



A REPORT
TO THE
ARIZONA LEGISLATURE

Performance Audit Division

Performance Audit

Department of Economic Security—

Division of Children, Youth and Families—Child
Protective Services—Relative Placement

September • 2009
REPORT NO. CPS-0902



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Auditor General

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September 8, 2009

Members of the Arizona Legislature

The Honorable Janice Brewer, Governor

Mr. Neal Young, Director
Department of Economic Security

Transmitted herewith is a report of the Auditor General, a Performance Audit of the Department of Economic Security, Division of Children, Youth and Families—Child Protective Services—Relative Placement. This report was prepared pursuant to and under the authority vested in the Auditor General by Arizona Revised Statutes §41-1966.

As outlined in its response, the Department of Economic Security agrees with the findings and plans to implement all of the recommendations.

My staff and I will be pleased to discuss or clarify items in the report.

This report will be released to the public on September 9, 2009.

Sincerely,

Debbie Davenport
Auditor General

Attachment

SUMMARY

Our Conclusion

The Division surpassed other states' performance in placing children in out-of-home care with relative caregivers between 2000 and 2006, but a few changes would improve staff performance. Specifically, the Division should revise two policies to ensure that staff have sufficient guidance to arrive at consistent decisions when assessing prospective relative caregivers' criminal backgrounds and the safety of their homes. In addition, the Division should enforce the statutory and policy requirement that staff provide written notification to individuals who are declined as relative caregivers that explains the reason they were declined and the process to appeal the decision, or seek a statutory change allowing for verbal notification to the declined relatives. Finally, the Division should identify a central location for documenting staff's ongoing efforts to identify and place children with relatives, which would allow staff to efficiently review and continue these efforts.

Agency Comments

The Department agrees with the findings and will implement the recommendations.

This audit was conducted under the authority vested in the Auditor General by Arizona Revised Statutes §41-1966.

Relative Placement

As required by federal and state law, when the Child Protective Services (CPS) program within the Department of Economic Security's (Department) Division of Children, Youth and Families (Division) must remove a child from his/her home because of abuse or neglect, it will first look to place the child with a relative. The process for placing a child with a relative includes several steps such as identifying a potential relative caregiver, verifying that the caregiver and any other adults in the home are fit to care for the child, and conducting a home study to ensure the home environment is safe.

For the past several years, Arizona has surpassed the national median rate for placing children in out-of-home care with relative caregivers. Studies support that children placed with relatives experience fewer placement changes, are less likely to re-enter out-of-home care after returning home, and have fewer behavioral health problems. In addition, information from the federal government indicates that placement of children with relatives is encouraged because this is where children can maintain their family and cultural ties. As of June 30, 2008, approximately one-third of Arizona's children in out-of-home care were living with relatives.

Changes would help staff better comply with the relative placement process (see pages 7 through 11)

When comparing Arizona's performance to other states' performance between 2000 and 2006, the Division is performing well in placing children with relatives, but some changes would facilitate CPS staff's decision making and compliance with policy. Specifically:

- First, although division policy requires staff to assess the criminal background of prospective relative caregivers and other adults living in the relative's home to determine their fitness to care for children, it provides limited guidance on criteria CPS staff should use to determine if individuals clear, or pass, the background check. This situation may lend itself to inconsistent decision making due to staff's using varying criteria and/or thresholds. To ensure greater consistency in staff's criminal background assessments and decisions, the Division should revise its policy to include additional guidance. Specifically, the policy should list offenses that would automatically preclude someone from clearing the criminal background check and additional factors that staff should consider if an individual requests reconsideration of staff's decision to deny clearance such as the extent of the individual's rehabilitation.

- Second, although division policy requires that a prospective relative caregiver's home undergo a safety assessment to ensure it is a safe environment prior to placing a child with the relative, it does not provide sufficient guidance on the types of safety hazards that should be considered when conducting the assessment. Similar to what is occurring with criminal background checks, this situation may lend itself to inconsistent decision making because staff are using varying criteria. To ensure greater consistency in home safety assessments and decisions, the Division should revise its policy to include additional guidance. For example, the policy could include common types of safety hazards that, at a minimum, should be looked for when performing home safety inspections. These might include a pool or spa without an adequate barrier, unsecured weapons, lack of working smoke detectors, and inadequately stored medications and cleaning supplies.
- Finally, although statute and division policy require staff to provide written notification to a prospective relative caregiver when it determines that placement with the relative is not in the child's best interest, this is not consistently occurring. Providing this notification is important because it includes the reason for denying the placement and the process for appealing it. Division management indicated that this notification is occurring verbally, which may benefit relatives because it provides them with an opportunity to ask questions. However, supervisors do not have a mechanism to verify that these verbal notifications are consistently occurring. Further, if the relative caregiver who was denied the placement wants to appeal CPS' decision, the appeals process requires that he/she send a letter to the responsible juvenile court. Therefore, it is important that the Division provide the denied relative caregiver the applicable court address and contact information. Finally, if the individual decides to appeal the decision, it may be helpful to have the reasons placement was denied in writing. Therefore, the Division should ensure that staff comply with the statutory and policy requirement that staff notify in writing individuals who are declined as relative placements. Alternately, if the Division believes that verbal notification is more effective, the Division should seek a statutory change to allow the required information to be communicated verbally, and develop a mechanism that will allow supervisors to verify staff are providing the required information.

