



January 2007

Report No. 07-03

CBC Pilot Project Implementation Delayed But Proceeding; Other Initiatives Implemented

at a glance

The Department of Children and Families implemented the outsourced oversight components of the community-based care pilot project with some delays. The department has also implemented grant funding and fixed-price contracts to provide the pilot lead agencies with greater funding flexibility.

Stakeholders indicate that the pilot project has produced benefits including objective review by qualified entities, more frequent and meaningful fiscal monitoring reports, and streamlined administrative processes. However, the pilot project faces challenges in outsourcing monitoring functions that were being restructured and are untested, and completing a final plan detailing how some aspects of monitoring will be conducted.

The department has implemented the federal Title IV-E waiver, statutory changes to permanency planning requirements, and grant funding and fixed-price contracts for all lead agencies statewide.

Scope

At the request of the Legislature, OPPAGA reviewed the implementation of the community-based care pilot project operating in Broward, Miami-Dade, and Monroe counties.¹ We also

reviewed the implementation of three other recent child welfare initiatives: the federal Title IV-E waiver, statutory changes in permanency planning requirements, and changes in funding and payment methods for lead agencies.

This report answers three questions.

1. What is the status of the community-based care pilot project?
2. What are the benefits and challenges of the pilot project?
3. What are the status, benefits, and challenges of the other recent child welfare initiatives?

Background

Over the past year, four major changes have occurred in the child welfare system. Specifically, the Legislature established a pilot program to privatize oversight of and grant more flexibility to two community-based lead agencies; Florida received a waiver on use of federal Title IV-E funds; the Legislature changed statutory permanency planning requirements; and the Legislature changed the funding method for lead agencies.

Community-based care pilot program

Chapter 2006-30, *Laws of Florida*, creates a three-year pilot program for two community-based care lead agencies (ChildNet in Broward County and Our Kids in Miami-Dade and Monroe counties)

¹ Chapter 2006-30, *Laws of Florida*, directs OPPAGA and the Auditor General to evaluate the pilot program and provide an interim and final report on February 1, 2008, and February 1, 2009, respectively.

with a statutory implementation date of July 1, 2006. The pilot

- transfers fiscal, administrative, and program monitoring responsibilities from the Department of Children and Families to independent, nongovernmental third-party oversight entities;^{2, 3}
- requires the third-party program monitor and the lead agency pilot sites to develop new outcome measures to track lead agency performance;
- changes lead agency funding from a system requiring them to return unspent funds each year, to a grant of general revenue and federal funds, with the ability to retain unspent general revenue; and
- changes the lead agencies' contract payment method from cost reimbursement to fixed-price.

Other recent child welfare initiatives

Federal Title IV-E funding waiver. The Department of Children and Families applied for and received a waiver for the use of federal Title IV-E funds from the United States Department of Health and Human Services.⁴ Title IV-E funds provide payment for licensed foster care placements, adoption subsidies, administration and training, and the State Automated Child Welfare Information System (SACWIS). The waiver excludes SACWIS and adoption subsidies, and authorizes a five-year demonstration showing that the flexible use of federal funds will result in improved outcomes for children and families. Florida receives a capped allocation of federal funds during the waiver period, with a 3% per

year increase over funding for federal Fiscal Year 2004-05.⁵

Changes in permanency planning requirements. The 2006 Legislature made statutory changes in permanency planning requirements for judicial proceedings related to children. Permanency planning refers to expeditiously securing a safe, permanent placement for maltreated children. The overall goal of the 2006 changes is to align state and federal permanency requirements. The amendments to Ch. 39, *Florida Statutes*,

- require concurrent planning for other permanency options while pursuing reunification with a child's family;
- modify permanency goals for the child's living arrangements to stress guardianship and adoption, as well as family reunification;
- strengthen the requirements for case plan development, content, and amendments; and
- clarify timelines for holding permanency hearings and the circumstances when termination of parental rights should or should not be pursued.

