

Schedule 13

Funding Request for the FY 2017-18 Budget Cycle

Department of Human Services

Request Title

R-07 Child Welfare Oversight and Technical Assistance

Dept. Approval By: Melissa Wavellet

Supplemental FY 2016-17

X Change Request FY 2017-18

OSPB Approval By: Erin P. Smith 10/27/16

Budget Amendment FY 2017-18

Summary Information	Fund	FY 2016-17		FY 2017-18	FY 2018-19	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$12,833,773	\$0	\$12,853,219	\$320,830	\$328,096
FTE		72.3	0.0	72.3	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$8,488,455	\$0	\$8,504,062	\$266,289	\$272,320
	CF	\$37,230	\$0	\$37,241	\$0	\$0
	RF	\$142,640	\$0	\$143,008	\$0	\$0
	FF	\$4,165,448	\$0	\$4,168,908	\$54,541	\$55,776

Line Item Information	Fund	FY 2016-17		FY 2017-18	FY 2018-19	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$6,124,168	\$0	\$6,142,556	\$320,830	\$328,096
FTE		65.3	0.0	65.3	3.7	4.0
05. Division of Child Welfare - Administration	GF	\$5,025,978	\$0	\$5,041,056	\$266,289	\$272,320
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$142,640	\$0	\$143,008	\$0	\$0
	FF	\$955,550	\$0	\$958,492	\$54,541	\$55,776
Total		\$6,709,605	\$0	\$6,710,663	\$0	\$0
FTE		7.0	0.0	7.0	(3.7)	(4.0)
05. Division of Child Welfare - Training	GF	\$3,462,477	\$0	\$3,463,006	\$0	\$0
	CF	\$37,230	\$0	\$37,241	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$3,209,898	\$0	\$3,210,416	\$0	\$0

CF Letternote Text Revision Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	If Yes, see attached fund source detail.
RF Letternote Text Revision Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
FF Letternote Text Revision Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
Requires Legislation?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
Type of Request?	Department of Human Services Prioritized Request				
Interagency Approval or Related Schedule	None				



Cost and FTE

- The Department of Human Services requests \$320,830 total funds (\$266,289 General Fund and \$54,541 federal funds) in FY 2017-18 and \$328,096 total funds (\$272,320 General Fund and \$55,776 federal funds) in FY 2018-19 and beyond to contract for oversight and technical assistance due to increased county staffing levels appropriated by the Legislature in response to a Workload Study performed by the Colorado Office of the State Auditor (OSA) in 2014 and the Child Welfare Caseload Study performed by ICF International in 2016.

Current Program

- The Department's Division of Child Welfare provides services to protect children from harm and assists families in caring for and protecting their children. The Division's programs comprise Colorado's effort to meet the needs of children who must be placed or are at risk of placement outside of homes for reasons of protection or community safety.
- State Child Welfare staff monitor county programs in the areas of compliance, outcomes measurements, budget, and training needs. They also provide consultation, technical assistance, and direction for county directors and county program staff about challenges, deficiencies, efficiencies and effectiveness of each program.

Problem or Opportunity

- The 2014 OSA Workload Study determined that counties need additional staff to meet program goals and achieve outcomes. The 2016 ICF International Child Welfare Caseload Study supported this need and provided a tool to quantify county level staffing needs.
- The Legislature appropriated funding to increase county child welfare staffing levels in FY 2015-16 and FY 2016-17.
- Increased funding is needed to contract for services that provide additional technical assistance and oversight to counties as their staffing levels increase.

Consequences of Problem

- Current State staff are stretched to meet the increased needs of rising county staffing levels.
- The Department's ability to monitor or consult county program staff and activities is limited.

Proposed Solution

- The Department requests \$320,830 total funds (\$266,289 General Fund and \$54,541 federal funds) to contract services to meet the technical assistance and oversight needs of increased county child welfare staffing levels.

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COLORADO

Department of Human Services

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

FY 2017-18 Funding Request | November 1, 2016

Department Priority: R-07

Request Detail: Child Welfare Oversight and Technical Assistance

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund	Federal Funds
Child Welfare Oversight and Technical Assistance	\$320,830	\$266,289	\$54,541

Problem or Opportunity:

The Department of Human Services requests \$320,830 total funds (\$266,289 General Fund and \$54,541 federal funds) in FY 2017-18 and \$328,096 total funds (\$272,320 General Fund and \$55,7768 federal funds) in FY 2018-19 and beyond to contract services to provide oversight and technical assistance to increased county staffing levels appropriated by the Legislature.