Staff efficiency may be improved by centralizing relative placement documentation (see pages 13 through 14)

Although division staff document their relative searches and other efforts to place children with relatives, the documentation is scattered throughout the hard copy and electronic case files. As a result, reviewing cases to identify relative placement efforts is time intensive. Because division staff must continually attempt to place children in

out-of-home care with relatives, having easy access to relative identification and placement information is important to ensure staff are not duplicating efforts and can efficiently review relative information and placement actions taken.

Best practice and literature suggest that centralizing relative information avoids duplicated efforts and provides proof that the agency has made diligent efforts to contact relatives. It also ensures that a record is available for the courts and for CPS supervisors and staff. In a system where staff turnover is high, creating a documentation system is critical to ensure that the effort that goes into the initial and on-going searches is not lost for future use. Ideally, this ongoing documentation is incorporated into a child's electronic case file. Division staff reported that reviewing and compiling relative placement efforts can take significant amounts of time because the information is recorded in multiple locations. Therefore, the Division should centralize information on staff's ongoing efforts to identify and place children with relatives, preferably in an electronic format so that it is easily and readily accessible to CPS supervisors and other staff needing the information. The Division should also modify its policies to indicate what information staff are required to record in the centralized location. Finally, the Division should ensure that staff are recording the required information in this location.

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BACKGROUND

When CPS removes a child from his/her home because of abuse or neglect, it will first look for a relative to care for the child. Relative placements benefit children in several ways, including reducing the likelihood that the child will re-enter out-of-home care after returning home.

For the past several years, Arizona has surpassed the national median rate for placing children in out-of-home care with relative caregivers. As of June 30, 2008, approximately one-third of Arizona's children in out-of-home care were living with relatives.

Arizona's relative care program serves both licensed and unlicensed relative caregivers.

Arizona facilitates and supports relative care through various types of financial assistance and services.

Relative placement

When Child Protective Services (CPS) removes a child from his/her home because of abuse or neglect, federal and state laws require that the child be placed in the least restrictive, or most family-like, setting possible that can meet the child's needs.¹ As a condition of receiving federal funding for foster care and adoption assistance, federal law also requires that states consider giving placement preference to an adult relative who meets state protection standards over a nonrelated caregiver.² Therefore, when looking for a placement for a child, CPS will first look for relatives.³ If no relatives are available, the child may be placed with an unrelated licensed foster family or in a group care facility, such as a group home.

Relative placements benefit children in several ways. Studies support that children placed with relatives experience fewer placement changes and are less likely to re-enter out-of-home care after returning home than children who had been in nonrelative placements or in group care facilities.⁴ Teachers and caregivers also rate children placed with relatives as having fewer behavioral problems than their peers in other out-of-home placement settings.⁵

Information from the federal government indicates that placing of children with relatives is encouraged because this is where children can maintain their family and cultural ties.⁶ In line with this, the Department of Economic Security (Department), Division of Children, Youth and Families (Division) also indicated that children's sense of cultural identity and positive self-esteem is reinforced by living with people they know and trust. The children are able to make and sustain family connections and continue lifelong family traditions and memories. Further, extended family can support children in preserving healthy family relationships,

¹ 42 U.S.C. §675 (5)(A), A.R.S. §8-514

² 42 U.S.C. §671(a) (1) and (19)

³ According to division policy, a person with a significant relationship to a child is considered kin and part of the child's extended family.

⁴ Iglehart, A.P. (1994). Kinship foster care: Placement, service and outcome issues [Electronic version]. *Children and Youth Services Review*, 16(1-2), 107-122; Chamberlain, P., Price, J.M., Reid, J.B., Landsverk, J., Fisher, P.A., & Stoolmiller, M. (2006). Who disrupts from placement in foster and kinship care? [Electronic version]. *Child Abuse & Neglect*, 30, 409-424; and Leslie, L.K., Landsverk, J., Horton, M.B., Ganger, W., & Newton, R.R. (2000). The heterogeneity of children and their experiences in kinship care [NIH public access author manuscript]. *Child Welfare*, 79(3), 315-334.