Changes in funding and payment methods for lead agencies. The 2006 Legislature also made statutory changes in funding and payment methods for all lead agencies, including those participating in the pilot project. Chapter 2006-30, *Laws of Florida*, provides that the department may expand grant funding and fixed-price contracts to all lead agencies.⁶ Formerly, lead agencies had to return unspent general revenue funds at the end of each fiscal year. For Fiscal Year 2006-07, lead agency funding changed to be a grant of general revenue and federal funds. The department revised its contracts with lead agencies to allow them to retain unspent general revenue funds for the entire contract period. However, lead agencies will be required to return unspent federal funds at the end of each fiscal year. In addition, lead agencies' method of payment changed from cost reimbursement to fixed price. The department implemented both of

² *Fiscal monitoring* provides financial oversight and assurance of the integrity of the provider's fiscal operations, including adherence to generally accepted accounting principles and the appropriate use of various funding streams. The department also included federal funding monitoring with fiscal monitoring. *Administrative monitoring* examines a provider's management and governance structures and other areas of operations not related to the delivery of direct program services. *Programmatic monitoring* examines the quality of the program and the quantity of services provided. The department included quality assurance monitoring with program monitoring. Quality assurance examines the quality of service delivery to clients.

³ Chapter 2006-30, *Laws of Florida*, exempts the third-party entities from the state's competitive procurement requirements.

⁴ Title IV-E of the Social Security Act.

⁵ This increase in funding totals \$7.3 million per year for five years.

⁶ Proviso language in the Fiscal Year 2006-07 General Appropriation Act also requires the department to contract with community-based lead agencies using a fixed-price or unit cost method of payment, effective January 1, 2007.

these changes through contract amendments in October 2006, along with the implementation of the Title IV-E waiver.

Questions and Answers—

What is the status of the community-based care pilot project?

The department has implemented the oversight components of the pilot with some delays. While the contract for fiscal and administrative monitoring was executed in July 2006, the contract for programmatic monitoring and quality assurance was not signed until November 2006. As required by statute, the department has implemented grant funding and fixed-price contracts to provide the pilot lead agencies with greater funding flexibility.

The department implemented the oversight components of the pilot

The department signed a contract for fiscal and administrative monitoring by its goal date of August 1, 2006. In July 2006, the department contracted with Abel and Associates, a certified public accounting firm, which had conducted fiscal monitoring for ChildNet for the past three years.^{7,8} The terms of the contract require that Abel and Associates conduct fiscal, administrative, and federal funding monitoring. The firm's responsibilities include reviewing lead agency procurement and contracting practices, reviewing the lead agency's invoices prior to submission to the department's contract manager, assessing internal controls, determining whether personnel file requirements are met, and reviewing client eligibility determinations for federal funding.⁹

⁷ The department required lead agencies that were unable to obtain a performance bond or letter of credit to hire fiscal monitors.

⁸ The department funded the oversight entities for the pilot program from cost savings realized when the department consolidated the Southern and Miami zones into the Southeast Zone and eliminated redundant positions. Districts 9, 10, and 11 were consolidated into the new Southeast Zone. Districts 8 and 15, part of the Southern Zone, were realigned with the SunCoast Region and Central Zone, respectively.

⁹ The department contracts with Public Consulting Group to conduct fiscal monitoring of the remaining lead agencies, with the exception of the two county-operated lead agencies.

The fiscal and administrative monitoring conducted by Abel and Associates focuses on the lead agencies' operations rather than their subcontracted providers. Instead of monitoring the subcontractors, Abel and Associates provides oversight of how the lead agencies' fulfill their responsibilities to monitor whether their subcontractors comply with the provisions of their contracts, and is assisting the lead agencies to draft monitoring tools designed to identify at-risk providers.

Abel and Associates completed a monitoring plan for Fiscal Year 2006-07 and has issued monthly reports on the two lead agencies that made recommendations such as recommending that ChildNet establish procedures to improve accounting practices for accruals and Our Kids obtain a bank line of credit or other ready source of operating capital.

