

# SFY24 Report on Nonreversion of Funds

## MARCH 2024

This report is in response to the requirements found in 2023 Iowa Acts Chapter 112 Section 49.

*Sec. 49. REPORT ON NONREVERSION OF FUNDS. The department of health and human services shall report the expenditure of any moneys for which nonreversion authorization was provided for the fiscal year beginning July 1, 2022, and ending June 30, 2023, to the general assembly on a quarterly basis beginning October 1, 2023.*

This report details all General Fund balances that will carry forward from SFY23 to SFY24 and includes balances reported in prior quarterly nonreversion reports. Much of the funding that is carrying forward is a result of variation (decrease) in typical utilization patterns for some programs, enhanced FMAP funding, and other impacts related to the pandemic. The Agency anticipates use of most of these funds over the next year.

The amount spent reflects actual expenditures through February 2024.

### Medical Assistance

Authority: 2022 Iowa Acts Ch. 1131 Sec. 38 Description:

\$421,379,409 will remain available for FY24.

Of this amount, \$367,990,615 has accumulated over multiple years and is primarily due to the COVID-19 increased FMAP savings. One-time recoveries in SFY23 and certain expenses shifting from SFY23 to SFY24 are also contributing to the balance.

A portion of the one-time recoveries (\$8 million) will be transferred to the Public Assistance Modernization Fund in SFY24 pursuant to 2023 Iowa Acts Ch. 112 Sec. 63. All other remaining funds will be retained in the Medical Assistance appropriation and are available for ongoing investment and expenditure.

The remaining \$53,388,794 is the unspent balance from the temporary 10 percentage point increase to the state's FMAP for certain Medicaid HCBS pursuant to section 9817 of the American Rescue Plan Act of 2021 (ARPA). This amount must be invested in accordance with Iowa's approved ARPA HCBS spending plan.

Reported expenditures: Medical Assistance

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
ARPA HCBS Spending Plan	\$53,388,794	\$27,526,964	\$25,861,830
Transfer to the Public Assistance Modernization Fund*	8,000,000	8,000,000	0
Behavioral Health and Disability Services System Evaluation	7,163,651	0	7,163,651
Medical Assistance Program Expenditures	352,826,964	0	352,826,964
<b>Grand Total</b>	<b>\$421,379,409</b>	<b>\$35,526,964</b>	<b>\$385,852,445</b>
<b>Notes</b>			
<ol style="list-style-type: none"> <li>1. The \$8 million Public Assistance Modernization Fund amount is considered fully spent because the entire amount has been transferred to the fund. The amount that has subsequently been spent out of the fund is \$133,182.</li> <li>2. The \$352.8 million balance will not be spent until current year funds are exhausted.</li> </ol>			

**Child & Family Services**

Authority: 2023 Iowa Acts Ch. 112 Sec. 43

Description: \$21,635,251 will remain available for FY24. This balance has accumulated over multiple years and is primarily due to lower foster care caseloads due to both Family First implementation efforts and COVID-19 impacts, lower performance-related payments to vendors, and additional federal revenues. Of this amount, a portion will be used to fund the replacement of the state’s child welfare IT system, a small amount will be retained for prior year JCS claims, and the remainder will be used to fund QRTP and Shelter provider rate increases approved in SFY22 and SFY23.

Reported Expenditures: Child & Family Services

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Child Welfare IT System	\$6,625,481	\$0	\$6,625,481
Prior Year JCS Claims	22,690	4,791	17,899
QRTP and Shelter Provider Rates	14,987,080	5,561,994	9,425,086
<b>Grand Total</b>	<b>\$21,635,251</b>	<b>\$5,566,785</b>	<b>\$16,068,466</b>

**Family Investment Program**

Authority: 2023 Iowa Acts Ch. 112 Sec. 41

Description: \$14,884,505 will remain available for FY24. This balance has accumulated over multiple years and is primarily due to lower cases in FIP and PROMISE JOBS and lower than projected technology spending; largely related to the ELIAS project. These funds are reserved

for one-time projects including HHS alignment, the IT data center move, public assistance oversight, and IT costs associated with the Lucas move.

Reported Expenditures: Family Investment Program

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
HHS One-Time Projects	\$14,884,505	\$1,417,201	\$13,467,304
<b>Grand Total</b>	<b>\$14,884,505</b>	<b>\$1,417,201</b>	<b>\$13,467,304</b>

Further FIP detail is provided in Attachment I.

