



SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
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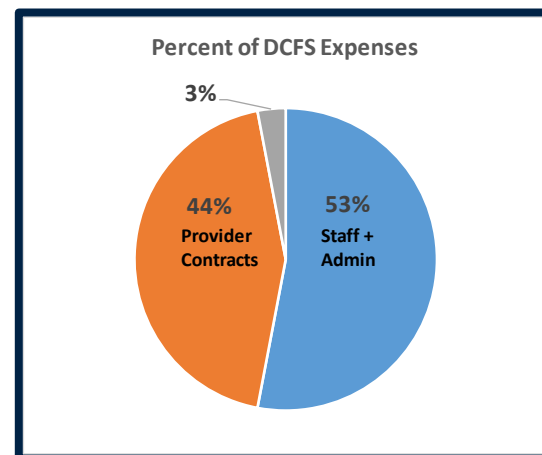
MANAGING THE \$173 MILLION DCFS BUDGET

ISSUE BRIEF

SUMMARY

In accomplishing its statutory mission, the Division of Child and Family Services (DCFS) spends \$173 million annually: \$92 million (53%) for staff and staff-related costs, including administration; \$76 million (44%) for contracts to community providers; and the remaining \$5 million (3%) for a computer system and other related technology needs. Although the state administrative office is over the agency, services and staffing are individualized to five regional service offices. As part of its budget challenges, DCFS manages unpredictable caseloads. DCFS caseloads are primarily determined by abuse and neglect investigations in response to referrals and subsequent court determinations. The severity, or intensity, of DCFS cases is also unpredictable. The efficient management of staff is obtained through tracking key measures of success while utilizing best practice models including optimal staffing patterns. The efficient management of community services is also achieved through tracking key measures of success while following best practice models including the use of least restrictive and most home environment-like settings whenever appropriate. Least restrictive and most home environment-like setting are generally deemed better for children and youth, when safe. Such settings are generally also better for controlling overall costs. Appropriateness of services, however, is the first guiding principle for DCFS. Community settings range anywhere from basic foster care starting at \$15.60 per day (\$5,694 if annualized) up to intensive treatment settings costing \$1,200 per day (\$438,000 if annualized). DCFS staff, in collaboration with the Office of the Legislative Fiscal Analyst (LFA), analyzed region budgets for staff and services in a manner not previously utilized. This was done to better assess the effectiveness and efficiency of regional resource distribution. This issue brief summarizes the major components associated with the DCFS budget and each major component's effect upon the budget in light of these new assessments.

Figure 1



BACKGROUND

By statute, the Division of Child and Family Services (DCFS) is to provide child abuse prevention services, child protective services, shelter care, foster care, residential care, adoption assistance, health care for children in state custody, family preservation, protective supervision, and domestic violence preventive services. DCFS has its headquarters in Salt Lake City but provides services through five regional administrative centers.

MANAGING STAFF

As shown in Figure 1, 53 percent of the DCFS annual budget is spent on staff and staff-related costs. DCFS currently budgets for 1,109 Full-time Equivalent (FTE) staff. DCFS manages the staff-related portion of its budget through strategies such as: (1) determination of appropriate staffing levels throughout the state; (2) the allocation of resources by regions of the state; (3) determination of salary and benefits levels provided for the various staff positions; and (4) actively handling vacancies and turnover.

Where are DCFS staff located?

Ninety-five staff work in the DCFS central state administrative office. The remaining 1,104 staff work in the five DCFS regions throughout the state (see Table 1).

DCFS Staff by Location - FY 2018 Base Budget Request

	State Office	Salt Lake	Northern	Southwest	Western	Eastern	Total
Full-time Equivalent Staff	95	322	256	118	182	136	1,109
Estimated Cost of Staff	\$7.5 million	\$20.6 million	\$16.4 million	\$8.0 million	\$12.1 million	\$9.1 million	\$73.7 million

Table 1

The primary DCFS staff-related services include: (1) investigations of abuse and neglect, (2) case management of children taken into state custody, and (3) domestic violence services-related staff. A detail of specific staff categories by location can be found in *Appendix A*.

What types of staff are primarily utilized?

Of total DCFS staff positions, eight employee classifications make up 80 percent of DCFS personnel. This information is taken from the FY 2018 DCFS budget request. These eight employee classifications, along with the estimated FY 2018 cost and number of full-time equivalent staff for each classification, are shown in Table 2:

DCFS Employee Classifications Costing Greater than \$1 million per year		
Class Title	FY18 Budget	Total FTE
Social Service Worker	\$17,862,900	273
Caseworker I	\$13,915,400	263
Program Manager	\$8,784,700	108
Senior Assistant Caseworker	\$6,681,100	117
Caseworker Specialist I	\$3,897,900	56
Program Administrator I	\$3,748,200	42
Licensed Clinical Therapist	\$2,775,900	34
Social Worker	\$1,533,400	22

Table 2

How might the need for regional staff be assessed?