⁵ National Survey of Child and Adolescent Well-Being. (2005). *CPS sample component wave 1 data analysis report*. Washington, DC: United States Department of Health and Human Services. (ERIC Document Reproduction Service No. ED501301)

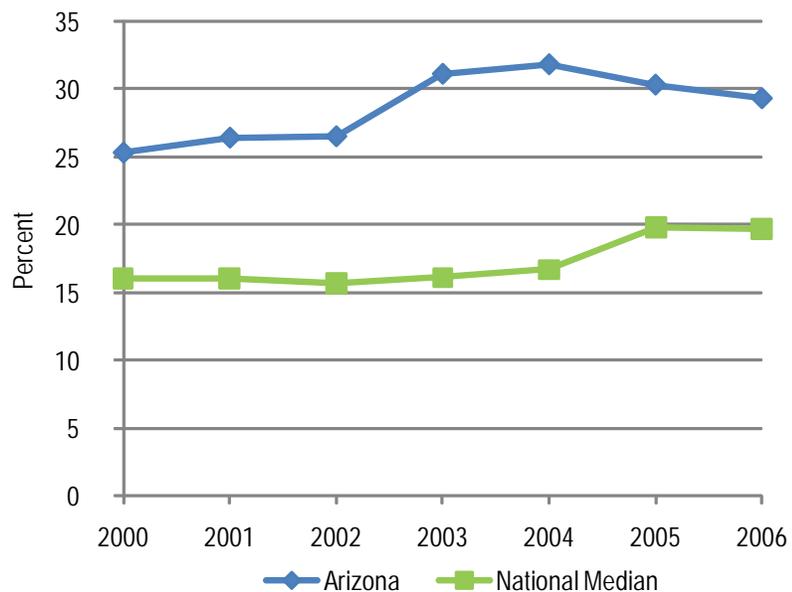
⁶ Department of Health & Human Services Administration for Children and Families. (2009). *Family connection discretionary grants*. Retrieved August 17, 2009, from <http://www.acf.hhs.gov/grants/open/HHS-2009-ACF-ACYF-CF-0078.html>

support the child's need for safety and well-being, and create a sense of belonging in a child's life. According to division data, 32 percent, or 3,142, of the 9,965 children in out-of-home care on June 30, 2008, were living with relatives.

Arizona historically surpasses national median rate for placing children in out-of-home care with relatives

As shown in Figure 1, Arizona has surpassed the national median rate for placing children in out-of-home care with relative caregivers. Specifically, between 2000 and 2006, the percentage of Arizona children in out-of-home care living with relatives ranged from 25 to 32 percent, which was 9 to 15 percent higher than the national median. Although national comparisons are not yet available for 2007 and 2008, division data indicates that Arizona's relative placement rate was 31 percent for 2007 and 33 percent for 2008. Division officials reported that the strengthening of "family-centered practice" in 2002 contributed to the increase in relative placement rates beginning in 2003. According to officials, an overriding principle of family-centered practice is maintaining children within family settings or placing children who cannot safely remain at home with relatives. Another contributing factor the Division cited was its developing and implementing a safety and risk assessment process that includes the importance of placing children who cannot remain safely in their homes with relatives.

Figure 1: Comparison of Arizona and National Relative Placement Rates As of September 30, 2000 through 2006



Source: Child Welfare League of America compilation of data obtained from the federal Adoption and Foster Care Analysis and Reporting System.

Arizona's relative care program

Arizona's relative care program, also known as the kinship care program, facilitates and supports relative placements by providing financial assistance and services to relative caregivers, including persons with a significant relationship to a child. Arizona's program includes two forms of relative care:

- **Licensed relative care**—A minority of relative caregivers obtain department licensure to become foster care providers. Licensure requires that the individual meet specific age, income, and health requirements. In addition, the individual and any other adults living in the home must pass a criminal background check, and the home must pass a life and safety inspection. According to the Division's *2008 Kinship Foster Care Report*, licensed relative caregivers were caring for 12 percent, or 365, of the 3,142 children in relative placements on June 30, 2008.
- **Unlicensed relative care**—The majority of relative caregivers are unlicensed and therefore must receive court approval to be a relative caregiver.¹ Although unlicensed relative caregivers do not need to meet licensure standards, they still must undergo CPS and criminal history background checks, home safety assessments, and meet other requirements such as providing personal references and participating in personal interviews. According to the Division's *2008 Kinship Foster Care Report*, unlicensed relative caregivers were caring for 88 percent, or 2,777, of the 3,142 children in relative placements on June 30, 2008.

Financial assistance and services available to support relative placements

To facilitate and support relative placements, various types of financial assistance and services are available. Specifically:

- **Financial assistance**—Financial assistance varies depending on whether the relative caregiver is licensed or unlicensed. Licensed caregivers are eligible to receive daily foster care maintenance payments for the care of their relative children. In fiscal year 2008, the Division's daily foster care maintenance rates ranged from \$25 to \$45 per day depending on the age and needs of the child in care.² The Division funds the maintenance payments using federal Title IV-E (Foster Care and Adoption Assistance) monies and State General Fund monies.

