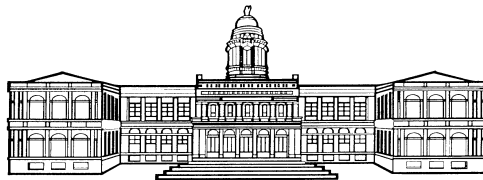


THE COUNCIL OF THE CITY OF NEW YORK

Finance Division



Hearing on the Fiscal 2010 Executive Budget for the **Human Resources Administration Department of Social Services**

May 26, 2009

Hon. Christine C. Quinn
Speaker

Hon. David I. Weprin
Chair, Committee on Finance

Hon. Bill De Blasio
Chair, Committee on General Welfare

Preston Niblack
Director

Jeffrey Rodus
First Deputy Director

Latonia McKinney
Deputy Director

Crystal Coston
Legislative Financial
Analyst

Human Resources Administration/Department of Social Services (069)

Agency Overview

The Human Resources Administration (HRA) provides cash assistance and employment services at 27 job centers and the Riverview Annex (12 are model offices designed to streamline workflow and enhance access to services), as well as at the Family Call Center, its satellite locations and the Seniorworks Center. Food stamps are provided at 26 centers and public health insurance at 19 Medicaid Community Model Offices. HRA provides support services to individuals with AIDS and HIV-related illnesses through 12 centers, as well as protective services to adults through five HRA borough offices and four contracted programs. HRA determines the home care eligibility of disabled or frail Medicaid recipients through nine Community Alternative Systems Agency offices and 84 contracts with 63 home care provider agencies. Services to victims of domestic violence are offered through 49 State-licensed residential programs, 15 nonresidential programs, and various HRA programs. HRA assists New York City families in obtaining child support orders and collecting child support payments at four borough and five Family Court offices.

Expense Budget Highlights

The Human Resources Administration's Fiscal 2010 Executive operating budget is \$7.9 billion, of which \$5.8 billion are City funds. The overall operating budget for HRA increased by \$165 million, or two percent since the Fiscal 2010 Preliminary Budget of \$7.7 million. City funding also increased in the Fiscal 2010 Executive budget by \$202 million, or four percent. The increase in the Department's overall expense budget is from an increase in State, federal and City funding through a community development block grant included in the federal stimulus funding, increases in cash assistance and employment grants, and collective bargaining.

The Fiscal 2010 Executive Budget for HRA includes additional PEG reductions of approximately \$21.4 million for Fiscal 2010 and in the outyears including: a savings of \$744,000 State and federal reimbursements for the staffing of 19 positions in the Investigations and Revenue Administration and general administration departments; a \$5.3 as a result of State and federal reimbursements for medical costs; a savings of \$4.9 million resulting from a new methodology used for the allocation of leased space; a \$5 million as a result of federal reimbursements for Food Stamp and Employment Training (FSET) participants; a federal increase of \$298 for cash assistance employment grants; a savings of \$1.7 million from the reduction of 145 positions in the Investigation and Revenue Administration and General Administration department; a savings of \$1.9 million from a reduction in spending on WeCare employment service vendor contracts; a \$1.2 million reduction as a result of delays in computer upgrades and a \$149,000 reduction from fleet related expenses.

As part of the American Recovery and Reinvestment Act (ARRA) of 2009, HRA will receive \$1.7 million of a Community Development Block Grant (CDBG) and \$1.6 billion in enhanced Federal Medicaid Assistance Percentage (FMAP) funds. HRA will use the CBDG funds to create jobs and improve conditions in neighborhoods affected by abandonment and high foreclosures, and the FMAP funds will be used toward the City's operating budget relief.

Since the Fiscal 2009 Adopted Budget, HRA has proposed a number of headcount reductions and transfers, and changes in employment and supportive services. More analysis of these changes is outlined in the Program Budget Overview section of this report.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$679,126,298 | \$692,260,766 | \$713,583,588 | \$721,461,912 |
| Other than Personal Services | \$8,002,759,350 | \$7,806,047,089 | \$7,008,653,881 | \$7,165,675,906 |
| Total | \$8,681,885,648 | \$8,498,307,855 | \$7,722,237,469 | \$7,887,137,818 |
| Funding | | | | |
| City | NA | \$6,513,040,357 | \$5,647,828,458 | \$5,849,953,131 |
| State | NA | \$997,642,875 | \$1,072,566,633 | \$1,049,267,403 |
| Federal - CDBG | NA | \$2,937,510 | \$0 | \$1,170,000 |
| Federal - Other | NA | \$983,598,148 | \$1,000,753,413 | \$985,658,319 |
| Intra-City | NA | \$1,088,965 | \$1,088,965 | \$1,088,965 |
| Total | NA | \$8,498,307,855 | \$7,722,237,469 | \$7,887,137,818 |
| Headcount | | | | |
| Fulltime Positions | 13,994 | 15,154 | 14,714 | 14,582 |

Capital Budget

Current Budget Summary

The May 2010 Capital Commitment Plan includes \$127.9 million in Fiscal 2009-2013 for the Human Resources Administration (including City and Non-City funds). This represents less than one percent of the City's total \$47.1 billion May Plan for Fiscal 2009-2013. The agency's May Commitment Plan for Fiscal 2009-2013 is 17 percent less than the \$154.1 million in the January Commitment Plan, a decrease of \$26.2 million.

Over the past five years, the Human Resources Administration has only committed an average of 19.4 percent of its annual capital plan. Therefore, it is assumed that a large portion of the agency's Fiscal 2009 capital plan will be rolled into Fiscal 2010, thus greatly increasing the size of the Fiscal 2010-2014 Capital Plan. Since adoption last June, the Capital Commitment Plan for Fiscal 2009 has decreased from \$66.4 million to \$64.5 million, a reduction of \$1.9 million or 2.9 percent.

Currently the Human Resources Administration's appropriations total \$73.1 million in City-funds for Fiscal 2009. These appropriations are to be used to finance the Human Resources Administration's \$48.6 million City-funded Fiscal 2009 Capital Commitment program. The agency has over 50.6 percent more funding than it needs to meet its entire capital commitment program for the current fiscal year.

In January the Mayor announced his intention to reduce the City's capital plan by 30 percent. The objective of the capital cut is to reduce the amount of the City's general obligation (GO) debt service as a percentage of total revenues. The 30 percent reduction in the Ten-Year Capital Plan Fiscal 2010 – 2019 would reduce the long-term average annual growth in debt service costs to 3.4 percent, equal to the level of forecast growth in City revenues. The 2010 Executive Capital Budget includes \$47.0 billion in planned commitments for Fiscal 2010 – 2019. This total includes \$12.8 billion in commitments for capital projects for the Department of Environmental Protection (DEP) which are funded primarily by non-GO debt. The GO-funded portion of the Fiscal 2010 – 2019 Executive Capital Plan is \$34.2 billion; this is \$6.9 billion or 16.9 percent less than the \$41.1 billion Preliminary Fiscal 2010 – 2019 Capital Plan.

