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OFFICE OF THE
AUDITOR GENERAL

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September 11, 2008

Members of the Arizona Legislature

The Honorable Janet Napolitano, Governor

Tracy Wareing, Director
Department of Economic Security

Transmitted herewith is a report of the Auditor General, a Questions-and-Answers document on the Department of Economic Security, Division of Children, Youth and Families—Child Protective Services—Processes for Evaluating and Addressing CPS Employee Performance and Behavior. This document was prepared pursuant to and under the authority vested in the Auditor General by Arizona Revised Statutes §41-1966.

Our questions-and-answers documents were created to provide answers to multiple questions on a particular subject area. We hope that these questions-and-answers documents will fill a need and provide you with timely and useful information on topics of particular interest.

My staff and I will be pleased to discuss or clarify items in this document.

This document will be released to the public on September 12, 2008.

Sincerely,

Debbie Davenport
Auditor General

Attachment



OFFICE OF THE
**AUDITOR
GENERAL**

QUESTIONS and ANSWERS

Summary

This document answers questions related to the Division's processes for (1) evaluating job performance and (2) addressing poor job performance and inappropriate behavior of Child Protective Services (CPS) employees, in particular, CPS specialists who are responsible for ensuring child safety, assessing allegations of child abuse and neglect, and providing ongoing case management. Specifically, it provides information on the Division's implementation of the performance evaluation process and the number of CPS specialists being considered for disciplinary action as of May 2008.



2008

Processes for Evaluating and Addressing CPS Employee Performance and Behavior

Question 1: What is the process for evaluating CPS employees' job performance, particularly for CPS specialists?

The Department uses the Performance Appraisal for State Employees process for evaluating CPS employees' job performance.

In 2006, the Department of Economic Security (Department) adopted the Performance Appraisal for State Employees (PASE) process for evaluating all covered employees, including those working as CPS specialists within the Division of Children, Youth and Families (Division).^{1,2} PASE was developed to ensure objectivity, consistency, and fairness in appraising employees while at the same time improving employees' understanding of their assignments, standards for performance, and progress in meeting these standards.

The PASE process identifies key performance categories in which employees will

be evaluated. For instance, CPS specialists, who are responsible for ensuring child safety, assessing allegations of child abuse and neglect, and providing ongoing case management, are evaluated in three general areas—teamwork, customer service, and continuous improvement. Each of these performance areas has several associated job expectations that must be met. For example, to determine CPS specialists' performance in customer service, they are evaluated on completing face-to-face contact with all children, parents, and out-of-home caregivers as required by policy. They are also evaluated on communicating verbally, in writing, and through behavior in a courteous, respectful manner with birth parents, providers, relatives, other team members, co-workers, and the general public. Each employee's supervisor rates the employee's performance on a 1-5 scale according to his/her progress for each job expectation. These scores are then weighted according to their importance to the position, and a final score is tabulated indicating the employee's overall performance.

New CPS specialists are placed on a 12-month probation, referred to as original probation, and evaluated at least twice during this period.³ After successfully

¹ A covered employee is an employee in state service who is subject to the provisions of Arizona Department of Administration (ADOA) personnel rules cited in Arizona Administrative Code (A.A.C.) Title 2, Chapter 5.

² PASE complies with ADOA personnel rule A.A.C. R2-5-503(A), which states, "The [ADOA] Director shall establish a performance appraisal system to evaluate the job performance of state service employees. An agency head may adopt an alternate employee performance appraisal system, subject to the approval of the [ADOA] Director."

³ When a CPS specialist is promoted to a level II or level III, he/she is placed on 6 months' probation, referred to as promotional probation, and evaluated at the mid-point and end of this period. The employee will then be evaluated annually thereafter.

completing probation, the employee will be granted permanent status and evaluated annually thereafter according to the adopted assessment schedule, which is from October 1 through September 30.

During the annual evaluation period, various activities occur, including:

- **Within the first 30 days of the evaluation period**—The supervisor and CPS specialist meet to discuss the evaluation process, including job expectations, areas of competency, and performance standards. This is required for both permanent and original probationary employees.
- **Mid-way through the evaluation period**—The supervisor and CPS specialist hold a mid-point meeting during which they discuss job performance and progress in meeting expected competency goals. The employee is not formally rated using the PASE checklist forms for the mid-point meeting; however, the supervisor is to document the discussion in the rater's comments section of the forms. This is mainly an informal review meeting that is required for probationary employees and is optional for permanent employees.

