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OFFICE OF THE
AUDITOR GENERAL

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June 6, 2018

The Honorable Anthony Kern, Chair
Joint Legislative Audit Committee

The Honorable Bob Worsley, Vice Chair
Joint Legislative Audit Committee

Dear Representative Kern and Senator Worsley:

Our Office has recently completed a 42-month followup of the Arizona Department of Child Safety—Children Support Services—Emergency and Residential Placements regarding the implementation status of the 4 audit recommendations presented in the special report released in October 2014 (Auditor General Report No. 14-107). As the attached grid indicates:

- 2 are implemented;
- 1 is in the process of being implemented; and
- 1 is no longer applicable.

Unless otherwise directed by the Joint Legislative Audit Committee, this concludes our follow-up work on the Arizona Department of Child Safety's efforts to implement the recommendations from the October 2014 special report.

Sincerely,

Dale Chapman, Director
Performance Audit Division

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Attachment

cc: Gregory McKay, Director
Arizona Department of Child Safety

Arizona Department of Child Safety—Children Support Services—Emergency and Residential Placements Auditor General Report No. 14-107 42-Month Follow-Up Report

Recommendation	Status/Additional Explanation
Finding 1: Department should continue taking actions to reduce the use of congregate care	
1.1 The Department should continue to assess what actions it can take to appropriately reduce the number of children entering out-of-home care.	Implemented at 30 months
1.2 The Department should develop and implement a comprehensive approach to reduce the use of congregate care in Arizona. In developing this approach, the Department should consider various strategies, such as those used in other jurisdictions that address the causes for increased congregate care use identified in this report and/or through its own analyses, such as: <ul style="list-style-type: none"> • Continuing to look for ways to improve the recruitment and retention of foster families; • Developing improved practices to establish permanency, including minimizing the use of independent living and long-term foster care as permanency goals and increasing permanency planning activities such as permanency roundtables; • Instituting policy changes that would restrict the use of congregate care, such as requiring preauthorization for placing a child in congregate care or prohibiting its use for young children; • Developing performance-based contracts to identify and eliminate poorly performing congregate care service providers; and • Working with providers to improve the provision, array, and coordination of evidence-based services, including behavioral health services. 	Implemented at 42 months

Recommendation

Status/Additional Explanation

1.3 The Department should establish a plan and time frame for reinstating the use of foster care receiving homes, which the Legislature has appropriated it funding to do.

No longer applicable

According to the Joint Legislative Budget Committee (JLBC), the funding for foster care receiving homes was specific to fiscal year 2014. The JLBC indicated that although it was the intent of the Legislature for this money to be used for foster care receiving homes, it was not required. Additionally, the Department reported that it does not plan to reinstate the use of foster care receiving homes because, as short-term placements for a child, they create an unnecessary move within the first 30 days of the child being in out-of-home care. The Department's priority is to place children with relatives or a foster home placement.

1.4 The Department should monitor and assess the outcomes of its efforts to reduce the use of congregate care and make adjustments as needed.

Implementation in process

The Department has implemented various strategies over time to reduce the use of congregate care and performs data collection or monitoring activities for several of these strategies. For example, one strategy involves standardizing the Department's placement process for children in foster care with the goal of reducing the percentage of foster care children in congregate care from 14 percent to 10 percent over the course of fiscal year 2018. For this strategy, the Department tracks the percentage of foster care children in congregate care and the percentage of children who are placed in congregate care as their initial placement. According to department information, the percentage of foster care children in congregate care has remained at about 14 percent through March 2018. However, department documentation is not clear on how the Department uses this information to assess progress and make adjustments, as necessary.