HRA's Capital Commitment Plan, 2009-2013

Millions of dollars

| | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | TOTAL |
|-----------------------|-----------------|-----------------|-------------------|------------------|-------------------|-------------------|
| January Plan | | | | | | |
| City | \$52,957 | \$12,746 | \$16,443 | \$10,786 | \$20,288 | \$113,220 |
| Non-City | \$11,729 | \$5,419 | \$8,952 | \$5,813 | \$8,927 | \$40,840 |
| Total | \$64,686 | \$18,165 | \$25,395 | \$16,599 | \$29,215 | \$154,060 |
| Executive Plan | | | | | | |
| City | \$52,957 | \$15,610 | \$7,348 | \$7,551 | \$11,685 | \$95,151 |
| Non-City | \$11,590 | \$8,741 | 3,774 | \$3,990 | \$4,648 | \$32,743 |
| Total | \$64,547 | \$24,351 | \$11,122 | \$11,541 | \$16,333 | \$127,894 |
| Difference | | | | | | |
| City | \$0 | \$2,864 | (\$9,095) | (\$3,235) | (\$8,603) | (\$18,069) |
| Non-City | (\$139) | \$3,322 | (\$5,178) | (\$1,823) | (\$4,279) | (\$8,097) |
| Total | (\$139) | \$6,186 | (\$14,273) | (\$5,058) | (\$12,882) | (\$26,166) |
| Percent Chng. | (214%) | 34% | (56%) | (30%) | (44%) | (17%) |

Program Budget Overview

HRA's Program Budget consists of the following programs.

| Program | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|--|------------------------|------------------------|-------------------------|------------------------|
| Adult Protective Services | \$39,452,862 | \$44,265,170 | \$46,101,795 | \$47,416,567 |
| CEO Evaluation | \$1,958,859 | \$3,480,000 | \$2,570,786 | \$2,618,079 |
| Domestic Violence Services | \$84,269,235 | \$92,769,991 | \$93,761,544 | \$93,811,544 |
| Employment Services Administration | \$25,649,457 | \$27,692,519 | \$27,475,021 | \$28,348,124 |
| Employment Services Contracts | \$159,694,050 | \$148,700,502 | \$124,795,888 | \$123,244,083 |
| Food Assistance Programs | \$14,630,041 | \$12,230,719 | \$10,218,739 | \$10,218,739 |
| Food Stamp Operations | \$60,741,555 | \$65,661,079 | \$68,362,555 | \$69,631,527 |
| General Administration | \$278,285,193 | \$291,376,862 | \$285,264,399 | \$291,725,053 |
| HIV and AIDS Services | \$212,070,430 | \$216,698,889 | \$214,552,491 | \$215,227,618 |
| Home Energy Assistance | \$35,552,396 | \$24,060,391 | \$24,143,092 | \$24,152,179 |
| Information Technology Services | \$89,736,702 | \$92,750,357 | \$86,717,881 | \$85,730,805 |
| Investigations and Revenue Admin | \$63,839,178 | \$55,660,612 | \$57,352,674 | \$56,181,480 |
| Medicaid - Eligibility & Admin | \$86,319,585 | \$89,957,608 | \$93,572,327 | \$95,193,123 |
| Medicaid and Homecare | \$5,815,234,701 | \$5,666,612,240 | \$4,815,439,477 | \$4,965,475,660 |
| Office of Child Support Enforcement | \$52,628,928 | \$57,597,737 | \$57,796,779 | \$58,379,989 |
| Public Assistance and Employment Admin | \$195,802,550 | \$198,820,044 | \$197,359,470 | \$199,424,503 |
| Public Assistance Grants | \$1,258,508,919 | \$1,176,688,798 | \$1,299,373,060 | \$1,299,373,060 |
| Public Assistance Support Grants | \$19,710,367 | \$22,594,392 | \$22,568,966 | \$22,568,966 |
| Subsidized Employ & Job-Related Training | \$108,635,549 | \$127,681,195 | \$120,801,776 | \$124,036,165 |
| Substance Abuse Services | \$79,165,090 | \$83,008,750 | \$74,008,749 | \$74,380,554 |
| Total | \$8,681,885,648 | \$8,498,307,855 | \$7,722,237,469 | \$7,887,137,818 |

| Headcount | | | | |
|--|-----------------------------|----------------------------|--------------------------------|------------------------------|
| Program | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
| Adult Protective Services | 404 | 452 | 452 | 446 |
| CEO Evaluation | 14 | 6 | 6 | 6 |
| Domestic Violence Services | 181 | 222 | 222 | 205 |
| Employment Services Administration | 243 | 299 | 294 | 253 |
| Food Stamp Operations | 1,485 | 1,574 | 1,537 | 1,561 |
| General Administration | 2,445 | 2,627 | 2,615 | 2,517 |
| HIV and AIDS Services | 1,271 | 1,279 | 1,249 | 1,252 |
| Home Energy Assistance | 23 | 31 | 31 | 31 |
| Information Technology Services | 558 | 613 | 544 | 615 |
| Investigations and Revenue Admin | 1,262 | 1,350 | 1,256 | 1,144 |
| Medicaid - Eligibility & Admin | 1,515 | 1,703 | 1,700 | 1,757 |
| Medicaid and Homecare | 735 | 784 | 784 | 769 |
| Office of Child Support Enforcement | 813 | 929 | 927 | 886 |
| Public Assistance and Employment Admin | 3,044 | 3,285 | 3,097 | 3,140 |
| Total | 13,993 | 15,154 | 14,714 | 14,582 |

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Adult Protective Services

Adult Protective Services (APS) is a state-mandated case management program that arranges services and support for physically and/or mentally impaired individuals, 18 years of age and older, who are unable to manage their own resources, carry out activities of daily living or protect themselves without assistance from others. Services may include referrals for psychiatric or medical exams, assistance in obtaining government entitlements and other social services, cleaning services and identification of alternative living arrangements.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$20,900,194 | \$23,949,707 | \$25,282,992 | \$25,324,264 |
| Other than Personal Services | \$18,552,668 | \$20,315,463 | \$20,818,803 | \$22,092,303 |
| Total | \$39,452,862 | \$44,265,170 | \$46,101,795 | \$47,416,567 |
| Funding | | | | |
| City | NA | \$8,344,385 | \$9,487,676 | \$10,151,554 |
| State | NA | \$11,837,001 | \$12,527,208 | \$13,175,708 |
| Federal - Other | NA | \$24,083,784 | \$24,086,911 | \$24,089,305 |
| Total | NA | \$44,265,170 | \$46,101,795 | \$47,416,567 |
| Headcount | | | | |
| Full-time Positions | 404 | 452 | 452 | 446 |

CEO Evaluation

The Mayor has committed \$65 million annually to fund programs that seek to implement innovative ways to reduce poverty in New York City based on the recommendations of the Commission on Economic Opportunity (CEO).