The Colorado Office of State Auditor October 2014 Child Welfare Performance Audit found deficiencies in the Department’s oversight of, and guidance for, county departments of human/social services. In addition, the Child Welfare Caseload Study in 2016 showed the counties to be under staffed and in need of over 600 additional FTE to administer the child welfare services needed by Colorado’s children and families.

To address the audit findings and workload identified, the Legislature has responded to the need for improved child welfare outcomes by approving an increase equivalent to 184.25 case-carrying staff for county Child Welfare agencies in the past two years. The emphasis on improving current programs and the addition of several new programs has created an administrative burden on the Department’s Division of Child Welfare (DCW). However, there has been no corresponding increase in funding for the Department’s DCW services or staff, which is ultimately responsible for Colorado’s child welfare outcomes.

The emphasis on improving current programs, the addition of several new programs, and the addition of new county staff have created an administrative burden on the Department. In June 2016, Public Financial Management, Inc. (PFM) performed a workload assessment for the Department.

PFM concluded that, in some key operational areas, the Department lacks the staff capacity to properly oversee and assist counties in addressing current and upcoming challenges. Specifically, PFM identified a need for staff to execute high-priority central operations and to support counties prior to the federal Children and Families Service Review (CFSR) in 2017 and successfully implement the resulting Program Improvement Plan (PIP) to avoid federal financial penalties. These include a need for:

- Staff to provide sufficient, coordinated and effective assistance to counties in order to ensure successful use and implementation of new initiatives and improved practice, with adequate capacity to address problem areas and compliance risks,
- Additional staff to implement Continuous Quality Improvement efforts,

- Staff to address primary child welfare risks in Colorado,
- Staff to ensure effective use of prevention resources
- Capacity to proactively analyze C-Stat data and address issues before they become critical,
- The ability to effectively monitor child abuse hotline activity and county follow-up,
- Reducing staff turnover and reliance on institutional knowledge, and
- Sufficient time for collaboration across programs and units to ensure cohesive policies and system-wide approach to child welfare.

PFM also concluded the Department's existing quantitative metrics indicate that Colorado falls short in terms of both program and technical assistance staffing in relation to comparable (state supervised, county administered) states.

Based on their findings from the workload assessment, PFM made the following recommendations:

1. The number of State Child Protective Services staff is not sufficient to provide both county technical assistance and program implementation as identified in the 2014 Child Welfare Performance Audit.

PFM recommends the creation of a separate technical assistance unit dedicated to providing support to counties around child protective services, permanency, and youth services programs, working proactively with counties to improve performance toward specific metrics, providing on-the-ground support for new and ongoing programs and initiatives, and implementing Continuous Quality Improvement strategies.

- a. Using technical assistance (TA) staffing levels, TA staff responsibilities, and ratio of TA staff to children served in comparable states, along with current estimates of technical assistance provided by the Department program staff, the recommendation is that Colorado add a minimum of 8 technical assistance staff and one supervisor, with a goal of ultimately increasing the number by 10 to 13 technical assistance staff.
 - b. A recommendation to hire out-stationed TA staff based on the needs of county and regional needs. This staff will provide ongoing training and support to ensure consistency of guidance and policy.
2. Due to their "dual roles" in both programs and county technical assistance, the Department's DCW program staff are struggling to maintain the level of effort and involvement needed to successfully design and implement state child welfare initiatives, including those that are needed to comply with federal legislation.

PFM recommends maintaining the current level of program staff in Child Welfare's Child Protection Services, Youth Services, and Permanency Units. The removal of technical assistance as a job requirement will increase their ability to focus proactively on implementing and maintaining programs, pursuing continuous quality improvement and best practice implementation, and analyzing data to understand and improve child welfare outcomes. PFM does not recommend decreasing program staff in response to adding technical assistance staff.

3. The Hotline Unit is a relatively new and evolving unit striving to reduce risk by incorporating practice elements through the review of pending calls while working closely with counties to provide reliable technology and hotline resources. The risks to this unit in its current organization

are a reliance on the institutional knowledge and technical expertise of the unit manager, and the commitment of the Department to review and provide feedback on pending calls increases the Department's risk should an incident arise from a pending call that was not reviewed.

PFM recommends adding two staff to Child Welfare's Hotline Unit. One is to have a Deputy position to learn from the Manager in preparation for transition, emphasis on technical understanding, monitoring/implementation of vendor contract, and decisions around future use of the vendor contract to provide additional support. The other position is a Call Monitor to provide support on monitoring/reviewing pending calls while freeing up existing staff time to focus on policy and county hotline practice improvement.

4. Child Welfare's Placement Monitoring is an area of risk. The number of monitors is insufficient to adequately monitor out-of-home placement providers, with the largest current risks being the high volume of critical incidents that need to be reviewed as well as the inability to monitor screen outs.

