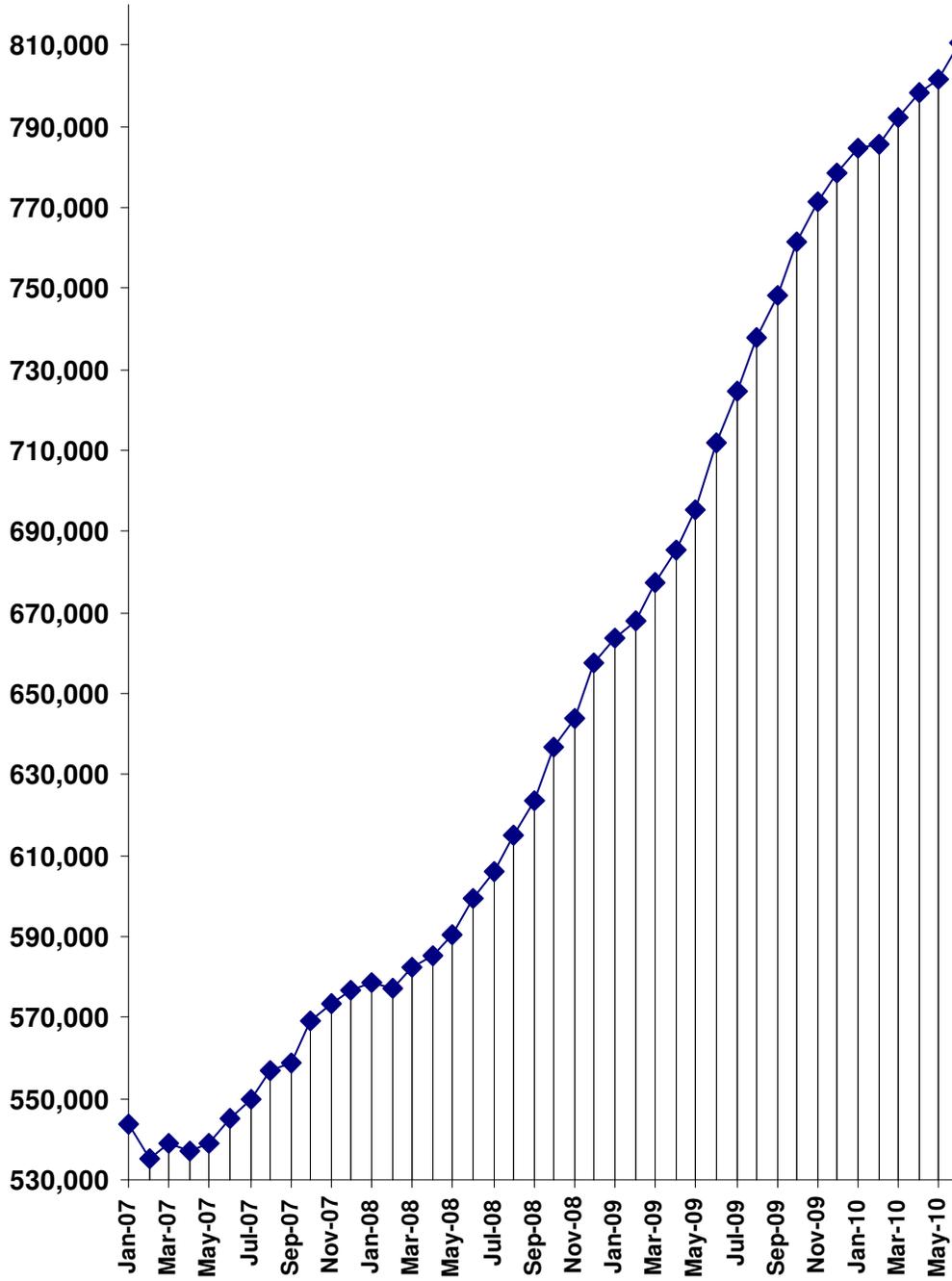
In 1996 when welfare reform was passed, Congress put a limit on the amount of federal dollars states could get for welfare, changing the program to a block grant. They also set a time limit for how long a family could be on welfare and parents on welfare are now required to work for a minimum of 30 hours per week to get a welfare check. An important part of welfare reform was deciding how to distribute the new welfare block grant. Big states that had gotten lots of federal welfare money in the past wanted the old formula used. States with a large population in poverty, like SC, wanted a formula based on an equal distribution according to each state's percentage of the population in poverty to be used. The final decision was in favor of the old system. As a result of this decision SC has lost more than \$200 million in federal support for families in poverty.