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$416,859 | \$350,000 | \$471,286 | \$476,586 |
| Other than Personal Services | \$1,542,000 | \$3,130,000 | \$2,099,500 | \$2,141,493 |
| Total | \$1,958,859 | \$3,480,000 | \$2,570,786 | \$2,618,079 |
| Funding | | | | |
| City | NA | \$3,480,000 | \$2,559,706 | \$2,606,879 |
| State | NA | \$0 | \$3,804 | \$3,847 |
| Federal – Other | NA | \$0 | \$7,276 | \$7,353 |
| Total | NA | \$3,480,000 | \$2,570,786 | \$2,618,079 |
| Headcount | | | | |
| Full-time Positions | 14 | 6 | 6 | 6 |

In the Fiscal 2010 Preliminary Plan, the agency proposed an increase in spending of \$2.6 million in Fiscal 2010 for six staffers and a contract to evaluate and measure the effectiveness of CEO Programs.

Domestic Violence Services

The Office of Domestic Violence (ODV) provides both residential and non-residential services to victims of domestic violence. Residential services include temporary housing and emergency shelter, and non-residential services consist of supportive services for victims and their children. All programs provide a safe environment as well as counseling, advocacy and referral services. The ODV directly operates one emergency domestic violence shelter, oversees reimbursement of 35 private emergency residential programs, and oversees and provides client referrals for four transitional housing programs.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$9,804,013 | \$9,664,650 | \$10,270,675 | \$10,270,675 |
| Other than Personal Services | \$74,465,222 | \$83,105,341 | \$83,490,869 | \$83,540,869 |
| Total | \$84,269,235 | \$92,769,991 | \$93,761,544 | \$93,811,544 |
| Funding | | | | |
| City | NA | \$25,979,103 | \$22,593,528 | \$22,471,088 |
| State | NA | \$23,559,591 | \$24,884,517 | \$24,935,090 |
| Federal - Other | NA | \$43,231,297 | \$46,283,499 | \$46,405,366 |
| Total | NA | \$92,769,991 | \$93,761,544 | \$93,811,544 |
| Headcount | | | | |
| Full-time Positions | 181 | 222 | 222 | 205 |

Employment Services Administration

This program administers employment programs for Public Assistance recipients.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$14,299,455 | \$16,321,331 | \$16,103,833 | \$16,342,032 |
| Other than Personal Services | \$11,350,003 | \$11,371,188 | \$11,371,188 | \$12,006,092 |
| Total | \$25,649,457 | \$27,692,519 | \$27,475,021 | \$28,348,124 |
| Funding | | | | |
| City | NA | \$8,324,940 | \$8,216,359 | \$8,120,282 |
| State | NA | \$10,045,614 | \$10,046,419 | \$10,400,264 |
| Federal - Other | NA | \$9,321,965 | \$9,212,243 | \$9,827,578 |
| Total | NA | \$27,692,519 | \$27,475,021 | \$28,348,124 |
| Headcount | | | | |
| Full-time Positions | 243 | 299 | 294 | 253 |

Employment Services Contracts

HRA provides a large portion of its employment services through two contracted programs and they are WeCARE and Back to Work.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Other than Personal Services | \$159,694,050 | \$148,700,502 | \$124,795,888 | \$123,244,083 |
| Total | \$159,694,050 | \$148,700,502 | \$124,795,888 | \$123,244,083 |
| Funding | | | | |
| City | NA | \$42,709,597 | \$7,525,795 | \$40,527,288 |
| State | NA | \$21,564,000 | \$25,014,250 | \$6,917,956 |
| Federal - CDBG | NA | \$0 | \$0 | \$1,170,000 |
| Federal - Other | NA | \$84,426,905 | \$92,255,843 | \$74,628,839 |
| Total | NA | \$148,700,502 | \$124,795,888 | \$123,244,083 |

Under the Back to Work program, a single vendor works with an individual to assist them in finding employment from the time they apply for cash assistance through placement and retention in a job, allowing them to build stronger relationships with each other and leading to more seamless service delivery and more successful job placement rates

WeCARE serves public assistance clients who exhibit barriers to employment. The program provides clients with a continuum of assessment, treatment, and rehabilitation services to facilitate health, wellness and self-sufficiency. Back to Work contracts with community-based employment and training organizations to provide job readiness training, placement services and vocational training to applicants and recipients of public assistance.

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget spending for Employment Services Contracts decreased by \$1.6 million, or 1.3 percent. The majority of the reduction in this program area is from the reduction in WeCare employment contracts.

WECARE Contract Reductions

In the Fiscal 2010 Executive Budget, HRA proposes a savings of \$2.4 million (\$1.5 million in City tax-levy funds) in Fiscal 2010 and in the outyears from a reduction to WeCare employment contracts. HRA plans to work with providers to find for administrative efficiencies, minimizing impact to services.

Community Development Block Grant (CDBG)

In HRA's Fiscal 2010 Executive Budget, \$1.7 million of Federal Community Block Grant funding is added and will be used to fund the Agency's neighborhood improvement pilot program, aimed at reducing the effects of the mortgage crisis in fragile neighborhoods while providing valuable work experience and employment services for hard-to-employ cash assistance recipients. Participants conduct minor repairs on foreclosed or abandoned properties, remove rubbish and graffiti, and work with local commercial districts to keep the areas clean. Using Community Development (CD) American Recovery and Reinvestment Act (ARRA) funds, HRA and the Center for New York City Neighborhoods (CNYCN) will provide part-time, transitional jobs to an approximate 240 additional participants during Fiscal 2010. Following participants' completion of the program, HRA will make available post-program job placement services. Participant training will also be made available by an HRA-contracted employment vendor.