- **Within 30 days before the end of the evaluation period**—The supervisor and CPS specialist meet to discuss the supervisor's written assessment of the employee's achievement of expected competency goals. Supervisors use various techniques to gather necessary appraisal data for assessing CPS specialists' performance, including reviewing employee-prepared case notes and court reports, directly observing employee work, and considering the feedback of clients and third-party vendors who interact with the employee.

If the employee is on original probation, the supervisor must recommend whether the employee should be granted permanent status, dismissed, or have his/her probation extended. The evaluation must be reviewed and approved by the supervisor's manager before being presented to the employee. If the employee disagrees with his/her evaluation rating, he/she may express his/her concerns in the employee comments section on the PASE checklist forms or file a grievance with the Department. Finally, the completed evaluation forms are sent to the Division's human resources office, where staff enter the information into the State's automated Human Resources Information System (HRIS) maintained by the Arizona Department of Administration. The Department retains completed PASE forms in the employee's personnel file.

Question 2: What problems has the Division encountered while implementing the performance evaluation process?

Division officials noted issues with ensuring that evaluations are performed within required time frames and that CPS supervisors are trained on how to properly use the PASE process.

Division officials reported experiencing some problems with the implementation of the evaluation process, which they are taking steps to resolve. Specifically:

- **Some CPS specialists, including those on probation, not receiving timely evaluations**—Limitations with the Department's ability to use HRIS to track employee evaluation status has resulted in some CPS specialists' not receiving timely evaluations. Auditors reviewed the HRIS evaluation data for 789 active CPS specialists who had been employed by the

Department for over a year as of April 2008, and found that 266, or 34 percent, had entries indicating that their last evaluation occurred more than 15 months previously, signifying that they were overdue for an evaluation.¹ Auditors reviewed the hard-copy personnel files and requested additional clarification and information from supervisors, where appropriate, for a random sample of 27 of the 266 CPS specialists and found that there was no evidence that an evaluation had been conducted within the previous 15 months for 13 of the CPS specialists. For the remaining 14 CPS specialists, auditors found that an evaluation was completed, but the incorrect evaluation date was entered into HRIS by division staff; the evaluation was completed, but not sent to the Division's human resources office as required in policy; or the employee was on approved leave and, therefore, could not be evaluated.

Untimely evaluations have resulted in some employees' obtaining permanent status by default. A state personnel rule, A.A.C. R2-5-213 (C)(3), requires supervisors to evaluate an employee on original probation and submit a report to the agency head before expiration of the probationary period. If the agency head takes no action to extend the probationary period or to terminate the employee, the employee will be granted permanent status.

¹ According to HRIS records, there were 1,018 active CPS specialists as of April 2008. Of the 1,018 CPS specialists, 229 had worked for the Department for less than 1 year.

Department policy indicates that it is never appropriate for a supervisor to allow an employee to obtain permanent status by default and requires the proper documents be sent to the appropriate personnel office no later than 15 days before the expiration of the original probationary period. However, auditors' review of HRIS information and the employee personnel files for 43 CPS specialists hired between January and March of 2007 found that 34 defaulted to permanent status. Specifically, 24 had records indicating their evaluation was conducted and submitted to the Division's human resources office after the probationary period had expired; 9 CPS specialists were evaluated in a timely manner, but the paperwork was processed by the Division's human resources office after the probationary period had expired; and 1 employee showed no record of being evaluated, and his/her probation term was not extended. Because these employees now have permanent status, they can no longer be terminated without cause.

Efforts are underway to help address the need for supervisor notification of upcoming employee evaluation dates. Officials indicated that the Arizona Department of Administration is working to integrate a Manager Self Service (MSS) application into HRIS, which will allow supervisors to directly view certain HRIS information about their employees, including the employee's most recent evaluation date and when the next evaluation is due. The deployment of this application has been delayed in part by an upgrade to HRIS and by issues the Department has experienced with properly linking employees to their appropriate supervisor within HRIS. However, department officials reported that they anticipate implementing the Grant Permanent Status feature of MSS before the end of November 2008. This feature will provide automatic reminders to supervisors of upcoming original probation and promotional probation end dates for their staff and cue the supervisor to complete a PASE for the employee. In the interim, division officials indicated that they plan to develop ad-hoc reports based on HRIS data that can be used to inform division supervisors of upcoming evaluations and notify management of past-due evaluations. Further, the Division reported that it has reclassified six full-time equivalent positions to provide personnel-related assistance to division staff, including tracking employees' upcoming evaluation dates and then notifying the appropriate supervisor as the date approaches.