The department signed the contract for program monitoring in November 2006. The department contracted with Chapin Hall, a child welfare research and demonstration institute of the University of Chicago, to conduct programmatic monitoring and quality assurance reviews, and develop new performance measures. Administrators of the pilot lead agencies recommended Chapin Hall as the program monitor because of its strong national reputation for performance measurement and analysis.

Although the department had an internal goal to finalize the contract with Chapin Hall by September 1, 2006, the contract was not executed until November 25, 2006. The delay in establishing this contract was due to the University of Chicago having concerns about language in the department's standard contract that addresses insurance and indemnifying the state. The department revised these sections to the university's satisfaction to be more applicable to a contract with a university.

As of December 31, 2006, Chapin Hall was still developing plans for its oversight responsibilities and had not yet begun monitoring tasks. Chapin Hall is to map the system of care in the pilot sites, develop monitoring tools, assess the validity of current contract performance measures, and develop new outcome measures. Chapin Hall plans to assign an employee to south Florida full-

time to oversee the project, and subcontract with Foster Care Review, Inc., in Miami to review the quality of service delivery to clients.

The department has implemented grant funding and fixed-price contracts to provide pilot lead agencies greater funding flexibility

As directed by the Legislature, the department implemented changes in funding and payment methods in its Fiscal Year 2006-07 contracts for the pilot lead agencies. These changes allow the pilots to maintain reserve accounts of general revenue funds and have a more predictable cash flow. Under the new grant funding system, the pilot lead agencies are permitted to retain general revenue funds through the end of their three-year contract periods, while reconciling federal funds at the end of each fiscal year. With a fixed-price contract, the pilot lead agencies receive two months of advance payments at the beginning of the contract period with equal monthly installments thereafter. While Our Kids had been operating under a fixed-price payment method since Fiscal Year 2005-06, ChildNet and the remaining lead agencies had been operating under cost reimbursement contracts in which payments were based upon monthly expenditures.

What are the benefits and challenges of the pilot project?

Stakeholders identified several benefits of the pilot project, including positive assessments of the outsourced fiscal monitor and streamlined administrative processes. However, the pilot project faces challenges in two areas: managing program quality assurance functions that were outsourced while being restructured and are untested, and the need to develop a final plan specifying how programmatic and quality assurance monitoring will be conducted.

The department and lead agencies identified several potential benefits of the pilots. Department and lead agency managers indicated that outsourcing program and financial monitoring should result in reviews that are conducted independently, objectively, and competently. These managers report that contracting with Abel

and Associates, the fiscal and administrative monitor, has strengthened oversight because financial monitoring is now done by certified public accountants who can act as internal auditors and help the lead agencies avoid financial risk. In the past, financial monitoring by the department was often conducted by staff without accounting backgrounds. Stakeholders also asserted that the Chapin Hall contract will strengthen programmatic oversight by bringing a national perspective and reputation in reviewing the quality of services and developing new performance measures.

Department staff at central, zone, and district level offices, as well as lead agency staff, expressed satisfaction with the work Abel and Associates has conducted so far. Department and lead agency staff noted that the firm is knowledgeable in child welfare funding streams and nonprofit organizations and has a strong accounting background. Lead agency staff said that the firm is conducting its monitoring in a way that is less intrusive and cumbersome than their previous experiences with department monitoring. These staff noted that the firm is providing more consistent monitoring findings than did the department because the process involves using the same monitoring staff for each review and issuing monitoring reports that are business-oriented and provide reasonable and logical recommendations.

Lead agency staff also indicate that the recent changes in funding and payment methods have been beneficial in streamlining administrative processes and enhancing lead agency financial viability. The fixed-price payment method simplifies the monthly invoicing process and documentation, reduces administrative processes, and provides a predictable monthly cash flow for lead agencies, while grant funding allows them to develop a reserve account to help hedge against emergencies or expand services.