Food Assistance Programs

The Emergency Food Assistance Program (EFAP) provides nutrition education and food stamp outreach, and funds the distribution of food to soup kitchens and food pantries.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Other than Personal Services | \$14,630,041 | \$12,230,719 | \$10,218,739 | \$10,218,739 |
| Total | \$14,630,041 | \$12,230,719 | \$10,218,739 | \$10,218,739 |
| Funding | | | | |
| City | NA | \$9,128,719 | \$7,116,739 | \$7,116,739 |
| State | NA | \$214,000 | \$214,000 | \$214,000 |
| Federal - Other | NA | \$2,888,000 | \$2,888,000 | \$2,888,000 |
| Total | NA | \$12,230,719 | \$10,218,739 | \$10,218,739 |

Food Stamp Operations

The Food Stamp Assistance Program provides funding toward the Emergency Food Assistance Program (EFAP), which funds the distribution of food to 500 soup kitchens and food pantries citywide, and the Food Stamp Nutrition Outreach Program (FSNOP), which specializes in educating the general public about the Food Stamp program.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$57,189,891 | \$61,809,459 | \$64,510,935 | \$65,522,698 |
| Other than Personal Services | \$3,551,664 | \$3,851,620 | \$3,851,620 | \$4,108,829 |
| Total | \$60,741,555 | \$65,661,079 | \$68,362,555 | \$69,631,527 |
| Funding | | | | |
| City | NA | \$17,405,145 | \$18,400,127 | \$18,925,213 |
| State | NA | \$16,172,531 | \$16,258,989 | \$16,366,119 |
| Federal - Other | NA | \$32,083,403 | \$33,703,439 | \$34,340,195 |
| Total | NA | \$65,661,079 | \$68,362,555 | \$69,631,527 |
| Headcount | | | | |
| Full-time Positions | 1,485 | 1,574 | 1,537 | 1,561 |

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget, funding for food stamp operations increased by \$1.3 million or 1.9 percent. The majority of the increased spending in this area is from the addition of 24 positions.

General Administration

General Administration includes funding for all other administrative functions which cannot be clearly linked to any specific program area, and funding for Information Technology Services for all information technology needs of the agency.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$131,593,814 | \$144,342,923 | \$150,895,032 | \$154,567,124 |
| Other than Personal Services | \$146,691,379 | \$147,033,939 | \$134,369,367 | \$137,157,929 |
| Total | \$278,285,193 | \$291,376,862 | \$285,264,399 | \$291,725,053 |
| Funding | | | | |
| City | NA | \$109,289,673 | \$97,225,608 | \$99,235,350 |
| State | NA | \$90,357,922 | \$98,996,049 | \$100,668,199 |
| Federal - CDBG | NA | \$2,937,510 | \$0 | \$0 |
| Federal - Other | NA | \$87,702,792 | \$87,953,777 | \$90,732,539 |
| Intra-City | NA | \$1,088,965 | \$1,088,965 | \$1,088,965 |
| Total | NA | \$291,376,862 | \$285,264,399 | \$291,725,053 |
| Headcount | | | | |
| Full-time Positions | 2,445 | 2,627 | 2,615 | 2,517 |

General Administration spending increased by \$6.5 million, or two percent, between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget. The majority of the increase is due to collective bargaining costs. Since the Fiscal 2010 Preliminary Budget, headcount has also been reduced by 98 positions.

Telecommunication Savings

In the November Financial Plan, the agency proposed a cost savings of \$2.3 million (\$1.2 million in City tax-levy funds) in Fiscal 2010 and in the outyears from the full implementation of the Voice Over Internet Protocol Project (VOIP), which will reduce costs for telecommunications throughout the agency.

Agencywide Overtime Reductions

In the Fiscal 2010 Preliminary Budget, HRA proposed a savings of \$8.8 million (\$5.5 million in City tax-levy funds) in Fiscal 2010 from improved management of overtime utilization throughout the agency. A portion of this savings includes overtime reductions in general administration and information technology.

Agencywide Personnel Vacancy Reductions

In the Fiscal 2010 Preliminary Budget, HRA proposed a savings of \$11.9 million in City tax-levy funding in Fiscal 2010 and \$12 million in the outyears from the elimination of 379 vacant positions throughout the agency, specifically 95 in general administration and information technology. This will save \$4.5 million in Fiscal 2010 and in the outyears in these areas.

HIV and AIDS Services

The HIV/AIDS Services Administration (HASA) is the primary mechanism within HRA which expedites access to essential benefits and social services needed by persons living with AIDS or advanced HIV illnesses and their families. HASA provides intake and needs assessment, assists clients with SSI/SSDI applications, direct linkages to public assistance, Medicaid, food stamps, home care, and homemaking services; ongoing intensive case management including the development of permanency plans for families, as well as periodic monitoring and crisis intervention for clients to maintain or modify their services and placements; voluntary vocational counseling/rehabilitation, job training and placement and other employment services that support the clients choice to work; and refers them to community-based resources for a variety of additional services including housing placement.

HASA also provides clients with emergency and non-emergency housing. Emergency housing consists of commercial hotel single room occupancy (SRO) and transitional congregate housing. Non-emergency housing consists of Scatter Site I and II, permanent congregate and independent private sector apartments or NYCHA placements.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$59,345,025 | \$50,162,171 | \$51,171,167 | \$51,846,294 |
| Other than Personal Services | \$152,725,406 | \$166,536,718 | \$163,381,324 | \$163,381,324 |
| Total | \$212,070,430 | \$216,698,889 | \$214,552,491 | \$215,227,618 |
| Funding | | | | |
| City | NA | \$75,588,734 | \$67,371,096 | \$67,814,448 |
| State | NA | \$85,716,899 | \$83,976,005 | \$84,037,034 |
| Federal - Other | NA | \$55,393,256 | \$63,205,390 | \$63,376,136 |
| Total | NA | \$216,698,889 | \$214,552,491 | \$215,227,618 |
| Headcount | | | | |
| Full-time Positions | 1,271 | 1,279 | 1,249 | 1,252 |

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget, spending for HASA services increased slightly by \$675,000, or less than one percent, and headcount increased by three positions.

Transfer of Scatter Site II Clients to HASA Case Management

In the 2009 November Plan, HRA proposed to transfer SSII clients to HASA case management which would result in a \$1.3 million City tax-levy savings in Fiscal 2009, and \$4 million in Fiscal 2010 and in the outyears. Due to the loss of State funding, case management provided by SS II providers would cease, and those clients would look to their HASA case managers for all services. The agency felt that this was possible because the HASA caseload had stabilized, and that it could absorb the needs of this population. This transfer was to take effect this fiscal year.

However, the Council was able to convince the Administration to not implement this PEG for this year, allowing the SS II program contracts to expire on June 30, 2009 rather than sooner. The reduction is still proposed for Fiscal 2010. The delay gave the agency more time to develop a transition plan for the 425 SSII clients to HASA and/or more intensive case management. As part of the transition, clients currently in the SS II supportive housing program will be assessed by both their community-based organization and HASA case managers to determine the level of case management needed after SSII is phased out. Clients who may need more intense case management will be referred to Consolidated

Omnibus Budget Reconciliation Act (COBRA) case management (which is covered under Medicaid benefits). Additionally, with the phasing out of SS II supportive housing, clients will remain in their apartments, and those who were receiving rental assistance and/or SSI will continue to do so.