¹ If CPS places a child with an unlicensed relative caregiver prior to filing a dependency petition, the placement with the relative is part of the petition, and the juvenile court subsequently may approve the placement. However, if a dependency petition is filed prior to placing the child with the relative, the juvenile court needs to approve the placement.

² The Department reduced the daily foster care maintenance rates in response to the State's fiscal year 2009 budget reductions. As of March 1, 2009, the rates range from \$20 to \$38 per day.

Although unlicensed relative caregivers are not eligible for the daily foster care maintenance payment, they may apply for federal Temporary Assistance for Needy Families (TANF) cash assistance. The Division reported that the households of 37 percent, or 1,151, of the 3,142 children in relative care on June 30, 2008, received TANF, and the average monthly payment for children in relative care was \$265. Reasons provided by relative caregivers for not applying for TANF included not wanting to accept public assistance and determining that it was not worth the effort since the child was returning home soon. In addition, some relatives reported difficulty completing the TANF application, although the Department has streamlined the application process. For example, the Department allows applicants to waive the face-to-face interview requirement and to complete the interview by telephone.

In addition to the maintenance and TANF payments, both licensed and unlicensed caregivers may receive a combined personal and clothing allowance for the relative children in their care, ranging from \$0.63 to \$2.63 per day, depending on the child's age. Under certain circumstances, special allowances for the children's graduation costs, diapers, and other special needs are also available.

However, as shown in Table 1 (see page 5), in response to the State's fiscal year 2009 budget reductions, the Department reduced or suspended some financial assistance previously available to relative caregivers effective March 1, 2009. For example, both the daily foster care maintenance payments and TANF payments were reduced by 20 percent, while several of the allowance amounts were cut in half.

- **Services**—Arizona Revised Statute (A.R.S.) §8-514.03 requires the Department to provide relative caregivers with nonfinancial services that it determines are necessary to meet the child's and family's needs. Nonfinancial services are provided by department staff or through referral to outside agencies and organizations, and may include services such as case management, parent skills training, and transportation. However, in addition to reducing financial assistance, the Department has also reduced the availability of some services such as parent skills training and transportation services.

Table 1: Impact of Fiscal Year 2009 Department Budget Reductions on Funding Available to Relative Caregivers

Funding	Fiscal Year 2009 Assistance Level	
	Beginning of Year	Year-End
Maximum emergency clothing allowance	\$300 annually	\$150 annually
Annual extra emergency clothing allowance	\$200 one time	\$100 one time
Maximum educational allowance for books, supplies, course fees, student service, and physical education fees/equipment for school-age children	\$165 annually	\$82.50 annually
Maximum special needs allowance for expenses such as holidays, birthdays, and special occasions	\$45 annually	\$22.50 annually
Maximum allowance for diapers for children requiring additional funding for this purpose	\$125 monthly	\$62.50 monthly
Maximum allowance for summer day camp and overnight residential stays (requires division approval)	\$550 annually	Suspended
Maximum allowance for high school graduation cap, gown, ring, yearbook, and other graduation-related fees	\$220 one time	\$220 one time
Maximum for summer school	\$165 per session	\$165 per session
Foster care maintenance payment (licensed caregivers only)	\$910 monthly average	\$728 monthly average
Temporary Assistance to Needy Families (unlicensed relatives only)	\$263 monthly average	\$210 monthly average

Source: Auditor General staff summary of information provided by the Division's Finance and Business Office Administration. The changes in assistance level were effective March 1, 2009.

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FINDING 1

The Division's process for placing a child with relatives includes several steps. Staff need to identify a potential relative caregiver, verify that the caregiver and any other adults in the home are fit to care for the child, and conduct a home study to ensure the home environment is safe.

The Division surpassed other states' performance in placing children with relative caregivers between 2000 and 2006. However, the Division should make two policy changes to facilitate consistent staff decision making and ensure staff comply with a statutory and policy requirement. Specifically, the Division should provide greater guidance to staff on how to assess prospective caregivers' criminal backgrounds and home safety. Further, it should ensure staff follow existing statute and policy that require written notification to individuals who are declined as relative caregivers, or seek a statutory change to allow these notifications to be done verbally.

Changes would help staff better comply with relative placement process

Relative placement process is multi-step

The Department of Economic Security (Department), Division of Children, Youth and Families' (Division), process for placing children with relatives involves several steps. When Child Protective Services (CPS) staff first remove a child from his/her home, the staff person will ask the parents, children, or other adults present if there are any relatives who would be willing to care for the child.¹ If a relative is identified, CPS staff will contact the individual to verify his/her willingness to care for the child. CPS staff will then initiate criminal and child abuse background checks on all the adults living in the relative's household and conduct or arrange for one or more home visits to assess safety and other factors, such as how the relative disciplines children and his/her financial circumstances.² If the Division believes that the relative cannot adequately meet the child's health and safety needs, it is statutorily required to inform the relative in writing that he/she has been declined as a caregiver, the reasons why, and the process to appeal the decision.