The department outsourced program monitoring functions that were being significantly changed and are untested. A key challenge for Chapin Hall will be to implement its oversight responsibilities within a quality assurance system that is in transition. The department implemented a three-tiered quality assurance

system beginning in April 2006.¹⁰ Within this system, each lead agency is responsible for developing and implementing a Quality Management Plan for reviewing in-house and subcontracted services (Tier 1), while department zone and central office staff are responsible for approving lead agency plans and validating lead agency quality assurance reviews (Tier 2). The department is also responsible for ensuring the state is prepared for the federal performance review that occurs every five years and is scheduled for 2008 (Tier 3).¹¹ In July 2006, the department provided funding to lead agencies to enable them to assume their Tier 1 quality assurance responsibilities.¹² The department contracted with Chapin Hall to perform the Tier 2 and Tier 3 quality assurance reviews for the pilot lead agencies.

The department's revised quality assurance system is still being established statewide, and it is too early to determine whether it will be effective. Based on Tier 2 reviews the department has conducted of non-pilot lead agencies to date, department staff report that lead agencies appear to be struggling with some aspects of the new quality assurance system. For example, the Tier 2 reviews conducted by the department identified that lead agency staff do not have a complete understanding of the quality assurance core elements or how to apply these elements in their reviews.¹³ The department reviews found that lead agency quality assurance staff were not consistently applying ratings to the core quality assurance elements, which are the elements that all lead agencies must assess. The inconsistency has caused the lead agencies to fall below the 98%

accuracy standard established by the department.¹⁴ Agencies falling below this accuracy level are provided technical assistance and re-reviewed by the department within the fiscal year.

A related problem is that most lead agencies statewide are not meeting deadlines to submit quarterly quality assurance data or have submitted incomplete information. Moreover, the department's quality assurance database is not yet operational. The database collects lead agencies' Tier 1 quality assurance review data and is being designed as a web-based system. Department quality assurance staff indicate that the system will be functional in early 2007, with reporting capabilities available by March 2007. Because the system is not yet operational, lead agency staff cannot enter quality assurance data directly into the system but instead have submitted quarterly data reports to the department in a variety of formats, which are difficult to aggregate for statewide analysis. The lack of a functioning quality assurance data system limits the ability of the department and Chapin Hall to validate lead agencies' data and analyze statewide performance.

Chapin Hall does not yet have a final plan for how it will conduct program and quality assurance monitoring. A second challenge for the pilot project is that Chapin Hall's plan for conducting programmatic monitoring and quality assurance reviews is in the preliminary planning stage due to the delays in signing its contract. Chapin Hall's plans include developing new monitoring tools and processes and subcontracting with Foster Care Review, Inc., for conducting the day-to-day activities required by programmatic monitoring and quality assurance reviews.

Chapin Hall's first monitoring reports are due in late January 2007; however, Chapin Hall staff are uncertain about meeting this date since their monitoring tools and processes had not been developed by the end of December 2006. Chapin Hall may be further delayed in issuing its monitoring reports because it has several reports due to the department within the first 60 days of its contract. These reports include a description of

¹⁰ Section 471 (7) of the Social Security Act requires that the state agency monitor and conduct periodic evaluation of foster care and adoption assistance to be eligible for payment for these services. Section 471 (22) of the Social Security Act requires that the state agency implement standards to ensure that children in foster care placements in public or private agencies are provided quality services that protect the safety and health of children.

¹¹ For further information about the three-tiered quality assurance system, see *Additional Improvements Are Needed as DCF Redesigns Its Lead Agency Oversight Systems*, OPPAGA [Report No. 06-05](#), January 2006.

¹² Funding for lead agency quality assurance activities came from the department eliminating 50% (43 FTEs) of its quality assurance staff statewide and transferring these funds to lead agencies.

¹³ Core elements include case plan development, placement stability, repeat maltreatment, ongoing assessment of risk, and visitation.

¹⁴ The department uses Tier 2 reviews as a quality control to validate whether the lead agencies accurately assess the quality of services in accordance with state and federal requirements.

the lead agencies' organizational structures and systems of care, as well as a report on the validity of the department's performance measures for lead agencies.