Reduce HIV/AIDS Contracted Case Management Staff

In the Fiscal 2010 Preliminary Budget, the agency proposed to reduce the funding to case management contracts in SSI and permanent congregate supportive housing programs, in an effort to eliminate duplicate functions. However, advocates and providers have cited distinctive differences in the two. HASA case managers provide assessment and access to services and public benefits, and contracted case managers provide psycho-social case management to clients. This action would increase HASA case managers case load ratio from 20:1 to 30:1, and result in the elimination of approximately 60 contracted Scatter Site I and permanent congregate case managers. If implemented, the savings from this action would be \$3.8 million (\$1.9 million in City tax-levy funds) in Fiscal 2010 and the outyears.

Home Energy Assistance

The Home Energy Assistance Program (HEAP) is a federally funded program that provides grants to low-income homeowners and renters to assist them in paying bills for heating fuel, equipment and repairs. The grants range from \$40 to \$400 a year. The program consists of two major components; regular and emergency benefits. Emergency benefits are offered in addition to the regular HEAP benefits.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|---------------------------------|--------------------------------|------------------------------------|----------------------------------|
| Spending | | | | |
| Personal Services | \$1,641,079 | \$2,060,391 | \$2,143,092 | \$2,152,179 |
| Other than Personal Services | \$33,911,317 | \$22,000,000 | \$22,000,000 | \$22,000,000 |
| Total | \$35,552,396 | \$24,060,391 | \$24,143,092 | \$24,152,179 |
| Funding | | | | |
| City | NA | \$564,118 | \$645,432 | \$654,512 |
| State | NA | \$0 | \$872 | \$874 |
| Federal - Other | NA | \$23,496,273 | \$23,496,788 | \$23,496,793 |
| Total | NA | \$24,060,391 | \$24,143,092 | \$24,152,179 |
| Headcount | | | | |
| Full-time Positions | 23 | 31 | 31 | 31 |

Information Technology Services

This program area contains funding for the information technology needs of the agency.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$42,336,747 | \$42,702,063 | \$46,051,027 | \$46,345,637 |
| Other than Personal Services | \$47,399,955 | \$50,048,294 | \$40,666,854 | \$39,385,168 |
| Total | \$89,736,702 | \$92,750,357 | \$86,717,881 | \$85,730,805 |
| Funding | | | | |
| City | NA | \$45,634,351 | \$41,635,690 | \$41,191,330 |
| State | NA | \$18,796,887 | \$17,627,465 | \$17,381,516 |
| Federal - Other | NA | \$28,319,119 | \$27,454,726 | \$27,157,959 |
| Total | NA | \$92,750,357 | \$86,717,881 | \$85,730,805 |
| Headcount | | | | |
| Full-time Positions | 558 | 613 | 544 | 615 |

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget, spending on information technology has decreased by \$986,000, or 1.1 percent. However, headcount has increased by 71 positions.

Computer Equipment Replacement

In the Fiscal 2010 Executive Budget, HRA proposes a savings of \$2.3 million (\$1.2 million in CTL funds) in Fiscal 2010 and in the outyears from delays in computer replacement purchases.

Health and Human Services Connect (HHS-Connect)

In Mayor Bloomberg's March 24, 2008 press release, he announced the creation of HHS-Connect, a system that will allow sharing of client information among City health and human service agencies. HHS-Connect will link more than a dozen City agencies so that caseworkers are able to share client information without compromising confidentiality. Clients will only need to provide their personal and other pertinent information one time to be included in a virtual integrated case file which they will be able to access and update online. Additional information, relevant only to specific agencies, will be collected on an as-needed basis. HRA's Fiscal 2010 Executive Budget reflects an increase of \$520,000 in Fiscal 2010 and \$398,000 in Fiscal 2011 and in the outyears for HRA HHS-Connect costs.

Investigations and Revenue Administration

This program area is composed of two distinct offices: the Office of Investigations and the Office of Revenue and Administration. The Office of Investigations conducts criminal investigations of individuals and organized groups alleged to be attempting or committing fraudulent acts against social service programs. The Bureau of Eligibility Verification, a department within the Office of Investigations, contributes to the integrity of the public assistance eligibility process through reviews of applicants and recipients of assistance. The Office of Revenue and Administration is responsible for recovery of overpayments and monies due to HRA. This program represents the City's portion of the cost of the Medicaid program. State and federal funding, which make up over 75 percent of the program's funding, are not included in the City's budget.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$63,172,561 | \$54,559,412 | \$56,251,474 | \$55,080,280 |
| Other than Personal Services | \$666,617 | \$1,101,200 | \$1,101,200 | \$1,101,200 |
| Total | \$63,839,178 | \$55,660,612 | \$57,352,674 | \$56,181,480 |
| Funding | | | | |
| City | NA | \$29,360,032 | \$27,702,973 | \$26,213,257 |
| State | NA | \$12,449,940 | \$13,870,532 | \$14,063,227 |
| Federal - Other | NA | \$13,850,640 | \$15,779,169 | \$15,904,996 |
| Total | NA | \$55,660,612 | \$57,352,674 | \$56,181,480 |
| Headcount | | | | |
| Full-time Positions | 1,262 | 1,350 | 1,256 | 1,144 |

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget, spending in Investigations and Revenue Administration decreased by \$1.2 million, or two percent. The majority of the decrease in spending in this area is from a headcount reduction of 112 positions.

Personal Services Vacancy Reductions

In the Fiscal 2010 Executive Budget, HRA proposes a savings of \$2.3 million in Fiscal 2010 and in the outyears from the reduction of 145 positions in General Administration and in the Investigations and Revenue Administration.

Medicaid – Eligibility and Administration

HRA's Medical Insurance and Community Services Administration (MICA) determines and maintains eligibility, based upon consumer income and/or resource levels, for each of the available health insurance programs and their related services. HRA administers health insurance for low-income families and individuals; persons receiving SSI or public assistance; pregnant women, children and persons who are 65 and over, disabled or blind. The agency conduct investigations of prescription drug fraud and began investigating Medicaid provider fraud in Fiscal 2008.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$68,705,913 | \$71,382,753 | \$74,997,472 | \$76,484,061 |
| Other than Personal Services | \$17,613,672 | \$18,574,855 | \$18,574,855 | \$18,709,062 |
| Total | \$86,319,585 | \$89,957,608 | \$93,572,327 | \$95,193,123 |
| Funding | | | | |
| City | NA | \$685,191 | \$700,340 | \$701,503 |
| State | NA | \$44,544,631 | \$46,338,908 | \$47,147,498 |
| Federal - Other | NA | \$44,727,786 | \$46,533,079 | \$47,344,122 |
| Total | NA | \$89,957,608 | \$93,572,327 | \$95,193,123 |
| Headcount | | | | |
| Full-time Positions | 1,515 | 1,703 | 1,700 | 1,757 |

Medicaid and Homecare

New York State offers free and low-cost public health insurance programs for low-income New Yorkers. These plans provide medical care through a fee-for-service or managed care plan. Funding in this program area represents the City's portion of the cost of the Medicaid program. State and federal funding make up over 75 percent of this area's funding.