If no relative is immediately identified, CPS staff will place the child with a nonrelated licensed foster family or in a group care facility, such as a shelter or group home, and continue to search for relatives. For example, CPS staff may request relative information from other sources with knowledge of the family, such as a school. In addition, the Division has dedicated staff and contractors available to conduct more intensive searches to identify or locate relatives using various public and private sources such as motor vehicle records. As long as the child remains in out-of-home care, the Division is required to conduct frequent searches for a relative placement, but no less than every 6 months.

¹ Division policy defines a relative as a great grandparent, grandparent, brother or sister, aunt or uncle, or cousin. Additionally, an adult with a significant relationship to the child is considered kin and part of the child's extended family.

² If a relative is immediately available when CPS removes a child from his/her home, the child may be placed with the relative pending successful completion and review of a fingerprint-based criminal history check conducted by the Arizona Department of Public Safety and a formal home study. However, before leaving the child with the relative, CPS staff will obtain and review Arizona criminal record information obtained through a name-based check and CPS report information for each adult living in the relative's home to determine their fitness to care for the child. In addition, CPS staff will do a preliminary home visit to ensure there are no obvious safety concerns.

Division performing well in placing children with relative caregivers, but should make two policy changes

When comparing Arizona's performance to other states' performance between 2000 and 2006, the Division has surpassed other states in its placement of children who have been removed from their homes because of abuse or neglect with relative caregivers (see page 2). However, the Division can make two policy changes to facilitate consistent CPS staff decision making. Specifically:

- **Assessing criminal backgrounds**—Although division policy requires staff to assess the criminal background of prospective relative caregivers and other adults living in their home to determine their fitness to care for children, it provides limited guidance on criteria CPS staff should use to determine if the individuals clear, or pass, the background check. Specifically, division policy directs staff to review the criminal history records for all the adults in the household, taking into consideration the nature of the offenses and when they occurred, to determine if any of the adults has a criminal history that would place the child at risk of harm if placed in the home. If an individual is denied clearance, he/she can request to meet with CPS staff, including a representative of CPS management, to present additional information to correct or clarify his/her criminal history record.

Because guidance is limited, staff may use varying criteria when assessing criminal history, which can result in inconsistent decisions. For example, one staff person indicated that she would decline criminal background clearance to an individual if he/she had a history of DUI (driving under the influence) convictions, even if the most recent was 5 years ago, because she feels that it is just a matter of time until the individual will be arrested for another DUI. However, the staff person stated that other staff might clear this individual, concluding that the person has been rehabilitated since he/she has not had a DUI in the past 5 years. Of 20 CPS staff interviewed by auditors, 12 reported that the guidance is inadequate or may require supplemental clarification from others such as their supervisors, coworkers, or Attorney General staff.

In contrast to the limited guidance provided to CPS staff for assessing criminal background, statute provides explicit criteria for the Arizona Department of Public Safety (DPS) and the Arizona Board of Fingerprinting (Board) to use when assessing the criminal backgrounds of adults in households seeking foster care licensure. DPS may not clear an individual if he/she has been convicted of committing or is awaiting trial for any of 101 offenses listed in Arizona Revised Statutes (A.R.S.) §41-1758.03(B) and (C).¹ For some of these offenses, the

¹ Effective on June 29, 2009, Laws 2009, Ch. 8, §20, establishes new criteria for a fingerprint clearance card.

individual may petition the Board for a good cause exception.¹ As part of its deliberation, the Board is statutorily required to consider various factors such as the extent of a person's rehabilitation (see textbox for the complete list of factors).

To ensure greater consistency in CPS staff's criminal background assessments and decisions, the Division should revise its policy to include additional guidance similar in concept to that which DPS and the Board use in assessing the criminal histories of adults in households seeking foster care licensure. Specifically, the additional guidance should include a listing of offenses that would automatically preclude someone from clearing the background check and additional factors that staff should consider if the individual requested that CPS staff reconsider the decision to deny clearance

Factors the Arizona Board of Fingerprinting Considers in Making Good Cause Exceptions

- Extent of person's criminal record
- Elapsed time since offense committed
- Nature of offense
- Degree person participated in offense
- Extent of person's rehabilitation
- Mitigating circumstances

Source: A.R.S. §41-619.55(E).