What are the status, benefits, and challenges of the state's other recent child welfare initiatives?

The department has implemented the federal Title IV-E waiver, statutory changes to permanency planning, and grant funding and fixed-price contracts for lead agencies statewide. The Title IV-E waiver allows the state to use this funding for a greater array of services and reduces administrative tasks. However, lead agencies' case mixes may restrict the extent to which they can expand their service array. Changes in permanency planning requirements have brought state statutes into conformity with federal requirements, but could result in lead agencies being under more pressure to recruit, license, and retain foster care and adoptive homes. Grant funding and fixed price contracts created greater funding flexibility, but will require lead agencies to carefully manage their funds.

The department implemented the Title IV-E waiver on schedule; stakeholders identified several benefits but also limitations for the waiver. The department achieved its goal for implementing the waiver in October 2006 and modified financial requirements for lead agencies as a result of the waiver. Because the waiver provides greater spending flexibility, the department simplified the invoicing process for lead agencies by eliminating some expenditure categories and consolidating others. In addition, a workgroup of department and lead agency representatives developed a simplified eligibility determination process as permitted by the waiver for IV-E funds.

The department provided statewide training in October 2006 to lead agency and department staff on the new financial requirements resulting from the waiver and financial accounting and reporting. The department also maintains information on the waiver for department and lead agency staff on its website.

Stakeholders identified several benefits to the Title IV-E waiver. The waiver allows the state to use IV-E funds to pay for a wider array of services to children and families. In addition to foster care payments, additional services may include prevention, early intervention, or reunification services. The IV-E waiver also allows lead agencies to provide long-term support services to families to reduce the number of children re-entering foster care, which was not allowed before the waiver. In addition, the waiver lifts income eligibility restrictions, enabling lead agencies to use these funds for families regardless of their income.

The waiver also streamlined administrative functions. The IV-E waiver permits a simplified process for determining whether specific children are eligible for receiving IV-E funding rather than other funding for services, and no longer requires periodic re-determination of client eligibility. Also, caseworkers are no longer required to maintain time logs of their activities. In addition, district and lead agency staff report that the new invoicing system developed by central office staff has simplified the preparation and review processes for invoices for both parties and reduced the amount of accompanying documentation.

Stakeholders also identified several challenges to implementing the waiver. First, the extent to which lead agencies have developed plans for changing their service arrays varies throughout the state. Some lead agencies have developed detailed Title IV-E waiver plans that incorporate strategies to improve specific child and family outcomes using newly flexible IV-E funds. Other lead agencies are either in initial planning stages with internal discussions of outcomes they would like to address, or have not begun this planning process. This planning is important as the waiver can enable lead agencies to identify strategies for improving service outcomes. For example, staff of two lead agencies that have developed detailed plans examined the population of children served in out-of-home placements to identify those who could be returned home if intensive aftercare services were provided. These lead agencies also are identifying children in residential group care who could be put in less restrictive and less costly

placements if individualized support services were provided.

Another challenge is that some lead agencies may not be able to immediately redirect IV-E funds to other services. Lead agencies serving large numbers of older children in long-term residential foster care who have limited placement options will likely be unable to redirect IV-E funds to prevention or early intervention services until these children leave foster care. Therefore, the anticipated improvement in outcomes for children and families from the waiver may take several years to achieve.

Finally, the administrative streamlining resulting from the IV-E waiver does not extend to other funding streams. Although the waiver has simplified the eligibility determination process and related paperwork requirements for protective investigators and case managers, other funding streams such as Temporary Assistance for Needy Families and Medicaid still require a full eligibility determination process and annual eligibility re-determinations. While some lead agencies have reduced or are anticipating reducing their eligibility staff, others are not planning to do so due to the requirements of other funding streams as well as the need to continue determining eligibility for adoption assistance.