The Home Care Services Program (HCSP) offers access to Medicaid-funded long-term care programs designed to help eligible elderly or disabled individuals remain safely at home, rather than in a nursing home or other institution. In some cases, the Home Care Services Program will assess medical needs and determine the appropriate care required. Eligibility for Medicaid-funded home care programs varies, but all programs require that the applicant be Medicaid eligible.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$34,418,781 | \$36,874,162 | \$35,197,352 | \$35,472,467 |
| Other than Personal Services | \$5,780,815,919 | \$5,629,738,078 | \$4,780,242,125 | \$4,930,003,193 |
| Total | \$5,815,234,701 | \$5,666,612,240 | \$4,815,439,477 | \$4,965,475,660 |
| Funding | | | | |
| City | NA | \$5,494,381,388 | \$4,646,235,435 | \$4,795,642,503 |
| State | NA | \$101,640,411 | \$100,465,009 | \$100,779,566 |
| Federal - Other | NA | \$70,590,441 | \$68,739,033 | \$69,053,591 |
| Total | NA | \$5,666,612,240 | \$4,815,439,477 | \$4,965,475,660 |
| Headcount | | | | |
| Full-time Positions | 735 | 784 | 784 | 769 |

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget funding for Medicaid and Homecare increased by \$150 million, or three percent, however, headcount was reduced by 15 positions.

Enhanced Federal Medical Assistance Percentage (FMAP)

As part of the American Recovery and Reinvestment Act of 2009 (ARRA), the City anticipated \$2 billion of FMAP funds to provide general operating budget relief by increasing the federal share of eligible Medicaid expenditures. This reduction was included in HRA's Fiscal 2010 Preliminary Budget. However, due to adjustments in the stimulus FMAP formula, the amount allocated to the City decreased to \$1.6 billion. This adjustment is reflected in the Fiscal 2010 Executive Budget. This funding will be used toward the closure of the City's projected budget gap in Fiscal 2010 of \$1.3 billion, and \$4.6 billion in Fiscal 2011. HRA's Fiscal 2010 Executive Budget reflects the adjustment over three fiscal years, with a reduction of \$447 million in Fiscal 2009, \$850 in Fiscal 2010, and \$295 million in Fiscal 2011.

Office of Child Support Enforcement

The Office of Child Support Enforcement (OCSE) helps custodial parents (parents living with and caring for their children) to obtain the financial support that their children need and deserve from non-custodial parents (parents not living with their children). OCSE assists all parents, regardless of income and immigration status at no cost. Once a child support order is established, it remains in effect until the child reaches age 21 or becomes self-supporting, unless the court orders otherwise. Clients applying for or receiving public assistance benefits are automatically referred to OCSE for child support services.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$34,672,490 | \$37,506,232 | \$37,555,709 | \$38,056,353 |
| Other than Personal Services | \$17,956,438 | \$20,091,505 | \$20,241,070 | \$20,323,636 |
| Total | \$52,628,928 | \$57,597,737 | \$57,796,779 | \$58,379,989 |
| Funding | | | | |
| City | NA | \$8,490,542 | \$8,427,297 | \$8,526,914 |
| State | NA | \$8,242,719 | \$8,374,631 | \$8,473,663 |
| Federal - Other | NA | \$40,864,476 | \$40,994,851 | \$41,379,412 |
| Total | NA | \$57,597,737 | \$57,796,779 | \$58,379,989 |
| Headcount | | | | |
| Full-time Positions | 813 | 929 | 927 | 886 |

Funding for the Office of Child Support Enforcement increased slightly by \$583,000, or one percent, and headcount is reduced by 14 positions between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget.

HRA plans to help unemployed noncustodial parents (NPCs) find work while also providing them with parenting classes to help strengthen their relationship with their children. They will do this by coordinating Child Support and Back to Work programs. HRA will introduce two programs that target low income NPCs who owe for arrears child support payments or who have monthly order amounts that are beyond their ability to pay. The Arrears Program will provide opportunity for them to reduce their debt if they find employment and make payments based on their current child support order. The

Modify DSS Order initiative will give NPC's the opportunity to modify their order to reflect their actual income through stipulation without having to return to court.

Public Assistance and Employment Administration

The Family Independence Administration (FIA) coordinates the Public Assistance program by administering Job Center Operations. In March 1998, HRA began converting welfare offices in New York City into job centers. All eligible applicants who enter a job center are assisted in exploring and pursuing alternatives to welfare. Job Centers provide on-site access to job search and placement services, childcare information, vocational, educational and training services, as well as referrals for Medicaid, food stamp and other emergency assistance benefits. Information, services and referrals may be offered as substitutes to cash assistance in order to minimize barriers to employment and negate the need for welfare.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Personal Services | \$140,629,476 | \$140,575,512 | \$142,681,542 | \$143,521,262 |
| Other than Personal Services | \$55,173,073 | \$58,244,532 | \$54,677,928 | \$55,903,241 |
| Total | \$195,802,550 | \$198,820,044 | \$197,359,470 | \$199,424,503 |
| Funding | | | | |
| City | NA | \$74,886,132 | \$79,471,064 | \$93,934,484 |
| State | NA | \$53,969,410 | \$54,266,223 | \$45,001,090 |
| Federal - Other | NA | \$69,964,502 | \$63,622,183 | \$60,488,929 |
| Total | NA | \$198,820,044 | \$197,359,470 | \$199,424,503 |
| Headcount | | | | |
| Full-time Positions | 3,044 | 3,285 | 3,097 | 3,140 |

Job Center Reorganization and Consolidation

In the November Financial Plan HRA proposed a savings of \$6.6 million in Fiscal 2010 and in the outyears from the closure of the Hamilton Job Center located in Manhattan. The agency would centralize specialized cases and reduce headcount by 72 positions in Fiscal 2010 and in the outyears.