To assess whether MSS and the Division's ad-hoc reports will be reliable notification tools, auditors reviewed the evaluation data entered into HRIS by division staff for the 1,018 active CPS specialists as of April 2008. Auditors found that, in addition to the data entry errors previously discussed (see page 2),

144 CPS specialists (14 percent) were missing a next review date, and 207 CPS specialists (20 percent) had entries indicating their next evaluation was to take place on a date prior to that of their most recent review. Until these data improprieties are corrected, neither MSS nor division ad-hoc reports will be reliable notification tools for CPS employee evaluations. Division officials acknowledged problems with the accuracy of the data being entered into HRIS by division staff and indicated that they are working with staff to correct and update the information as they develop the ad-hoc reports and prior to MSS coming online.

- **Some CPS supervisors not fully trained on using PASE**—Various factors have hindered the Division's ability to ensure CPS supervisors complete PASE training courses. These courses are designed to ensure that the supervisors have the knowledge needed to properly assess their employees, complete the PASE checklist forms, and tabulate performance scores. Supervisors are required to complete four PASE training courses, coordinated through the Department's Office of Organization and Management Development (see textbox). Although the Planner and Discussion courses have been available since August 2006, the Evaluation course did not become available until August 2007, only 1 month before supervisory staff had to complete their employees' first annual evaluations under the PASE. Further, the Support class only recently became available in the spring of 2008. Department officials reported that the classes are scheduled regularly throughout the State. However, it struggles with getting enough people to sign up for the course sessions held outside of the Phoenix, Tucson, and Flagstaff areas. As a result, classes have been canceled in the more rural areas because of non- or low enrollment, and employees have been expected to travel to the population centers to obtain training, which can be difficult because of workload and agency travel restrictions.

PASE Training Courses

- **Planner**—Covers the basics of evaluating staff and completing the PASE forms (became available August 2006)
- **Discussion**—Covers how to hold a planning meeting with an employee (became available August 2006)
- **Evaluation**—Covers how to complete the evaluation (became available August 2007)
- **Support**—Covers how to do documentation, discussion, and progressive discipline (became available spring 2008)

In addition to making the required PASE courses more accessible, it is important that the supervisors attend these courses. Department policy states that the PASE courses must be completed within 12 months of an employee's start date as a supervisor. However, department training records indicate that as of June 2008, 46 (34 percent) of the 136 CPS supervisors who have been in their supervisory position for at least a year have not yet completed either of the first two required PASE courses, which have been available since August 2006. Further, another 34 (25 percent) of the 136 CPS supervisors have only completed one of the two courses.

Department officials reported that they are taking action to make PASE training more accessible to staff

and also to ensure that staff complete it. Specifically, the format of the four required PASE courses is being revised from classroom-based to distance learning. Additionally, in January 2008, staff from the Division's human resources office began providing PASE refresher training to CPS supervisors and other division staff, and as of June 2008, 50 percent of the CPS supervisors had received this training. Finally, department officials indicated that the Office of Organization and Management Development will begin providing division management with a quarterly report listing staff who have not yet completed required courses. Division officials indicated that the report will be monitored to ensure timely completion of the training.

Question 3: How does the Division address a CPS employee's poor job performance or inappropriate behavior?

The Division uses both corrective action and disciplinary actions to address performance and behavior problems. The type and level of action depend on the nature and severity of the problem.

The Division's process for addressing employees' poor job performance or inappropriate behavior will vary depending on the nature and severity of the problem. Specifically:

- **Poor job performance**—In the case of poor job performance, the Division will first attempt to work with the employee to correct the problem. For example, when a supervisor becomes aware that his/her employee's performance is below expectations, the supervisor will meet with the employee to discuss steps to correct the problem. With the employee's input, the supervisor may develop a time-limited professional skill-building plan that describes in behavioral terms the professional skills to be acquired by the employee and the supports that will be provided to enable acquisition of the skills. If the employee continues to perform poorly, the supervisor will contact an employee relations specialist from the Division's human resources office to determine if a written Notice of Necessity to Improve (NNI) is needed and what details it should include. The NNI is not considered a disciplinary action; instead, it serves as notice to the employee that if his/her performance does not improve within a predetermined time period, typically between 30 and 90 days, he/she will be

subject to disciplinary action. The NNI also details the steps the employee should take to improve his/her performance. If the employee fails to meet the NNI's terms, disciplinary action will be taken as described in the following bullet. Division records indicate that as of June 12, 2008, there were five CPS specialists working under the terms of an NNI, and one additional employee was in the process of having an NNI developed. The NNIs covered various performance deficiencies, including failure to close cases or investigate reports alleging child abuse and neglect in a timely manner.