- **Conducting home safety assessments**—Although division policy requires that a prospective relative caregiver's home undergo a safety assessment to ensure it is a safe environment prior to placing a child with the relative, it does not provide sufficient guidance on the types of safety hazards that should be considered when conducting the assessment. This situation may lend itself to inconsistent decision making because staff are using varying criteria. Auditors interviewed 20 CPS staff and found considerable variation in the typical types of safety hazards they reported assessing. For example, one CPS staff person indicated that she looks for dents in walls, potential criminal "vibe," condition of the home, and how the family members interact, while another CPS staff person indicated that he looks for exposed wires, holes in the floors, and uncovered electrical outlets. Although the majority of the CPS staff auditors interviewed felt they were able to make these assessments relying on their on-the-job training, common sense, experience as a parent, college education, and guidance from their supervisor, 25 percent of staff interviewed indicated that more detailed guidance would be helpful. In addition, detailed guidance could result in more consistent decisions.

To ensure greater consistency in the home safety assessments and decisions made by staff and others who the Department contracts with to perform this task, the Division should revise its policy to include additional guidance such as common types of safety hazards that, at a minimum, should be looked for when performing home safety assessments. For example, one contractor has its staff routinely look for common hazards such as a pool or spa without an adequate barrier, unsecured weapons, lack of working smoke detectors, and inadequately stored medications and cleaning supplies.

¹ Under A.R.S. §41-619.55(E), the Board may grant a good cause exception at a hearing if the person shows to the Board's satisfaction that the person is not awaiting trial on or has not been convicted of committing any of the offenses listed in A.R.S. §41-1758.03(B). The Board can also grant an exception if it finds that the person has been successfully rehabilitated and is not a repeat offender.

Division should ensure existing policy is followed

Although statute and division policy require CPS staff to provide written notification to a prospective relative caregiver when they determine that placement with the relative is not in the child's best interest, this is not consistently occurring. According to division management, prior to staff's issuing a formal recommendation to decline an individual as a relative caregiver, the individual can meet with the staff person and his/her supervisor to provide additional information or clarification regarding identified concerns. When CPS staff make their final decision, statute and policy require this notification to be in writing. Providing this notification is important because it includes the reason for denying the placement and the process for appealing it. However, division staff and management reported that the practice in at least two of the Division's six districts is to provide the information verbally rather than in writing. Management indicated that this practice is acceptable as long as staff ensure that they include information on the process to appeal the decision with the juvenile court, and suggested that verbally communicating the information may benefit the relative because it provides him/her with an opportunity to ask questions. However, supervisors do not have a mechanism to verify that these verbal notifications are consistently occurring. Further, if the relative caregiver who was denied the placement wants to appeal CPS' decision, the appeals process requires that he/she send a letter to the responsible juvenile court. Therefore, it is important that the Division provide the denied relative caregiver the applicable court address and contact information. Finally, if the individual decides to appeal the decision, it may be helpful to have the reasons placement was denied in writing.

Therefore, the Division should enforce the statutory and policy requirement that the individual be notified in writing when CPS staff make their final decision to decline the individual as a relative placement. The notification is required to include the decision, reason(s) for it, and appeals process information. Alternately, if the Division believes that verbal notification is more effective, it should seek a statutory change to allow the required information to be communicated verbally, revise its policy to reflect the statutory change, and develop a mechanism that will allow supervisors to verify that staff are providing the required information.

Recommendations:

- 1.1. The Division should revise its policy to include additional guidance for staff to consider when determining whether the adults in a prospective relative caregiver's household clear their criminal background check. Specifically, the policy should include a listing of offenses that would automatically preclude someone from clearing the criminal background check and additional factors that staff should consider if an individual requested that CPS staff reconsider its decision to deny clearance.

- 1.2. The Division should revise its assessment guidance to include common types of safety hazards that should be looked for when performing home safety assessments.

- 1.3. The Division should enforce the statutory and policy requirement that the individual be notified in writing when CPS staff make their final decision to decline the individual as a relative placement. The notification is required to include the decision, reason(s) for it, and appeals process information. Alternately, if the Division believes that verbal notification is more effective, it should seek a statutory change to allow the required information to be communicated verbally, revise its policy to reflect the statutory change, and develop a mechanism that will allow supervisors to verify that staff are providing the required information.

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FINDING 2

Federal and state laws identify relatives or other individuals with a significant relationship to the child as a placement preference when CPS removes the child from his/her home and places him/her in out-of-home care. In support of the laws, division policy requires that staff conduct extensive and documented searches for relatives and other significant persons as placements for children in out-of-home care and continue these searches while the children remain in nonrelative, out-of-home care.

Although best practice and literature suggest that relative placement documentation be centralized, division staff document their efforts to place children with relatives in varied places such as the hard copy and electronic case files. As a result, reviewing cases to identify relative placement efforts and required continual relative searches is time consuming. Therefore, the Division should centralize ongoing relative placement efforts to help ensure staff can efficiently review and continue efforts to identify and place children with relatives.