Public Assistance Grants

Public Assistance Grants are composed of three basic types of assistance: Family Assistance (FA) for households with children; Safety Net Assistance with a 60 month time limit (SNA- 60 Month Limit) for families with children who have the time for family assistance; and Safety Net Assistance (SNA) for single adults and families without children. Of the three programs, only FA receives substantial federal funding. The funding breakdown is 50 percent federal, 25 percent State and 25 percent City. Both of the SNA programs are split 50 percent between the State and the City.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Other than Personal Services | \$1,258,508,919 | \$1,176,688,798 | \$1,299,373,060 | \$1,299,373,060 |
| Total | \$1,258,508,919 | \$1,176,688,798 | \$1,299,373,060 | \$1,299,373,060 |
| Funding | | | | |
| City | NA | \$437,554,071 | \$489,773,271 | \$489,773,271 |
| State | NA | \$437,432,100 | \$502,046,101 | \$502,046,101 |
| Federal - Other | NA | \$301,702,627 | \$307,553,688 | \$307,553,688 |
| Total | NA | \$1,176,688,798 | \$1,299,373,060 | \$1,299,373,060 |

Public Assistance Support Grants

This program area contains funding for public assistance non-grant services, including burials for the indigent and summer camp fees for children on Public Assistance.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Other than Personal Services | \$19,710,367 | \$22,594,392 | \$22,568,966 | \$22,568,966 |
| Total | \$19,710,367 | \$22,594,392 | \$22,568,966 | \$22,568,966 |
| Funding | | | | |
| City | NA | \$11,887,586 | \$11,862,160 | \$11,862,160 |
| State | NA | \$6,065,199 | \$6,065,199 | \$6,065,199 |
| Federal - Other | NA | \$4,641,607 | \$4,641,607 | \$4,641,607 |
| Total | NA | \$22,594,392 | \$22,568,966 | \$22,568,966 |

Subsidized Employment and Job-Related Training

This program area includes several smaller programs, including the Job Training and Participant (JTP) program and BEGIN. Through the JTP program, which began in March 2001, individuals on public assistance are hired for paid seasonal positions at City agencies, primarily the Department of Parks and Recreation. JTP employees perform a wide variety of functions within the agency including maintenance, security, and clerical work. Founded in 1989, BEGIN, or "Begin Employment, Gain Independence Now," is a welfare-to-work program specializing in basic skills and literacy instruction for participants with low basic skills and limited English proficiency.

| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Other than Personal Services | \$108,635,549 | \$127,681,195 | \$120,801,776 | \$124,036,165 |
| Total | \$108,635,549 | \$127,681,195 | \$120,801,776 | \$124,036,165 |
| Funding | | | | |
| City | NA | \$76,906,893 | \$75,401,973 | \$78,636,362 |
| State | NA | \$9,602,000 | \$9,602,000 | \$9,602,000 |
| Federal - Other | NA | \$41,172,302 | \$35,797,803 | \$35,797,803 |
| Total | NA | \$127,681,195 | \$120,801,776 | \$124,036,165 |

Between the Fiscal 2010 Preliminary Budget and the Fiscal 2010 Executive Budget, spending for subsidized employment and job-related training increased by \$3.2 million.

Employment Services Re-estimate

In the November Financial Plan, HRA proposed a reduction of \$2 million in Fiscal 2010 and in the outyears for adult basic education, literacy services, and training vouchers for cash assistance. Programs that will be impacted include the Begin Program and the Welfare to Work Program.

Substance Abuse Services

The Substance Abuse Services program area includes rehabilitation services for clients with substance abuse problems that act as a barrier to employment and independent living.

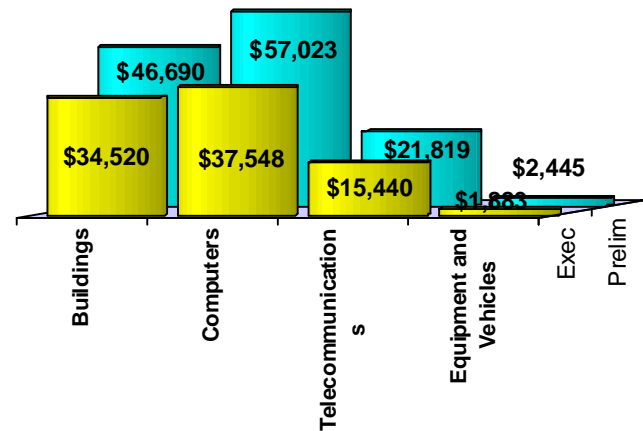
| | 2008 Actual Expenses | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget |
|------------------------------|-------------------------|------------------------|----------------------------|--------------------------|
| Spending | | | | |
| Other than Personal Services | \$79,165,090 | \$83,008,750 | \$74,008,749 | \$74,380,554 |
| Total | \$79,165,090 | \$83,008,750 | \$74,008,749 | \$74,380,554 |
| Funding | | | | |
| City | NA | \$32,439,757 | \$25,476,189 | \$25,847,994 |
| State | NA | \$45,432,020 | \$41,988,452 | \$41,988,452 |
| Federal - Other | NA | \$5,136,973 | \$6,544,108 | \$6,544,108 |
| Total | NA | \$83,008,750 | \$74,008,749 | \$74,380,554 |

Executive Ten-Year Capital Strategy, 2010-2019

According to the Executive Ten-Year Capital Strategy, the focus of the Human Resources Administration's Ten-Year Capital Plan is to improve employee productivity and delivery of client services through renovations and upgrades to Job Centers and Model Offices and other HRA sites in a cost effective manner. The strategy also provides for acquisition and upgrades for computer technology, including, wide and Local Area Networks (LAN); and information systems development to meet the needs of the Department's many program and social services. The agency's Ten-Year Executive Capital

Plan is \$89.4 (City funds) million which is a decrease of \$38.5 million or 30 percent from the Fiscal 2010 Preliminary Capital Commitment Plan of \$127.9 million (City funds). As indicated in the adjacent chart titled Capital Commitments by Program Area, \$37.5 million, or 42 percent is planned for data processing and information technology, \$35.3 million or 40 percent is planned for construction, renovations and equipment, \$15.4 million, or 17 percent is planned for telecommunications upgrades, and the remaining \$1 million, or one percent is planned for vehicles

HRA Ten-Year Capital Plan Preliminary FY10 vs. Executive FY10



Executive Capital Commitment Plan, 2009-2013

The agency's funding structure in the May Capital Commitment Plan for Fiscal 2009-2013 varies slightly from the Ten-Year Capital Strategy, with most of the funding for construction, renovations, and equipment rather than for data processing and information technology. HRA's Fiscal 2010 Executive Capital Commitment Plan includes \$127.9 million. Major projects include:

- \$19.2 million is included for the renovation of the 33-00 Northern Blvd MIS Data Center. HRA currently occupies six floors of this building, and the renovations take place in a different wing of the same bldg. The data center is relocating from 330 W 34th Street due to approaching lease expiration and will be expanding with new equipment;
- \$3.4 million is included for the purchase of hardware and software for food stamps automation. HRA is addressing the entire Food Stamp process from initial intake through re-certification by designing a system that interfaces with the State Welfare Management System (WMS) and the Public Assistance Paperless Office System that includes storage / retrieval of applicant documentation in multilingual formats. The implementation of this project is currently in process;
- \$7.5 million is including for Voice Over Internet Protocol (VOIP) which will provide all voice and video communications for most HRA locations;
- \$15 million is included for an integrated case management system.