- **Inappropriate behavior or continuing poor job performance**—In the case of inappropriate behavior such as dishonesty, insubordination, or continuing poor job performance, the Division will take disciplinary action against the employee. The case will be brought before the Division's Personnel Issues Committee (Committee), composed of division executive management, human resources staff, and an Assistant Attorney General. The Committee will review the case and decide the appropriate level of discipline based on the offense and the employee's work history (see textbox for types of disciplinary actions).¹ Informal disciplinary actions, such as memorandums of concern, inform the employee of the Division's expectations for behavior or job performance and warn that greater discipline will result if there is further misconduct or no improvement in performance. These are typically used to address minor infractions such as serial tardiness. More

Disciplinary Actions

Informal

- Verbal counseling
- Memorandum of concern

Formal

- Written reprimand
- Suspension
- Demotion
- Dismissal

¹ According to division officials, when determining appropriate disciplinary action to take on a case, the Committee will reference past decisions to ensure consistency in its current decision.

serious behavior or job performance problems, such as falsifying client case records, will result in formal disciplinary action being taken, including dismissal.

After the Committee has determined and administered disciplinary action, the employee is issued a written corrective action plan (CAP) and begins a shorter evaluation period, normally between 30 to 90 days. The CAP will indicate specifically what is expected of the employee during the new evaluation period. If the employee fails to meet the terms of the CAP, the Committee will decide what further disciplinary action is necessary.

Although the Division's process allows for escalation of disciplinary action, progressive discipline is not required by state personnel policy. In some cases, the first act of misconduct may warrant suspension or dismissal. For example, division officials noted that if it were discovered that a CPS specialist was late responding to some investigations, he/she would meet with his/her supervisor to resolve the problem, and possibly receive an NNI. However, if that same CPS specialist was entering falsified information into

client case records, this would warrant committee action, potentially resulting in the employee's suspension or dismissal.

If the Committee decides the offense warrants a disciplinary action more severe than a reprimand, i.e., a suspension, demotion, or dismissal, the employee will be served with a written notice of charges. This is a structured list of offenses the Committee used to guide its decision making. The employee has 3 working days to respond in writing to the division deputy director regarding the charges against him/her. The employee's immediate supervisor must also respond to the division deputy director in writing indicating his/her opinion of the matter. The employee's options for appealing a disciplinary action are determined based on the discipline he/she receives. If the employee receives a suspension in excess of 40 hours or is demoted or dismissed, he/she may formally appeal the decision to the State Personnel Board. In cases involving a lesser form of discipline, the employee may file a general grievance with the Department.

Question 4: How many CPS specialists are being considered for disciplinary action?

As of May 27, 2008, the Division was deliberating potential disciplinary action for 12 CPS specialists.

The number of CPS specialists receiving disciplinary action will vary at any point in time, and as of May 27, 2008, the Committee was deliberating potential disciplinary action for 12 CPS

specialists. According to division records, these cases covered various topics, including insufficient job performance, unacceptable behavior, policy violations, and misconduct outside of work.

The table below presents formal disciplinary actions the Division took against CPS specialists in calendar years 2004 through 2007. These actions were for both insufficient job performance and behavior-related issues, including unauthorized Internet/network use (reprimand), failure to complete assigned cases within expectations and time frames (suspension), and making false and inaccurate entries into public records (dismissal).

Formal Disciplinary Actions Taken against CPS Specialists
Calendar Years 2004 through 2007

Calendar Year	Reprimand	Suspension	Demotion ¹	Dismissal
2004	9	2	0	3
2005	13	4	0	8
2006	8	7	0	6
2007	16	6	0	4

¹ According to division officials, there were no demotions of CPS specialists during calendar years 2004 through 2007.

Source: Auditor General staff compilation of data reported in the Division's *ACYF Employee Corrective Action Report January 1, 2004—Present* and information provided by division officials.



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