**Hawki Trust Fund**

Authority: Iowa Code Chapter 514I.11.2

Description: \$13,696,387 will remain available for FY24. This balance has accumulated over multiple years and is primarily due to the COVID-19 increased FMAP savings. These funds are reserved for current and future year CHIP/Hawki expenses.

Reported Expenditures: Hawki Trust Fund

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
CHIP/Hawki Expenditures	\$13,696,387	\$0	\$13,696,387
<b>Grand Total</b>	<b>\$13,696,387</b>	<b>\$0</b>	<b>\$13,696,387</b>

Notes

1. The \$13.7 million balance will not be spent until current year funds are exhausted.

**Glenwood Resource Center**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 25.6

Description: \$13,531,971 will remain available for FY24. Much of the balance has accumulated over multiple years and is due to the COVID-19 increased FMAP savings and staffing vacancies. In addition, in SFY23 \$11 million was transferred from the Adoption Subsidy appropriation to HHS facilities to ensure sufficient facility funding in both SFY23 and SFY24. Of this amount, \$2,783,288 was transferred to the Glenwood Resource Center. Of the total carry over amount, \$235,793 is for a Chapter 8A capital improvement project where funds were sent to DAS in SFY23, but the project is not yet complete so carried forward to SFY24. The remaining \$13.3 million carry forward balance is expected to be used to cover closure-related funding needs in SFY24 (employee retention payments, offsets to revenue declines, vacation payouts, etc.).

Reported Expenditures: Glenwood Resource Center

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
GRC Cottages Roof Repair	\$235,793	\$235,793	\$0
GRC Closure-Related Expenditures	13,296,178	\$0	13,296,178
<b>Grand Total</b>	<b>\$13,531,971</b>	<b>\$235,793</b>	<b>\$13,296,178</b>
<b>Notes</b>			
1. The \$13.3 million balance will not be spent until current year funds are exhausted.			

**Adoption Subsidy**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 20.4

Description: \$13,368,373 will remain available for FY24. This balance has accumulated over multiple years and is due to the COVID-19 increased FMAP savings, higher IV-E penetration rates and lower caseloads. Of this amount, approximately \$4.9 million will be used to meet the federal adoption reinvestment obligation. The remaining amount is not currently obligated.

Reported Expenditures: Adoption Subsidy

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Adoption Reinvestment Obligation	\$4,886,381	\$0	\$4,886,381
To Be Determined	8,481,992	0	8,481,992
<b>Grand Total</b>	<b>\$13,368,373</b>	<b>\$0</b>	<b>\$13,368,373</b>

**Woodward Resource Center**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 25.6

Description: \$10,937,808 will remain available for FY24. Much of the balance has accumulated over multiple years and is due to the COVID-19 increased FMAP savings and staffing vacancies. Of the total carry over amount, \$1,268,266 is for Chapter 8A capital improvement projects where funds were sent to DAS in SFY23, but the projects are not yet complete so carried forward to SFY24. The remaining \$9.7 million carry forward balance will be used to address operational needs at the Woodward Resource Center and transferred to cover funding shortfalls at the Eldora State Training School, CCUSO, and two MHIs.

Reported Expenditures: Woodward Resource Center

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Myers Hall New Fire Sprinkler System	\$433,693	\$433,693	\$0
Chapel Sprinkler	379,473	379,473	0

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Medical Center North Façade Window Replacement	453,667	453,667	0
Tunnel Evaluation Update	1,433	1,433	0
Facility Operational Needs	9,669,542	0	9,669,542
<b>Grand Total</b>	<b>\$10,937,808</b>	<b>\$1,268,266</b>	<b>\$9,669,542</b>
<b>Notes</b>			
I. The \$9.7 million balance will not be spent until current year funds are exhausted.			

### **CCUSO**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 26.3

Description: \$7,900,237 will remain available for FY24. Of this amount, \$1,858,041 is for Chapter 8A capital improvement projects where funds were sent to DAS in SFY23, but the projects are not yet complete so carried forward to SFY24. The remaining \$6.0 million balance was set aside from the \$11 million Adoption Subsidy transfer to be used for Voldeng remodel costs in SFY24.