Supplemental Tables

Executive Budget Actions

The following table summarizes changes to the Fiscal 2009 and 2010 budgets since the Preliminary Budget. The Non-City actions include State, Federal, Other Categorical, Intra-City and Capital Inter-Fund Agreement (IFA) funding changes.

| Description | Fiscal 2009 | | | Fiscal 2010 | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | City | Non-City | Total | City | Non-City | Total |
| Agency Budget as per the January Plan | \$6,466,897 | \$0 | \$6,466,897 | \$5,647,828 | \$0 | \$5,647,828 |
| Executive Plan Programs to Eliminate the Gap (PEGs) | | | | | | |
| Citywide Fleet Reduction | (\$117) | \$0 | \$0 | (\$149) | | |
| Computer Equipment Replacement | \$0 | \$0 | \$0 | (\$1,206) | (\$1,096) | (\$2,302) |
| Grant Diversion Increase | \$0 | \$0 | \$0 | (\$298) | | (\$298) |
| FSET Reimbursement | | \$0 | \$0 | (\$5,000) | \$5,000 | \$0 |
| PS Vacancy Reduction | \$0 | \$0 | \$0 | (\$1,711) | (\$561) | (\$2,272) |
| Reimbursement for Investigative Staff | | \$0 | \$0 | (\$745) | \$745 | \$0 |
| Reimbursement for Medical Evaluations | \$0 | \$0 | \$0 | (\$5,312) | \$5,312 | \$0 |
| Revised Allocation Plan for Leased Space | | \$0 | \$0 | (\$4,938) | \$4,938 | \$0 |
| WeCare Reduction | | \$0 | \$0 | (\$1,998) | (\$352) | (\$2,350) |
| Total PEGs | (\$117) | | \$0 | (\$21,207) | \$13,986 | (\$7,221) |
| Executive Plan Other Adjustments | | | | | | |
| Add FS Bonus Grant Funds | | \$237 | \$237 | \$0 | | \$0 |
| Adjust Federal Medicaid Assistance | \$0 | | \$0 | \$1,000,000 | | \$1,000,000 |
| Budget Code Adjustment | \$0 | \$649 | \$649 | \$0 | \$649 | \$649 |
| CD Stimulus Funding | \$0 | | \$0 | \$0 | \$1,170 | \$1,170 |
| CEO Evaluation | | | \$0 | \$42 | | \$42 |
| Collective Bargaining | \$4,404 | \$1,814 | \$6,218 | \$8,205 | \$4,104 | \$12,309 |
| Emergency Action Plan | | | \$0 | \$500 | | \$500 |
| Family Justice Transfer | \$0 | | \$0 | \$854 | | \$854 |
| FFFS Funds to RAPP & DV Non-Shelter | \$45,958 | (\$42,677) | \$3,281 | \$61,277 | (\$61,277) | \$0 |
| FS Participation Grant | | \$418 | \$418 | \$0 | | \$0 |
| Fuel | (\$270) | (\$121) | (\$391) | (\$238) | (\$107) | (\$345) |
| HEAP XXIX Admin Increase | \$0 | \$14,285 | \$14,285 | \$0 | | \$0 |
| Heat, Light & Power | (\$2) | (\$2) | (\$4) | \$296 | \$252 | \$548 |
| HHS Connect Cost Allocation | \$54 | \$48 | \$102 | \$269 | \$251 | \$520 |
| Homecare COLA Increase EXE10 | \$0 | \$354 | \$354 | \$0 | \$354 | \$354 |
| Lease Adjustment | \$0 | | \$0 | \$1,801 | \$3,267 | \$5,068 |
| MA FMAP Increase | (\$446,882) | | (\$446,882) | (\$849,918) | | (\$849,918) |
| NEEDS Program | | \$100 | \$100 | | | \$0 |
| Vacancy Reduction Fringe | | | \$0 | \$391 | \$128 | \$519 |
| Work Today, Inc. | \$30 | | \$30 | \$0 | | \$0 |
| Total Other Adjustments | (\$396,709) | (\$24,895) | (\$421,604) | \$223,481 | (\$51,210) | \$172,272 |
| Total Executive Plan Budget Changes | (\$396,826) | (\$24,895) | (\$421,721) | \$202,274 | (\$37,224) | \$165,050 |
| Agency Budget as per the Executive Plan | \$6,070,071 | \$2,202,813 | \$8,272,884 | \$5,849,953 | \$2,037,184 | \$7,887,137 |

Summary of Changes Since June 2009 Plan*City Funds only, \$\$ 000's*

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| June 2009 Plan | \$6,470,475 | \$6,610,077 | \$6,769,746 | \$6,943,254 | \$6,943,254 |
| New Needs | \$57,689 | \$62,352 | 462,352 | \$62,352 | \$56,752 |
| Collective Bargaining | \$17,075 | \$27,321 | \$27,904 | \$27,904 | \$27,660 |
| Other Adjustments | (\$99,119) | (\$809,715) | (\$257,030) | \$37,132 | \$68,821 |
| PEGs | (\$27,013) | (\$95,903) | (\$88,169) | \$88,728 | \$58,912 |
| Exec 2010 Plan | \$6,070,070 | \$5,849,953 | \$6,569,626 | \$7,037,734 | \$7,218,379 |

Units of Appropriation

| U/A# | U/A Name | 2009 Adopted Budget | 2010 Preliminary Budget | 2010 Executive Budget | Percent Change from 2009 Adoption |
|------|-------------------------|------------------------|-------------------------|------------------------|-----------------------------------|
| 201 | Administration | \$250,110,367 | \$256,644,862 | \$259,330,353 | 3.69% |
| 203 | Public Assistance | \$252,310,887 | \$262,138,977 | \$263,903,199 | 4.59% |
| 204 | Medical Assistance | \$104,162,112 | \$106,100,021 | \$107,861,725 | 3.55% |
| 205 | Adult Services | \$85,677,400 | \$88,699,728 | \$90,366,635 | 5.47% |
| | Total PS | \$692,260,766 | \$713,583,588 | \$721,461,912 | 4.22% |
| 101 | Administration-OTPS | \$201,290,672 | \$181,151,670 | \$182,783,105 | -9.19% |
| 103 | Public Assistance-OTPS | \$1,674,255,243 | \$1,750,775,496 | \$1,754,947,311 | 4.82% |
| 104 | Medical Assistance-OTPS | \$5,648,312,933 | \$4,798,816,980 | \$4,948,712,255 | -12.39% |
| 105 | Adult Services-OTPS | \$282,188,241 | \$277,909,735 | \$279,233,235 | -1.05% |
| | Total OTPS | \$7,806,047,089 | \$7,008,653,881 | \$7,165,675,906 | -8.20% |
| | Total Agency | \$8,498,307,855 | \$7,722,237,469 | \$7,887,137,818 | -7.19% |