Staff efficiency may be improved by centralizing relative placement documentation

Division must document relative placement efforts

Federal and state laws require the Division to identify relatives or other individuals with a significant relationship to the child as a placement preference when CPS needs to remove the child from his/her home and place him/her in out-of-home care. The order of placement preference is with a parent; grandparent; another member of the child's extended family, including a person who has a significant relationship with the child; in licensed foster care; in a group home; or in a residential treatment facility.

In support of federal and state law, division policy requires that staff conduct an extensive and documented search for absent parents, guardians, custodians, relatives, and other significant persons as placement resources for children in out-of-home care. When a child is not placed with a relative, or is placed with a relative who is unable or unwilling to provide a permanent home for the child, division staff are required to initiate searches for other relatives or other significant persons at least every 6 months while the child remains in out-of-home care. The Division is required to report the outcomes of these efforts in periodic reports to the juvenile court overseeing the child's case. Further, the federal Fostering Connections to Success and Increasing Adoptions Act of 2008 requires agencies to use due diligence to provide notice to all adult grandparents and other adult relatives when a child has been removed from his/her parents' custody. It also requires the Division to provide information on the options a relative has to participate in the child's care and placement.

Centralizing information could improve staff efficiency

Since division staff must continually attempt to place children in out-of-home care with relatives, having easy access to relative identification and placement information is important to ensure staff can efficiently review previously identified relatives and prior relative placement actions so they do not duplicate efforts. Best practice and literature suggest that centralizing relative information can avoid duplication of efforts and can provide proof that the Division has made diligent efforts to contact relatives. It also ensures that records are available for the court and others who may be new to the case, especially if caseworker turnover is high. Further, it can ensure that the effort that goes into initial and on-going searches is not lost for future use. Ideally this information should be incorporated into an electronic file.¹

¹ Office of the Inspector General. (2003). *Social Security Administration: Best practices in federal papers management* (A-04-03-13030). Washington, D.C.: Author; Government of South Australia. (2008). *Australian standard AS ISO 15489—Records management*. Retrieved June 3, 2009, from <http://www.archives.org.il/UserFiles/File/119894256812.pdf>, Child Focus. (2007). *Making "relative search" happen: A guide to finding and involving relatives at every stage of the child welfare process*. Retrieved June 3, 2009, from <http://www.childfocuspartners.com/images/RelativeSearchGuide-10-15.pdf>

Division staff reported that reviewing a case to identify relative placement efforts is time intensive because CPS staff document their relative placement efforts in several places within the hard copy case files and the Division's automated CPS case management system—CHILDS (Children's Information Library and Data Source). As a result, supervisory review of cases for evidence of efforts taken to identify relative placements can be time intensive, and it may not be clear what steps staff took to work with relatives or the reasons for staff's decisions. For example, with the assistance of a CPS supervisor, it took auditors approximately 4 hours to review one case that had been open less than 6 months to determine what actions had been taken to identify and then place the child with a relative. Further, auditors needed additional explanation from staff about the actions taken to identify relatives because there were gaps in the record due to missing or unrecorded information.

Documenting information on staff's efforts to identify and place children with relatives in a consistent location could reduce the amount of time supervisors and other staff need to locate this information. Additionally, staff could more efficiently review and continue relative identification and placement efforts. According to division management, the Division may be able to modify CHILDS for this purpose, which would allow staff and supervisors to more easily access the information. Types of relative placement information currently collected and documented in various locations that should be recorded in a central location include staff efforts to identify and locate relatives, identified relatives' personal and contact information, relatives' relationship and history with the child, and relatives' willingness to assist in caring for the child.

Therefore, the Division should centralize information on staff's efforts to identify and place children with relatives, preferably in an electronic format so that it is easily and readily accessible to CPS supervisors and other staff needing the information. The Division should also modify its policies to indicate what information staff are required to record in the centralized location. Finally, the Division should ensure that staff are recording the required information in this location.

Recommendations:

- 2.1. The Division should centralize ongoing information on staff's efforts to identify and place children with relatives, including:
 - a. Identifying or developing a centralized location, preferably electronic;
 - b. Modifying its policies to indicate what information staff are required to record in the centralized location; and
 - c. Ensuring staff record the required information in the centralized location.

AGENCY RESPONSE

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DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Neal Young
Director

SEP 1 2009

Ms. Debbie Davenport
Auditor General
Office of the Auditor General
2910 North 44 Street, Suite 410
Phoenix, Arizona 85018

Dear Ms. Davenport:

The Arizona Department of Economic Security wishes to thank the Office of the Auditor General for the opportunity to respond to the recently completed performance audit of the Division of Children, Youth and Families, Child Protective Services, Relative Placement Program.