Reported Expenditures: CCUSO

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Intercom and Controlled Doors	\$32,300	\$32,300	\$0
Voldeng Remodel	7,867,937	7,825,741	42,196
<b>Grand Total</b>	<b>\$7,900,237</b>	<b>\$7,858,041</b>	<b>\$42,196</b>

### **Field Operations**

Authority: 2023 Iowa Acts Ch. 112 Sec. 44

Description: \$6,425,620 will remain available for FY24. This amount includes approximately \$4.5 million in unspent SFY22 carry forward and the remaining amount is primarily due to vacancy savings. The balance is reserved for one-time activities in the Field Operations appropriation.

*Note: Budgeted amounts for some of the line items have changed from the prior report due to updated estimates.*

Reported Expenditures: Field Operations

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Social Worker Retention	\$2,884,408	\$1,499,232	\$1,385,176
Social Worker Recruitment	166,556	70,929	95,626

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Child Protective Services Assessment	485,399	485,399	0
Overtime for PHE Unwind	389,683	327,315	62,368
HHS "Front Door" Evaluation	0	0	0
Bridging Engagement Project	0	0	0
Scanner for Child Care Unit	0	0	0
Retro IV-E Participation Rate Changes	2,471,262	0	2,471,262
Other/Miscellaneous	28,313	17,552	10,761
<b>Grand Total</b>	<b>\$6,425,620</b>	<b>\$2,400,427</b>	<b>\$4,025,193</b>

### **State Supplementary Assistance**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 15.4

Description: \$4,258,454 will remain available for FY24. This balance has accumulated over multiple years and is primarily due to continued reductions in the number served across multiple SSA service categories (residential care facilities, dependent person program, etc.). These funds are reserved for the remaining SNAP reinvestment obligation and the Lucas move project.

Reported Expenditures: State Supplementary Assistance

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
SNAP Reinvestment Obligation	\$766,293	\$82,630	\$683,663
Lucas Move Project	3,492,161	0	3,492,161
<b>Grand Total</b>	<b>\$4,258,454</b>	<b>\$82,630</b>	<b>\$4,175,824</b>

### **General Administration**

Authority: 2023 Iowa Acts Ch. 112 Sec. 45 and 46

Description: \$3,594,704 will remain available for FY24. This amount includes approximately \$3.0 million in unspent SFY22 carry forward that was reserved for the Lucas move project. Of the remaining amount, \$428,836 is associated with the unspent MOMS program allocation and the remainder is reserved for potential late claims.

Reported Expenditures: General Administration

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Lucas Move Project	\$3,045,866	\$2,993,923	\$51,943
MOMS Program	428,836	0	428,836
Potential SFY23 Late Claims	120,002	774	119,228

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
<b>Grand Total</b>	<b>\$3,594,704</b>	<b>\$2,994,697</b>	<b>\$600,007</b>
<u>Notes</u>			
I. The \$428,836 MOMS balance will not be spent until current year funds are exhausted.			

### **Child Care Assistance**

Authority: 2023 Iowa Acts Ch. 112 Sec. 42

Description: \$2,862,321 will remain available for FY24. State funds were left unspent so that federal expenditures could be maximized. This was done to avoid the reversion of federal CCDF discretionary funds at the end of FFY23.

Reported Expenditures: Child Care Assistance

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
To Be Determined	\$2,862,321	\$0	\$2,862,321
<b>Grand Total</b>	<b>\$2,862,321</b>	<b>\$0</b>	<b>\$2,862,321</b>

### **Eldora State Training School**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 18.4

Description: \$718,144 will remain available for FY24. The entire balance is associated with Chapter 8A capital improvement projects where funds were sent to DAS in SFY23, but the projects are not yet complete so carried forward to SFY24.

Reported Expenditures: Eldora State Training School

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Gym A/C	\$645,244	\$645,244	\$0
Retaining Wall Replacement	72,900	72,900	0
<b>Grand Total</b>	<b>\$718,144</b>	<b>\$718,144</b>	<b>\$0</b>

### **Community Capacity**

Authority: 2022 Iowa Acts Ch. 1131 Sec 3.4.j

Description: \$429,805 will remain available for FY24 which is consistent with the amount that carried forward from SFY22 to SFY23 (\$412,021). The balance will remain in this account and be used for the rural psychiatric residency program.

Reported Expenditures: Community Capacity

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Rural Psychiatric Residencies	\$429,805	\$0	\$429,805
<b>Grand Total</b>	<b>\$429,805</b>	<b>\$0</b>	<b>\$429,805</b>
<u>Notes</u>			
1. The \$429,805 balance will not be spent until current year funds are exhausted.			