In 2010 Congress is set to reauthorize the welfare to work program. This is the right time to ask for equity for SC and other states. The amount of the welfare block grant has not changed since 1996 and neither has the distribution system. States may ask Congress for some additional money to make up for the dollars lost to inflation over the past 14 years. The amount lost to inflation is about \$5 billion. If this new money is distributed under the old formula, SC would get about 32 million dollars. If an equitable distribution based on poverty is used SC would get \$93 million.

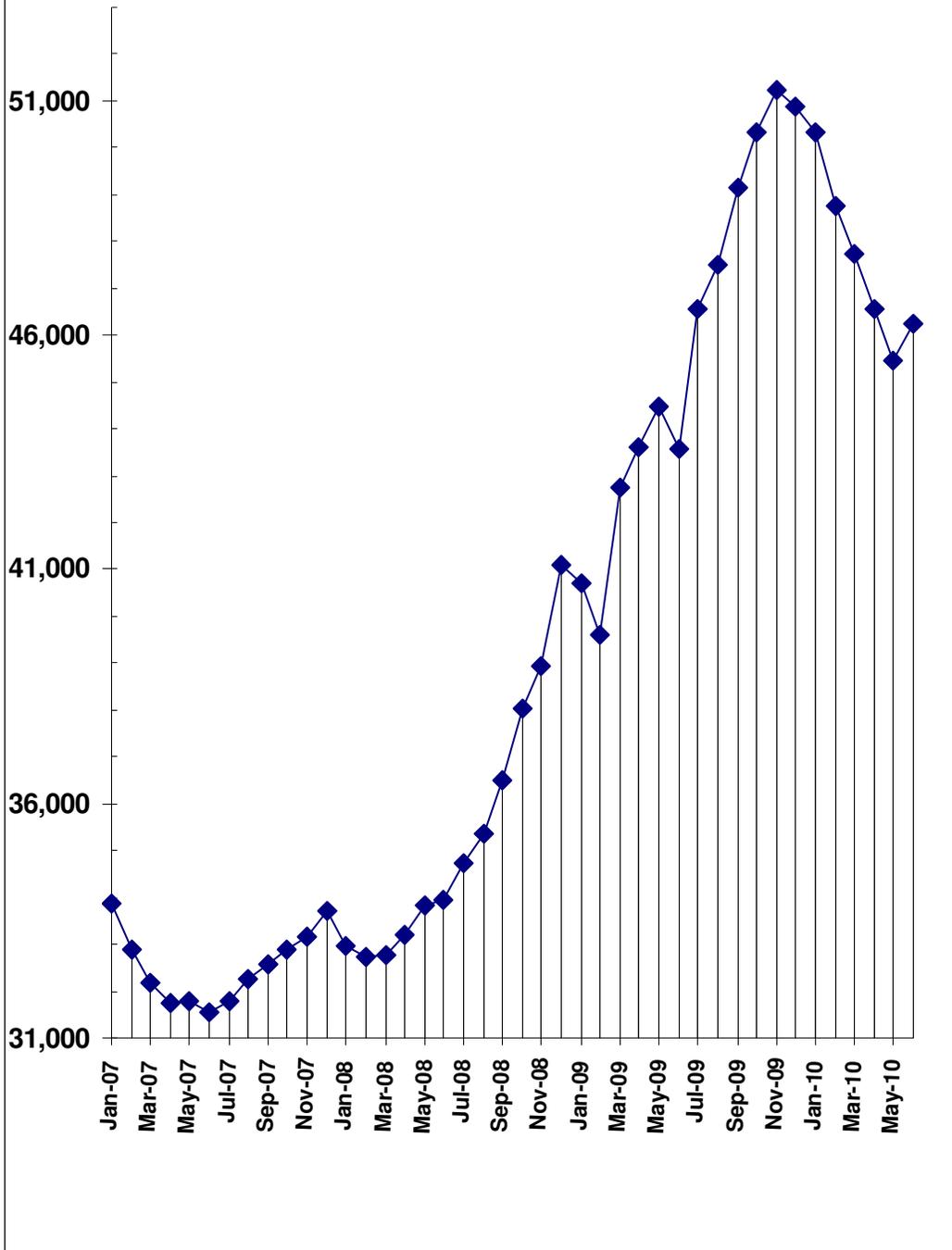
### **Number of Children Served by TANF Funds**

<b>Service Provided</b>	<b>Approximate Number Served</b>
Child Abuse and Neglect	26,000
TANF Child Caseload	33,434
Teen Pregnancy Programs	11,067
<b>Total</b>	<b>70,501</b>

### Food Stamp Recipients January 2007 to June 2010



### Family Independence Recipients January 2007 to June 2010



### Child Support Caseload January 2007 to June 2010

