



Arizona Department of Child Safety

Janice K. Brewer
Governor

Charles Flanagan
Director

September 30, 2014

The Honorable Don Shooter
Chairman, Arizona Senate Appropriations Committee
1700 West Washington
Phoenix, Arizona 85007

Re: Department of Child Safety Quarterly Progress Report

Dear Senator Shooter:

Pursuant to Laws 2014, 2nd Special Session, Chapter 2, Section 6, the Department submits its report including quarterly benchmarks for the first quarter of FY 2015 for assessing progress in increasing the Department's number of filled FTE positions and in reducing the number of backlog cases, as well as updates to the quarterly expenditure plans for FY 2015 monies appropriated for personal services and for reducing the backlog.

If you have any questions, please contact our office at (602) 542-5844.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Flanagan", with a large, sweeping flourish extending to the left.

Charles Flanagan
Director

Enclosure

cc: Richard Stavneak, Director, Joint Legislative Budget Committee
John Arnold, Director, Governor's Office and Strategic Planning and Budget
Ben Beutler, Joint Legislative Budget Committee
Illya Riske, Governor's Office and Strategic Planning and Budget

Department of Child Safety
Quarterly Progress Report for Filled FTE Positions and Reducing the Backlog

Laws 2014, 2nd Special Session, Chapter 2 requires the Department of Child Safety to submit a report for review by the Joint Legislative Budget Committee containing the progress made in increasing the Department's number of FTE positions and in reducing the number of backlog cases.

The filled FTE, case count, and expenditures for the first quarter are all preliminary as the calendar quarter does not end until September 30, 2014. These first quarter numbers will be updated in the subsequent Quarterly Progress Reports.

Filled FTE Positions

As of June 30, 2014, the Department had a total of 2,392 filled FTE positions, including 982 case-carrying staff, 225 staff in training, 76 FTE in intake, and 1,109 other FTE. The progress in increasing the number of FTE positions through the first quarter of FY 2015, along with projections for the remainder of the fiscal year, is outlined below.

Table 1. Progress on Filled FTE Positions in Fiscal Year 2015 Qtr 1				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Preliminary¹	Projected	Projected	Projected
Total Authorized FTE	3,045.1	3,045.1	3,045.1	3,045.1
Authorized Attorney General FTE Positions	222.2	222.2	222.2	222.2
Total Authorized DCS FTE Positions	2,822.9	2,822.9	2,822.9	2,822.9
Authorized Caseworkers	1,406.0	1,406.0	1,406.0	1,406.0
Filled Caseworkers (Active)	979.0	1,137.0	1,190.0	1,190.0
Filled Caseworkers (Training)	252.0	193.0	140.0	140.0
Filled Intake (Hotline)	75.0	76.0	76.0	76.0
Subtotal Filled	1,306.0	1,406.0	1,406.0	1,406.0
Authorized Non-Caseworker Personnel	1,416.9	1,416.9	1,416.9	1,416.9
Filled Supervisors (Unit, APM)	245.0	250.0	250.0	250.0
Filled Case Aides	251.0	285.0	285.0	285.0
Filled Other Non-Caseworkers	682.0	778.0	813.0	842.0
Subtotal Filled	1,178.0	1,313.0	1,348.0	1,377.0
Total Filled FTE	2,484.0	2,719.0	2,754.0	2,783.0

1/ Preliminary first quarter data as of September 1, 2014

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Reducing the Backlog

The Department established the following quarterly benchmarks for assessing progress in reducing the number of backlog cases:

- Number of cases that were non-active as of June 2, 2014 that have been activated
- Number of activated cases in the investigation phase
- Number of activated cases receiving in-home services
- Number of activated cases in out-of-home placements and receiving out-of-home support services
- Number of activated cases closed
- Number of non-active cases as of the 2nd to last Saturday of each quarter

A non-active case is a case that has had no documentation entered into the Children's Information Library and Data Source (CHILDS) more than 60 days. As of June 2, 2014, there were 13,024 non-active cases. DCS has conducted an action determination on 11,911 of those cases with 1,113 still needing to be activated.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Preliminary¹	Projected	Projected	Projected
<u>Activity Status</u>				
Non-active as of June 2, 2014 that have been activated	11,911	13,024	13,024	13,024
Non-active as of June 2, 2014 requiring action determination	1,113	-	-	-
<u>Investigation Status</u>				
Open investigation	9,171	5,074	974	-
Closed investigation	3,503	7,600	11,700	13,024
No investigation documentation in CHILDS	350	350	350	-
<u>Case Status</u>				
Receiving In-Home Preventive Services	28	520	760	1,090
Receiving Out-of-Home Support Services and/or Placement	241	830	1,200	1,730
Cases with no service or placement payments in CHILDS	10,237	6,674	3,564	-
Cases closed	2,518	5,000	7,500	10,204
<u>Current number of non active cases as of 9/20/14</u>	7,854	4,000	2,000	1,000
1/ Preliminary first quarter data as of September 1, 2014				

The investigation phase is only one part of a case. An investigation consists of a case manager reviewing documentation, conducting interviews, placing a child in an out-of-home placement if necessary, and entering in documentation into CHILDS. As of September 15, 2014, 9,171 cases had an open investigation, 3,503 cases had a closed investigation, and 350 cases had no investigation documentation entered in the CHILDS system. When an investigation is closed, the case is either referred for case closure or to an on-going unit if the case participants are in need of in-home preventive or out-of-home support services.