We appreciate the Auditor General's acknowledgment of the Department's success, for many years, in significantly surpassing the national median rate for the placement of children who require out-of-home care with relatives. In some recent years, the Department's rate of relative placements was twice the national median rate, as indicated in your charts. The Department also appreciates the Auditor General's acknowledgment of our policy and efforts in conducting frequent searches for relatives of children in out-of-home care. We recognize, and your report corroborates, that children placed with relatives are better able to maintain their sense of cultural identity and family connections, experience fewer placement changes and are less likely to re-enter out-of-home care. In addition, the Department recognizes that placement with a relative can cost much less than other placements.

The Department will continue to build upon our successful efforts in this area and implement the recommendations in the report. If you have any questions, please contact Jakki Hillis, Acting Assistant Director, Division of Children, Youth and Families, at (602) 542-3598 or me at (602) 542-5757.

Sincerely,

Neal Young
Director

***ARIZONA DEPARTMENT OF ECONOMIC SECURITY'S RESPONSE
TO THE OFFICE OF THE AUDITOR GENERAL'S REPORT
ON RELATIVE PLACEMENTS***

Relative placements benefit children in many ways. Studies support that children who are placed with relatives experience fewer placement changes and are less likely to re-enter out-of-home placement. For many years, the Arizona Department of Economic Security has surpassed the national median rate for placing children who require out-of-home care with relative caregivers.

The Department places great emphasis on the importance of children in out-of-home placement maintaining their sense of cultural identity and family connections. Department policy supports children maintaining their family and cultural ties by requiring staff to conduct frequent searches for relatives of children in out-of-home placement. The Department appreciates the Auditor General's acknowledgment of our positive outcomes in this area.

The Department agrees with the recommendations in the report. We will continue to build upon our successful efforts in this area.

RECOMMENDATION 1.1:

The Division should revise its policy to include additional guidance for staff to consider when determining whether the adults in a prospective relative caregiver's household clear their criminal background check. Specifically, the policy should include a listing of offenses that would automatically preclude someone from clearing the criminal background check and additional factors that staff should consider if an individual requested that CPS staff reconsider its decision to deny clearance.

DES Response:

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

The Division will provide additional guidance for staff by providing a listing of criminal offenses that would preclude a relative from clearing the criminal records check.

RECOMMENDATION 1.2:

The Division should revise its assessment guidance to include common types of safety hazards that should be looked for when performing home safety assessments.

DES Response:

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

The Division will provide staff with additional guidance on the common types of safety hazards that should be looked for when performing home safety assessments.

RECOMMENDATION 1.3:

The Division should enforce the statutory and policy requirements that staff notify, in writing, individuals who are declined as relative placements. The notification should include the decision, reason(s) for it, and appeals process information. Alternately, if the Division believes that verbal notification is more effective, it should seek a statutory change to allow the required information to be communicated verbally, revise its policy to reflect the statutory change, and develop a mechanism that will allow supervisors to verify that staff are providing the required information.

DES Response:

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

The Division will instruct direct service staff and their supervisors to provide written notification to individuals who are declined as relative caregivers. The notification will include the decision, reason(s) for the decision, and the process for having this decision reviewed, if requested by the relative.

RECOMMENDATION 2.1:

The Division should centralize on-going information on staff's efforts to identify and place children with relatives, including:

- a. Identifying or developing a centralized location, preferable electronic;
- b. Modifying its policies to indicate what information staff are required to record in the centralized location; and
- c. Ensuring staff record the required information in the centralized location.

DES Response:

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

The Division will document the efforts made to identify and place children with relatives in our Automated Case Management System (CHILDS). The Division will also provide additional guidance to staff as to the centralized documentation requirements for relative searches. To better ensure that staff record the required information in the centralized location, the Division will include this requirement in the Supervisory Review process.

CPS Reports Issued

Performance Audits

CPS-0501	CHILDS Data Integrity Process
CPS-0502	Timeliness and Thoroughness of Investigations
CPS-0601	On-the-Job Training and Continuing Education
CPS-0701	Prevention Programs
CPS-0801	Complaint Management Process
CPS-0901	Congregate Care

Information Briefs

IB-0401	DES' Federal Title IV-E Waiver Demonstration Project Proposal
IB-0501	Family Foster Homes and Placements
IB-0502	Revenue Maximization
IB-0601	In-Home Services Program
IB-0701	Federal Deficit Reduction Act of 2005
IB-0702	Federal Grant Monies
IB-0801	Child Removal Process
IB-0901	Client Characteristics

Questions and Answers

QA-0601	Substance-Exposed Newborns
QA-0701	Child Abuse Hotline
QA-0702	Confidentiality of CPS Information
QA-0703	Licensed Family Foster Homes
QA-0801	Child and Family Advocacy Centers
QA-0802	Processes for Evaluating and Addressing CPS Employee Performance and Behavior

Future CPS Reports

Performance Audits

In-Home Services Program

Questions and Answers

Adoption Program