**Independence MHI**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 24.4

Description: \$420,124 will remain available for FY24. The entire balance is associated with Chapter 8A capital improvement projects where funds were sent to DAS in SFY23, but the projects are not yet complete so carried forward to SFY24.

Reported Expenditures: Independence MHI

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Laundry Building Roof Repair	\$420,124	\$420,124	\$0
<b>Grand Total</b>	<b>\$420,124</b>	<b>\$420,124</b>	<b>\$0</b>

**Family Support Subsidy**

Authority: Iowa Code Chapter 225C.41.2

Description: \$343,695 will remain available for FY24. This balance has accumulated over multiple years and is primarily due to lower spending in the Children at Home program. These funds are reserved for Children at Home program expansion.

Reported Expenditures: Family Support Subsidy

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Children At Home Program	\$343,695	\$0	\$343,695
<b>Grand Total</b>	<b>\$343,695</b>	<b>\$0</b>	<b>\$343,695</b>

**Cherokee MHI**

Authority: 2022 Iowa Acts Ch. 1131 Sec. 24.4

Description: \$138,722 will remain available for FY24. The entire balance is associated with Chapter 8A capital improvement projects where funds were sent to DAS in SFY23, but the projects are not yet complete so carried forward to SFY24.



Reported Expenditures: Cherokee MHI

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Cherokee 7 North Remodel	\$15,378	\$15,378	\$0
Cherokee Parking Lots	123,344	123,344	0
<b>Grand Total</b>	<b>\$138,722</b>	<b>\$138,722</b>	<b>\$0</b>

**Criminal & Juvenile Justice; Human Rights Administration; Community Advocacy and Services**

Authority: Iowa Code Chapter 8.62

Description: \$87,626 will remain available for FY24 in these three legacy Human Rights appropriations. The funds will be used for employee training, technology, or purchases from Iowa prison industries as required by Iowa Code Chapter 8.62. Expenditure of funds will be reported in accordance with subsection 3 of Chapter 8.62 and will not be included on this quarterly report to avoid duplication.

FIP Carry-Forward Available in SFY24	14,884,505
Amount Spent	1,417,201
Amount Obligated But Not Yet Spent	13,467,304

One-Time Activities	Projected Expenditures and Obligations		Actual Expenditures through Feb-24		Unspent Obligations	
	Total	State	Total	State	Total	State
Data Center Move	155,000	99,336	111,632	71,542	43,368	27,793
Accounting and Payroll System Updates (Workday, I/3)	713,671	477,153	294,635	196,415	419,036	280,738
VX Rack Replatforming	1,100,956	1,100,956	-	-	1,100,956	1,100,956
Corporate Technology Assessment	248,933	248,933	2,269	2,269	246,664	246,664
Enterprise Architecture & IT Strategy Implementation	1,459,176	920,715	61,797	39,604	1,397,379	881,112
ServiceNow Implementation	3,714	2,380	19,650	12,593	(15,936)	(10,213)
Appeals System Implementation	169,921	103,795	22,142	13,525	147,779	90,269
MoveIT SW Replacement Implementation	110,900	71,073	-	-	110,900	71,073
DHS Recruiting Campaign	40,000	28,215	-	-	40,000	28,215
Contracting Software	334,899	218,407	92,724	60,471	242,175	157,936
Cost Allocation Review Contract	783,015	551,901	175,905	123,985	607,110	427,916
Business Process Redesign Contract	34,450	22,032	-	-	34,450	22,032
Rent Reimbursement Implementation	777,663	777,663	342,180	342,180	435,483	435,483
HHS Alignment Efforts	569,910	454,586	242,101	210,640	327,810	243,946
Retro IV-E Adjustments (General Admin)	1,000,000	1,000,000	-	-	1,000,000	1,000,000
IT Costs Associated with Lucas Move	6,500,000	4,575,863	488,618	343,976	6,011,382	4,231,886
Public Assistance Oversight / Master Client Index	5,055,125	3,243,006	-	-	5,055,125	3,243,006
Other agency-wide modernization efforts/contingencies	1,520,755	988,491	-	-	1,520,755	988,491
<b>Total</b>	<b>20,578,089</b>	<b>14,884,505</b>	<b>1,853,653</b>	<b>1,417,201</b>	<b>18,724,436</b>	<b>13,467,304</b>