

September 27, 2023

Lindsey Perry, CPA, CFE
Auditor General
Arizona Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, Arizona 85018

RE: Auditor General's report, *Arizona Department of Child Safety – Licensed Foster Care Provider Oversight*

Dear Ms. Perry:

The Arizona Department of Child Safety (Department) has reviewed the Auditor General's report, *Arizona Department of Child Safety – Licensed Foster Care Provider Oversight*. The Department agrees that improvements can be made to processes for investigating, taking enforcement action and ongoing monitoring of licensed out-of-home care providers. The response to the findings and recommendations are enclosed.

The Department appreciates your consideration of our feedback and revisions made to the report.

Sincerely,



David Lujan
Cabinet Executive Officer/Executive Deputy Director

Enclosure: DCS Recommendation Response

Finding 1: Department problems related to investigating, taking enforcement action against, and monitoring licensed providers for children in out-of-home care could result in children being in risky or unhealthy environments

To ensure foster home and child welfare agency/group home licensing complaint investigations and enforcement actions are timely and effective and ongoing group home monitoring is performed, the Department should:

Recommendation 1: Further develop and implement its draft licensing complaint-handling procedures to include time frames for each key foster home and/or group home licensing complaint investigation and enforcement step, including time frames for assigning licensing complaints for investigation and taking action in response to validated licensing complaints, and complete licensing complaint investigations and take enforcement actions consistent with these time frames.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department will develop and implement procedures or standard work for time frames for each key licensing complaint investigation and enforcement steps including assigning licensing complaints for investigation, taking action in response to validated licensing complaints and complete licensing complaint investigations. The Department also agrees to take enforcement actions consistent with these time frames

Recommendation 2: Further revise and implement its draft guidance for taking a risk-based approach to prioritize foster home and group home licensing complaint investigations by specifying which types of allegations correspond to each prioritization level, including licensing complaint investigations opened in response to abuse/neglect allegations related to child welfare agency staff, staff requirements for documenting the prioritization level, and what actions/activities staff should take to initiate an investigation.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department will develop guidance specific to the new rules effective in November 2023. The guidance will include: specifying which types of allegations correspond to each prioritization level, including licensing complaint investigations opened in response to abuse/neglect allegations related to child welfare agency staff, staff requirements for documenting the prioritization level, and what actions/activities staff should take to initiate an investigation.

Recommendation 3: Further revise and/or develop procedures for interviewing staff and children residing at foster homes and group homes during licensing complaint investigations, including guidance for determining when children should or should not be interviewed.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department will develop procedures and guidance for addressing licensing complaints. The procedures and guidance will include information identifying:

- when and if OLR staff should interview children
- when and if OLR staff should utilize existing interviews or documentation from the assigned DCS Specialist who has regular contact with the child(ren).

Recommendation 4: Develop and implement written guidance for staff to work with law enforcement when conducting licensing complaint investigations opened in response to abuse/neglect allegations related to child welfare agency staff, including how its staff should work with law enforcement to share information and/or coordinate licensing complaint investigations with law enforcement personnel and when and how its staff should review the results of law enforcement investigations.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department agrees to develop and implement written guidance for staff to work with law enforcement when conducting licensing complaint investigations opened in response to abuse/neglect allegations related to child welfare agency staff.

Recommendation 5: Revise and/or develop and implement written guidance for staff to research foster home and group home licensee violation history.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department acknowledges the importance of researching and understanding licensee violation history and if it indicates a pattern of behavior that needs further attention, the Department will develop and implement written guidance for staff.

Recommendation 6: Revise and/or adopt new rules for child welfare agency licensing complaint handling, as necessary, to authorize a greater range of enforcement actions.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department has been working on revising the rules for child welfare licensing since February 2015. These rules have been approved through public comment and the Governor's Regulatory Review Council (GRRC). The rules will be signed and become effective November 2023. The Department will implement policies and procedures to address expanding enforcement actions, as necessary.

Recommendation 7: Consistent with the Department's rules revised in recommendation 6, update and implement the Department's graduated system of enforcement actions for validated child welfare agency/group home licensing complaints and include guidance for staff specifying the violations that would lead to different enforcement actions, including mitigating and/or aggravating factors staff should consider.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department agrees to update and implement the graduated system of enforcement actions for validated child welfare agency/group home licensing complaints and include guidance specifying violations that lead to different enforcement actions.

Recommendation 8: Develop and implement a graduated system of enforcement actions for validated foster home licensing complaints and include guidance for staff specifying the violations

that would lead to different enforcement actions, including mitigating and/or aggravating factors staff should consider.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department agrees with the importance of enforcement actions for validated foster home licensing complaints. The Department will develop and implement a graduated system of enforcement actions for validated foster home licensing complaints and include guidance for staff specifying the violations that would lead to different enforcement actions.

Recommendation 9: Further develop and implement policies and procedures regarding ongoing monitoring of group homes, including assigning staff responsibility for conducting ongoing monitoring, outlining how to select facilities for monitoring and complete the site visits checklist, and specifying the frequency of site visits and providing guidance for risk-based and unannounced site visits; and perform ongoing monitoring consistent with the policies and procedures.

Department response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Department recognizes the importance of ongoing announced and unannounced monitoring of group homes and will further develop and implement policies and procedures, as recommended.

Recommendation 10: Add data fields to Guardian and/or another IT system for key dates in the licensing complaint-handling process, including the investigation start date, the investigation completion date, and the enforcement action date.

Department response: The finding of the Auditor General is agreed to and a different method of dealing with the finding will be implemented.

Response explanation: The Department is exploring licensing systems to enhance and improve its work. The Department currently tracks the investigation start date, the investigation completion date and the enforcement action date in the Quick Connect licensing system and through other resources outside of Guardian. The Department will explore the best option to track the information.

Recommendation 11: Develop and implement a method in Guardian and/or another IT system to combine multiple licensing complaints it receives for the same licensee into the same licensing complaint entry, including combining relevant details from each entry; and develop monitoring reports to keep track of these licensing complaints that have been combined.

Department response: The finding of the Auditor General is agreed to and a different method of dealing with the finding will be implemented.

Response explanation: The Department is exploring licensing systems to enhance and improve its work. The Department will explore the best option to track the information and will evaluate if Guardian is the best place to consolidate the information.

Recommendation 12: Require tracking, supervisory review, and managerial oversight of the licensing complaint investigation and enforcement processes and regular ongoing group home

monitoring to verify staff compliance with Department policies, procedures, and time frames. Add reporting capabilities to Guardian and/or another IT system, as necessary, to help Department staff track, review, and oversee these processes.

Department response: The finding of the Auditor General is agreed to and a different method of dealing with the finding will be implemented.

Response explanation: The Department will evaluate the best methods for tracking, supervisory review and managerial oversight of the licensing complaint investigation and enforcement processes and regular ongoing group home monitoring to ensure compliance with any newly developed procedures or standard work. The Department will explore the options to track the information and will evaluate if Guardian is the best option.