PFM recommends adding a 24-Hour Monitoring Specialist to provide additional support for Stage II investigations (including sufficiently detailed reports and follow up to insure providers are implementing necessary improvements), and increase capacity to review critical incidents and screen outs. PFM also recommends the following:

- a. Align requested legislation with staffing needs necessary to appropriately and comprehensively implement new programs, initiatives, and rule changes;
- b. Use timesheets/time studies and internal performance goals/stats for improved quantitative staffing metrics and understanding of requirements and demands for project and staff time;
- c. Seek opportunities for contracted staff/vendors (National Youth in Transition Database, Human Trafficking, Hotline, IT, expanded training needs); and
- d. Review and update policies and processes to identify opportunities for increased efficiency.

In response to the PFM workload assessment, the Department has reviewed existing and vacant positions to determine if any positions are related to non-statutorily mandated services, and if so, if those positions can be reallocated to fulfill some of the recommendations identified by PFM. Two vacant FTE have been shifted and repurposed to better service and meet the county technical assistance needs identified in the workload assessment. Yet, as observed by PFM, hiring of more staff and additional reduction of workload is needed to mitigate risk and reduce existing staff turnover.

Additionally, programs are either not being implemented as well as they can be, and/or counties are not receiving the necessary level of support and oversight. Both of these conditions result in inadequate performance towards Colorado achieving its child welfare goals. This is particularly an issue for counties that are struggling to meet specific goals or metrics or are in the midst of, or at risk of receiving, a Performance Improvement Plan.

In summary, the PFM Group found that the following items/areas are not being done due to lack of adequate staffing:

- Proactive analysis of C-Stat data to catch issues before they become critical,
- Program monitoring and training,

- Technical assistance to counties for best practice improvements and to review county data to identify problem areas and compliance risks, and
- Cross-training of program staff to reduce reliance on institutional knowledge.

As a State supervised, county administered Child Welfare system, the Department is ultimately responsible for ensuring that the State meets and exceeds federal goals for the safety, permanency, and well-being of Colorado’s children. The Department needs additional funding to provide technical assistance and oversight to counties in order to ensure that the State meets its statutory obligations.

Through the workload assessment conducted by the PFM Group, the Department will also be exploring any areas of work the Division of Child Welfare can stop doing to maximize efficiency (i.e., consider stopping areas of work that are not already mandated through federal law or state statute).

Proposed Solution:

The Department requests \$320,830 total funds (\$266,289 General Fund and \$54,541 federal funds) in FY 2017-18 and \$328,096 total funds (\$272,320 General Fund and \$55,776 federal funds) in FY 2018-19 and beyond to contract services. These contracted services will provide supervision and oversight of county departments of human and/or social services. As recommended by the workload assessment, the Department requests funding that is equivalent to four designated technical assistance specialists to provide general child welfare technical assistance, monitoring, and supervision of counties’ activities.

With this funding, the Department proposes to shift existing current workload and services provided by the Training Unit to contracted services. This will allow reallocation of duties of current State Child Welfare staff in the Training Unit to be re-deployed to provide increased technical assistance, monitoring, and supervision of counties’ activities specific to child protective services, permanency services, and well-being outcome measures.

The Department provides training through its Division of Child Welfare Training Academy to:

- new and ongoing county departments of human and/or social services child welfare staff;
- child placement and residential treatment service providers;
- supportive services providers (e.g., domestic abuse counselors, substance use disorder counselors, mental health practitioners, developmental disabilities counselors and law enforcement officers);
- first responders and mandatory reporters; and
- Division of Child Welfare staff.

All staff hired by the counties must meet state requirements as outline in the Colorado Code of Regulations, 12-CCR-2509-1 Rule 7.000.61, et. seq., and Section 26-5-109, C.R.S. (2016). The Training Academy provides the majority of this training. Training is designed to meet competency and best practice standards and federal requirements that enable the State to claim federal Title IV-E reimbursement. Approximately 85 percent of the training and curriculum is developed and conducted by outside contractors, which includes departments of social work at several colleges and universities, as well as for profit training providers.

Table 1 provides the number and type of positions the Division will contract for.

Table 1: Number and Type of Contracted Staff

Unit	Number of Positions	Title of Position
Training	1.0	Workforce Development Specialist
	1.0	Youth Workforce Development Specialist
	1.0	Management Development Specialist
	1.0	Certification Specialist
Total Contracted Staff	4.0	

Anticipated Outcomes:

The Department will be properly funded to fulfill its statutory requirement of providing Colorado's 64 counties with oversight, guidance and the technical assistance that they need to better ensure the State meets and exceeds its federal goals for safety, permanency, and well-being of Colorado's children and families.