The department implemented statutory changes to permanency planning; these changes produced several benefits and challenges. The department implemented the 2006 statutory changes to permanency planning by issuing a policy and procedures directive in June 2006. Beginning that month, the department also provided a series of regional teleconferences to train its child welfare legal services attorneys, district legal counsel, protective investigation managers and supervisors, and lead agency staff. The department's child welfare attorneys were charged with training lead agency case managers and other staff who had not participated in the teleconferences or needed supplemental, community-specific training.

Department staff identified four primary benefits resulting from changes to permanency planning requirements. First, the changes bring Ch. 39, *Florida Statutes*, into conformity with federal

permanency requirements and timeframes. For example, Florida interpreted the time for establishing permanency as requiring a child to be in a permanent placement within 12 months of removal, while the federal requirement is to have the permanency goal established within 12 months of removal. Florida's more stringent goal had caused the state's performance on this federal measure to appear lower than it was in comparison to other states. In addition, Ch. 39, *Florida Statutes*, formerly did not specify the process for establishing guardianship as a permanent placement option for children.¹⁵ This change provides criteria to caseworkers, attorneys, and judges to use when considering guardianship and a process for establishing permanent guardianship specifically for dependent children.

Second, the changes move concurrent planning for permanency options from a best practice to a requirement. Concurrent planning requires caseworkers to develop other permanency options while pursuing reunification with a child's family. This change may reduce the time it takes to move a child to permanency. Previously, Florida's process required the permanency process to begin again if reunification failed.

Third, the changes in Ch. 39, *Florida Statutes*, provide more detailed guidelines for caseworkers, child welfare attorneys, and judges for establishing permanency goals, developing case plans, and meeting timeframes for amending case plans and when case plans expire, which may improve the quality and consistency of decision-making statewide. For example, the detailed guidelines on the content requirements for case plans may speed case plan acceptance by the court, since all parties should have the same expectations for the information presented.

Finally, the statutory changes clarify the circumstances under which termination of parental rights should or should not be pursued. This may help to increase adoptions, decrease the time to adoption, and decrease appeals by parents whose rights have been terminated.

¹⁵ Chapter 744, *Florida Statutes*, includes the process to establish guardianships for minors and incapacitated individuals.

However, lead agency staff also identified several challenges they may face as a result of the changes in permanency planning requirements.¹⁶ As children move more quickly to adoption, lead agency staff and their subcontractors may need to recruit, license, and retain more foster homes for children, since much of the attrition in foster homes is because foster parents often adopt the children in their care. Also, as more children are available for adoption, lead agencies may need to recruit more potential adoptive homes for pre-adoption placements. As adoption placements increase, lead agencies will need to increase the adoption support services they provide.

Another challenge is that lead agencies varied in the extent to which they participated in the department's training on the changes in permanency planning requirements. While most lead agencies participated in the teleconferences and received additional training from department staff, some did not. Department legal staff expressed concern that those lead agencies that did not participate in training may lack understanding of the extensive statutory changes to permanency planning. The training offered by the department was designed to provide consistent information to attorneys, managers, and caseworkers throughout the state.

The department expanded grant funding and fixed-price contracts to lead agencies statewide, which produced significant benefits and some challenges. The department met its goal for changing contract funding and payment methods for non-pilot lead agencies by October 2006 when it implemented the Title IV-E waiver. The department amended lead agency contracts in September and October 2006 to reflect grant funding and fixed-price contracts. This funding system allows lead agencies to maintain unspent general revenue until the end of the contract period, although lead agencies will be required to return unspent federal funds at the end of each fiscal year.¹⁷ Fixed-price contracts provide 12 equal monthly payments each fiscal year with two

months of advanced payment at the beginning of the contract year.

