



Arizona Department of Child Safety

Janice K. Brewer
Governor

Charles Flanagan
Director

December 31, 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 second 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", followed by a horizontal line and the word "for" written in a smaller, less legible script.

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
Laura Johnson, 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 second quarter are all preliminary as the calendar quarter does not end until December 31, 2014. These second 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 second quarter of FY 2015, along with projections for the remainder of the fiscal year, are outlined below. The number of FTE has been updated to reflect first quarter actuals.

Table 1. Progress on Filled FTE Positions in Fiscal Year 2015 Qtr 2				
	Quarter 1 Actual	Quarter 2 Preliminary ¹	Quarter 3 Projected	Quarter 4 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)	987.0	1,022.0	1,192.0	1,192.0
Filled Caseworkers (Training)	244.0	312.0	140.0	140.0
Filled Intake (Hotline)	78.0	74.0	76.0	76.0
Subtotal Filled	1,309.0	1,408.0	1,408.0	1,408.0
Authorized Non-Caseworker Personnel	1,416.9	1,416.9	1,416.9	1,416.9
Filled Supervisors (Unit, APM)	246.0	255.0	255.0	255.0
Filled Case Aides	253.0	291.0	291.0	291.0
Filled Other Non-Caseworkers	711.0	749.0	810.0	863.0
Subtotal Filled	1,210.0	1,295.0	1,356.0	1,409.0
Total Filled FTE	2,519.0	2,703.0	2,764.0	2,817.0

1/ Preliminary second quarter data as of November 30, 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) for more than 60 days. As of June 2, 2014, there were 13,024 non-active cases. DCS has conducted an action determination on all 13,024 of those cases.

As shown in Table 2, the Department has revised the estimated number of investigation closures for the third quarter down from 11,800 to 9,300. The number of total non-active cases, including cases that have gone 60 days without documentation subsequent to June 2, has also been revised upward from 2,000 to 7,000 for the third quarter. The Department has found progress has been slower than expected due to several factors, including the identification of underlying inefficiencies and the continued growth in new incoming cases. As a result, the Department is focusing significant effort on removing system inefficiencies that should produce quicker results in the second half of the year. The Department is also planning to bring in outside resources to help address capacity issues during the third quarter. These resources, combined with the additional case specialists who will be completing their training in the third quarter, should allow the Department to accelerate progress on the backlog during the rest of the year.

	Quarter 1 Actual	Quarter 2 Preliminary¹	Quarter 3 Projected	Quarter 4 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	7,372	3,374	-
Closed investigation	3,503	5,302	9,300	13,024
No investigation documentation in CHILDS	350	350	350	-
<u>Case Status</u>				
Receiving In-Home Preventive Services	28	124	1,410	940
Receiving Out-of-Home Support Services and/or Placement	241	499	1,870	1,240
Cases with no service or placement payments in CHILDS	10,237	8,240	2,244	640
Cases closed	2,518	4,161	7,500	10,204
Current number of non active cases as of 12/13/14	7,854	14,852	7,000	1,000
1/ Preliminary second quarter data as of December 15, 2014				

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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 documentation into CHILDS. As of December 15, 2014, 7,372 cases had an open investigation, 5,302 cases had a closed investigation, and 350 cases had no investigation documentation entered in the CHILDS system, which includes duplicate cases that will show as closed in future reports. 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 investigation receiving a closed status in CHILDS. As of December 15, 2014, of the cases identified as non-active on June 2, 2014, 124 were receiving In-Home Preventive Services, 499 were receiving Out-of-Home Support Services, and 8,240 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 12, which ended on December 5, 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 Actual		Quarter 2 Preliminary¹		Quarter 3 Projected		Quarter 4 Projected	
Specialists		P/S	\$ 12,814,300	\$	13,173,600	\$	13,173,600	\$	15,369,200
		FTE	1,309.0		1,408.0		1,408.0		1,408.0
Non-Case Specialists		P/S	8,661,000		9,061,400		9,061,400		10,571,600
		FTE	824.0		842.0		842.0		842.0
Administrative FTE		P/S	3,589,300		4,118,700		4,389,800		5,352,600
		FTE	338.0		395.0		421.0		440.0
OCWI Staff		P/S	482,100		674,600		1,180,300		1,611,800
		FTE	48.0		58.0		93.0		127.0
Total P/S		\$	25,546,700	\$	27,028,300	\$	27,805,100	\$	32,905,200
Total FTE			2,519.0		2,703.0		2,764.0		2,817.0

1/ Preliminary second quarter expenditures through pay period 12

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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 all 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 Actual	Quarter 2 Preliminary^{1,2}	Quarter 3 Projected	Quarter 4 Projected	Total
Action Determination	167,300	79,200	-	-	246,500
Investigations ³	1,479,200	759,700	1,187,800	791,800	4,218,500
In-Home Support Services	28,900	19,200	2,475,000	1,650,000	4,173,100
Out-of-Home Support Services	107,400	672,700	5,974,100	3,982,700	10,736,900
Out-of-Home Placements	526,300	1,566,600	4,506,400	3,004,300	9,603,600
Non-Client Specific Services ⁴	38,500	-	-	-	-
Total	2,347,600	3,097,400	14,143,300	9,428,800	28,978,600

1/ Preliminary second quarter expenditures as of December 1, 2014
2/ Personnel expenditures as of pay period 11
3/ Investigations expenditures for quarter 2 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