As with investigations, in-home and out-of-home support services are only one part of the case. In many instances, the children or family involved in the case may receive support services prior to the

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investigation receiving a closed status in CHILDS. As of September 15, 2014, of the cases identified as non-active on June 2, 2014, 28 were receiving In-Home Preventive Services, 242 were receiving Out-of-Home Support Services, and 10,238 had no record of services provided in the CHILDS financial records. This could mean that a service has been referred, but has not been delivered, or that service has been rendered but the Department has not issued a payment for that service. It can take up to 60 days to complete the invoicing and payment process once a service has been provided.

Expenditures for Personal Services in FY 2015

The table below shows personal services expenditures through pay period 5, which ended on August 29, 2014, as well as projected personal services expenditures by quarter through the remainder of the fiscal year.

Table 3. Projected Expenditures for Personal Services Monies Appropriated in Fiscal Year 2015					
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
		Preliminary ¹	Projected	Projected	Projected
Caseworkers					
P/S	\$	10,709,300	\$ 14,988,100	\$ 14,988,100	\$ 14,988,100
FTE		1,306.0	1,406.0	1,406.0	1,406.0
Non-Caseworkers					
P/S		7,184,800	9,793,900	9,793,900	9,793,900
FTE		803.0	842.0	842.0	842.0
Administrative FTE					
P/S		2,954,700	4,295,700	4,693,500	5,023,100
FTE		338.0	378.0	413.0	442.0
OCWI Staff					
P/S		404,100	927,700	1,097,100	1,097,100
FTE		37.0	93.0	93.0	93.0
Total P/S	\$	21,252,874	\$ 30,005,400	\$ 30,572,600	\$ 30,902,200
Total FTE		2,484.0	2,719.0	2,754.0	2,783.0

¹/ Preliminary first quarter expenditures through pay period 5

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Expenditures for Reducing the Backlog

The FY 2015 budget includes \$23.1 million from the General Fund (\$29.0 million total funds) to reduce the backlog of non-active cases. This appropriation includes funding for determining the action to be taken on each of the 13,024 cases that were not active on June 2, 2014, to investigate the cases in need of investigation, and for services and placement costs for non-active cases already in placements and receiving services, or for children who receive services after their case is reactivated and investigated.

The Department has begun to address the backlog and has reviewed 91% of the cases that were non-active as of June 2, 2014.

The table below shows preliminary first quarter expenditures related to the backlog and projected costs.

	Quarter 1 Preliminary ^{1,2}	Quarter 2 Projected	Quarter 3 Projected	Quarter 4 Projected	Total
Action Determination	167,300	79,200	-	-	246,500
Investigations ³	1,479,200	1,369,650	1,095,720	273,930	4,218,500
In-Home Support Services	28,900	911,700	1,326,100	1,906,300	4,173,100
Out-of-Home Support Services	107,400	2,338,500	3,401,400	4,889,600	10,736,900
Out-of-Home Placements	526,300	1,997,000	2,904,700	4,175,600	9,603,600
Non-Client Specific Services ⁴	38,500	-	-	-	-
Total	2,347,600	6,696,050	8,727,920	11,245,430	28,978,600

1/ Preliminary first quarter expenditures as of September 1, 2014
2/ Personnel expenditures as of pay period 5
3/ Investigations expenditures for quarter 1 are the average cost at the overtime rate per investigation (\$422.28) multiplied by the number of completed investigations; the Department does not track caseworker time by investigation
4/ Future expenditures for non-client specific are included in the projections for In-Home Preventive and Out-of-Home Support Services

The expenditures related to the investigation portion of the non-active cases are based on the average time to complete an investigation (11.8 hours). The Department does not track staff time by investigation.

The Department provides services to children and families that are not paid on a client-specific basis. These services include transportation, lab tests, substance abuse treatment, and psychological and counseling services. Based on expenditures for support services year-to-date in FY 2015, non-client specific expenditures constituted 22% of total support service costs. Applying that percentage to the overall total year-to-date expenditure on non-client-specific services, the Department estimates that \$38,500 has been spent in the first quarter of FY 2015 to provide these services to the children and families associated with the cases identified as non-active on June 2, 2014.

The Department is currently in the process of reviewing contracts for services as well as evaluating the capabilities of the CHILDS system and the requirements for a replacement system. As the Department reviews current contracts for services, the payment units for the contractors will be evaluated to assist in improving the cost accounting for individual cases.

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Request for Information

The Department of issued a Request for Information (RFI) to private vendors on the possibility of utilizing their resources to address the backlog. Ten vendors responded to the RFI. Seven of the vendors reported being interested in providing the full spectrum of case management services, while some vendors reported being able to provide additional support services such as counseling and therapeutic services. Three of the vendors reported that they would not be interested in providing the full spectrum of case management services but could assist in reviewing cases and providing additional in-home and out-of-home support services.

The Department has begun to address the non-active cases in the first two months of FY 2015 by first assessing the status of the cases and by subsequently investigating the cases as required. As a result of the RFI, the Department is actively exploring partnering with private entities to provide necessary support services to the backlog cases as well as assessment of child safety and needs. The Department has begun communicating with vendors including those that responded to the RFI in an effort to expand its network of provided contractors for services for children in DCS care or who are at risk for removal.