Stakeholders identified significant benefits and possible challenges resulting from the changes in funding and payment methods. Lead agencies and department managers noted that the change from cost reimbursement to fixed-price contracts results in a predictable monthly cash flow and assists lead agencies with financial planning. Monthly payments under the previous cost reimbursement contracts were based on a lead agency's expenditures, which could vary from month-to-month, making financial planning difficult. Also, according to some lead agencies, the department could delay cost reimbursement invoices due to small discrepancies, making it difficult for the lead agencies to pay vendors, staff, and subcontractors. The change in payment method also simplified the administrative process for lead agencies and the department because a fixed-price method of payment requires less detailed invoices each month and less invoice documentation than a cost reimbursement method of payment.

Fixed price contracts also provide lead agencies with the benefit of receiving a two-month advance payment at the beginning of the fiscal year. Formerly, lead agencies only received advance funding for the three-month period at the end of the fiscal year. However, lead agency staff will need to carefully manage their funds throughout the fiscal year to ensure they retain sufficient funds for the end of the year, since the agencies previously could count on receiving a three-month payment of funds toward the end of the fiscal year.

The new funding system allows lead agencies to delay reconciling unspent general revenue funds until the end of the contract period, which in turn allows them to create a reserve account that can be used as a hedge against increases in caseloads, develop new services, or provide incentives to high performing case management organizations. However, lead agencies will need to be careful not to under-use their general revenue funds solely for the purpose of building up a reserve of unspent general revenue.¹⁸

¹⁶ OPPAGA Report, *Child Welfare System Performance Mixed in First Year of Statewide Community-Based Care*, [No. 06-50](#), June 2006, discusses the difficulty lead agencies experience in maintaining the appropriate mix of foster care placements.

¹⁷ Non-pilot lead agencies have multi-year contracts for up to five years.

¹⁸The fiscal monitor for the pilot sites has identified underutilization

Recommendations

To address challenges posed by the delay in signing the Chapin Hall contract, we recommend that the department direct Chapin Hall to adhere to the department's annual monitoring schedule and conduct programmatic and quality assurance monitoring of the pilot sites no later than April 2007.¹⁹

To address challenges arising from the recent changes in permanency planning requirements, we recommend that

- the department offer ongoing training from the department's attorneys to all lead agencies so that new staff become familiar with the changes in permanency planning requirements, and
- the department and lead agencies periodically assess the availability of placement options throughout the state to ensure that appropriate placements are available so that lead agencies can help children move more quickly to permanent living arrangements.

of general revenue as a challenge for one of these lead agencies in the past.

¹⁹ The department's standard for program monitoring is every 12 months. ChildNet and Our Kids were last monitored by department staff in April and May 2006, respectively.

To ensure that the recent increase in flexibility of funding does not lead to lead agency financial problems, we recommend that the department and lead agencies closely monitor utilization of general revenue by lead agencies.

Agency Response

In accordance with the provisions of s. 11.51(5), *Florida Statutes*, a draft of our report was submitted to the Secretary of the Department of Children and Families for review and response. The Secretary's written response to this report is in Appendix A.

OPPAGA supports the Florida Legislature by providing evaluative research and objective analyses to promote government accountability and the efficient and effective use of public resources. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person, or by mail (OPPAGA Report Production, Claude Pepper Building, Room 312, 111 W. Madison St., Tallahassee, FL 32399-1475). Cover photo by Mark Foley.

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Appendix A



**State of Florida
Department of Children and Families**

Charlie Crist
Governor

Robert A. Butterworth
Secretary

January 17, 2007

Gary R. VanLandingham, Director
Office of Program Policy Analysis and
Government Accountability
111 West Madison Street, Room 312
Tallahassee, Florida 32399-1475

Dear Mr. VanLandingham:

Thank you for your January 4, 2007, letter providing the Department of Children and Families a draft copy of your report, *"CBC Pilot Project Implementation Delayed but Proceeding; Other Initiatives Implemented."*

Enclosed is the department's response to the findings and recommendations. If you or your staff have any questions, please contact David Fairbanks, Director of Provider Relations, at (850) 487-1987.

We appreciate the opportunity to respond and look forward to continued collaboration with your office.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Butterworth', is written over a horizontal line.