Assumptions and Calculations:

To shift current workload and services provided by the Training Unit to contracted services, the Department proposes to move the cost of four FTE in the Training line item to the Administration line item.

Table 2 shows the impact of this movement between the line items.

Table 2: Long Bill Appropriation and Requested Funding for FY 2017-18 Through FY 2019-20										
Line Item: (5) Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2016-17 Appropriation (HB 16-1405)	\$6,124,168	\$5,025,978	\$0	\$142,640	\$955,550	\$142,640	\$71,320	\$71,320	65.3	
Request FTE Transfer from Training line	\$320,830	\$266,289	\$0	\$0	\$54,541	\$0	\$0	\$0	3.7	Request to Transfer GP IV's from Training line (\$266,289 GF, \$54,541 FF and 3.7 FTE)
FY 2017-18 Total Requested Appropriation	\$6,444,998	\$5,292,267	\$0	\$142,640	\$1,010,091	\$142,640	\$71,320	\$71,320	69.0	
Request FTE Transfer from Training line, Annualized	\$7,266	\$6,031	\$0	\$0	\$1,235	\$0	\$0	\$0	0.3	Request to Transfer GP IV's from Training line, Annualized
FY 2019-19 Total Requested Appropriation	\$6,452,264	\$5,298,298	\$0	\$142,640	\$1,011,326	\$142,640	\$71,320	\$71,320	69.3	
FY 2019-20 Total Requested Appropriation	\$6,452,264	\$5,298,298	\$0	\$142,640	\$1,011,326	\$142,640	\$71,320	\$71,320	69.3	

Line Item: (5) Training	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2016-17 Appropriation (HB 16-1405)	\$6,709,605	\$3,462,477	\$37,230	\$0	\$3,209,898	\$0	\$0	\$0	7.0	
Requested Funding (or Spending Authority)	\$320,830	\$266,289	\$0	\$0	\$54,541	\$0	\$0	\$0	0.0	
Request FTE Transfer to Administration line	(\$320,830)	(\$266,289)	\$0	\$0	(\$54,541)	\$0	\$0	\$0	(3.7)	Request to Transfer GP IV's to Administration line (\$266,289 GF, \$54,541 FF and 3.7 FTE)
FY 2017-18 Total Requested Appropriation	\$6,709,605	\$3,462,477	\$37,230	\$0	\$3,209,898	\$0	\$0	\$0	3.3	
FY 2018-19 Annualization of Prior Year Funding	\$7,266	\$6,031	\$0	\$0	\$1,235	\$0	\$0	\$0	0.0	
Request FTE Transfer to Administration line, Annualized	(\$7,266)	(\$6,031)	\$0	\$0	(\$1,235)	\$0	\$0	\$0	(0.3)	Request to Transfer GP IV's to Administration line, Annualized
FY 2019-19 Total Requested Appropriation	\$6,709,605	\$3,462,477	\$37,230	\$0	\$3,209,898	\$0	\$0	\$0	3.0	
FY 2019-20 Total Requested Appropriation	\$6,709,605	\$3,462,477	\$37,230	\$0	\$3,209,898	\$0	\$0	\$0	3.0	

The cost for the oversight and technical assistance is equivalent to four General Professional IV State FTE positions. Table 3 shows the calculation of salary, benefits, and other costs associated with those FTE to be contracted.

Table 3: Shift 4.0 GP IV's from Training to Administration Line

Expenditure Detail		FY 2017-18		FY 2018-19	
<i>Personal Services:</i>					
Classification Title	Monthly	FTE		FTE	
GENERAL PROFESSIONAL IV	\$5,005	3.7	\$220,220	4.0	\$240,240
PERA			\$22,352		\$24,384
AED			\$11,011		\$12,012
SAED			\$11,011		\$12,012
Medicare			\$3,193		\$3,483
STD			\$418		\$456
Health-Life-Dental			\$31,709		\$31,709
Subtotal Position 1, ## FTE		3.7	\$299,914	4.0	\$324,296
<i>Operating Expenses:</i>					
		FTE		FTE	
Regular FTE Operating	\$500	3.7	\$1,850	4.0	\$2,000
Telephone Expenses	\$450	3.7	\$1,665	4.0	\$1,800
PC, One-Time	\$1,230	3.7	\$4,551	-	
Office Furniture, One-Time	\$3,473	3.7	\$12,850	-	
Subtotal Operating Expenses			\$20,916		\$3,800
TOTAL REQUEST		3.7	\$320,830	4.0	\$328,096
	<i>General Fund:</i>		\$266,289		\$272,320
	<i>Cash funds:</i>				
	<i>Reappropriated Funds:</i>				
	<i>Federal Funds:</i>		\$54,541		\$55,776