Robert A. Butterworth
Secretary

Enclosure

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and
Advance Personal and Family Recovery and Resiliency

FLORIDA DEPARTMENT OF CHILDREN AND FAMILIES
RESPONSE TO OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT
ACCOUNTABILITY'S REPORT: CBC Pilot Project Implementation Delayed But
Proceeding; Other Initiatives Implemented
January 2007

Recommendation:

To address challenges posed by the delay in signing the Chapin Hall contract, we recommend that the department direct Chapin Hall to adhere to the department's annual monitoring schedule and conduct programmatic and quality assurance monitoring of the pilot sites no later than April 2007. *

**The department's standard for program monitoring is every 12 months. ChildNet and Our Kids were last monitored by department staff in April and May 2006, respectively.*

Department's Response:

Concur with the recommendation for Chapin Hall to complete the annual monitoring as scheduled. This will meet independent oversight requirements as specified in the pilot legislation.

Recommendation:

To address challenges arising from the recent changes in permanency planning requirements, we recommend that the department offer ongoing training from the department's attorneys to all lead agencies so that new staff become familiar with the changes in permanency planning requirements.

Department's Response:

The department has offered permanency-planning requirements training to the community-based care agencies by a variety of methods and will continue to offer training opportunities. Some examples of training activities during the period July through December 2006 include: conference calls conducted by attorneys and program staff addressing legislative changes, train the trainer sessions highlighting 2006 legislative changes, a monthly electronic training bulletin featuring pertinent articles, inclusion of the 2006 legislative changes in the uniform preservice curriculum, and dissemination of Chapter 39 training materials including powerpoint highlights and hard copy booklets. Funds have been disseminated to community-based care agencies for inservice training and this is a resource available to those agencies for ensuring on-going delivery of training.

The department will collaborate with community-based care agencies and assess training needs related to permanency planning requirements. Training will be designed and/or delivered by the department's attorneys and/or program staff based on available resources. The Family Safety Office and the General Counsel's Office will coordinate training through the department's Provider Relations Office.

FLORIDA DEPARTMENT OF CHILDREN AND FAMILIES
RESPONSE TO OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT
ACCOUNTABILITY'S REPORT: CBC Pilot Project Implementation Delayed But
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Recommendation:

To address challenges arising from the recent changes in permanency planning requirements, we recommend that the department and lead agencies periodically assess the availability of placement options throughout the state to ensure that appropriate placements are available so that lead agencies can help children move more quickly to permanent living arrangements.

Department Response:

The department is actively working with community-based care agencies to assess and develop placement options for children. Some of the current activities include: an annual recruitment and retention planning process at the state and local levels to assess gaps and develop resources based on data/need, monthly conference calls with community-based care staff on recruitment/retention, emphasis on resource development through regular performance management meetings on the placement stability measure (percent of children with no more than 2 placements within 12 months of removal), and technical assistance provided by the federally funded National Resource Centers in conjunction with Family Safety staff.

The department will continue to offer technical assistance on placement resources and service array development. Recently, a data analysis tool and data specific to localities were disseminated to community-based care agencies. The purpose of this tool and the local data was to assist community-based care agencies in assessing the gaps in their communities and determine next steps. The department intends to include the recruitment and retention planning protocol in the community-based contract template effective July 2007.

Finally, the department has identified a related action item in the "Longer Term Action Agenda" (transition agenda) for July 1, 2007 and beyond. It is, "Ensure implementation of independent living, normalcy, and permanency initiative for older teens in the child welfare system". This item is closely related to development of placement options and various other teen initiatives.

Recommendation:

To ensure that the recent increase in flexibility of funding does not lead to lead agency financial problems, we recommend that the department and lead agencies closely monitor utilization of general revenue by lead agencies.

Department's Response:

The Department is creating a new CBC Accounting Unit within the Office of Financial Management that will be responsible for recording and monitoring all payments to CBC's, their subsequent actual expenditure reports, and the residual cash balances by month for both state and Federal funding sources. We expect this Unit to be operational in March 2007.