Determining how to allocate staff resources throughout the state requires some assessment of *need* by region. Historically, staff resource allocation throughout the state has been based upon the previous year’s allocations and marginally adjusting the allocations based upon a region’s current needs assessment. In preparing this issue brief, DCFS and the Office of the Legislative Fiscal Analyst (LFA) collaborated to look at several new approaches to defining *need* within each region. Table 3 uses three categories, by region, to consider need: (1) **M**altreatment incidents, (2) direct **C**ourt-ordered custody placements, and (3) children referred to DCFS from **O**ther sources. Table 3 then averages these three categories to come up with a composite assessment of need for staff (referred to here as MCO). DCFS and the LFA then normalized the information by looking at the number of FTEs per 1,000 total MCOs in order to fairly compare staffing across regions of significantly different sizes.

Are staff appropriately distributed based upon need?

The use of MCO as the methodology of assessing need per region highlights significant differences between the five regions for staffing patterns. The statewide average full-time equivalent employees per 1,000 total composite measure of need for the eight most expensive staffing categories is 93. Salt Lake Region staffs at only 71 percent while the Eastern region staffs at 147 percent of the statewide average need measurement.

Assessing DCFS Staffing Needs							
DCFS Region Staff Per 1,000 MCOs (Maltreatment incidents, Court referrals, and Other referrals)							
(Using 8 Largest DCFS Staff Categories)							
Class Title	FY18 Budget	Total FTE	Salt Lake	Northern	Southwest	Western	Eastern
Social Service Worker	\$17,862,900	273	21.8	28.2	24.5	21.6	23.5
Caseworker I	\$13,915,400	263	19.9	18.2	27.3	29.8	39.8
Program Manager	\$8,784,700	108	6.9	7.9	12.3	9.0	22.9
Senior Assistant Caseworker	\$6,681,100	117	7.0	9.5	17.9	11.2	25.7
Caseworker Specialist I	\$3,897,900	56	2.4	6.5	3.8	7.3	12.0
Program Administrator I	\$3,748,200	42	1.7	2.4	4.7	2.8	4.8
Licensed Clinical Therapist	\$2,775,900	34	2.5	0.7	5.7	5.5	6.6
Social Worker	\$1,533,400	22	3.6	0.7	2.8	0.6	1.2
Staff Per 1,000 MCOs			65.7	74.2	99.0	87.9	136.5
Total	59,199,500	914					
Total Personnel Budget	73,725,100	1,034					
Top 8 Categories as % of DCFS Personnel Budget or FTEs	80%	88%					

Notes:
MCOs - DCFS used a composite measure for need by calculating for each region the number of: (1) Maltreatment incidents per 1,000; (2) Direct court referrals per 1,000; and (3) referrals from Other sources per 1,000.
FTE - full-time equivalent position.

Table 3

Table 3 provides DCFS with information to re-assess staff resource allocation for areas where acceptable explanations cannot be provided for large variances.

Do regions show similar outcomes? Is there a “best practice” region with regard to key outcomes?

With regard to key outcomes, the agency states, “DCFS regions are comparable in their overall performance when measured by our standardized tools.” The agency describes its standardized tools as follows: “The Office of Services Review (OSR) administers DCFS Qualitative Case Review (QCR). The same high-level of consistent performance is expected throughout the state, and each region’s improvement or decline in performance (relative to standards set at 85% for Overall Child Status and Overall System Performance and 70% for each indicator) is measured using the QCR. Indicators that score below 70% require the DCFS region to create a Performance Improvement Plan outlining the actions they will take to improve scores to standard. As indicated in Table [DCFS-provided Table A], Overall System Scores in FY2016 are comparable to every other year with the exception of FY14, which was considered an outlier.”

Child Status	FY00 Baseline	FY12	FY13	FY14	FY15	FY16 Scores
Eastern Region	78%	80%	80%	95%	79%	84%
Northern Region	89%	86%	94%	97%	90%	90%
Salt Lake Region	87%	86%	94%	92%	78%	85%
Southwest Region	89%	85%	95%	95%	95%	95%
Western Region	50%	92%	88%	96%	90%	83%
Overall Score	78%	86%	91%	95%	86%	87%

DCFS-provided Table A

Are regions paying staff appropriately?

One way to manage the staff portion of the DCFS budget is through salary and salary-related benefit costs; to look for a consistency across the various regions. Appropriate staff pay would consist of the minimum required to attract and reasonably retain the necessary staff to carry out DCFS statutory purposes. Analysis regarding the average pay across the five regions for the top eight direct care categories is shown in Table 4.

Assessing Staff Costs							
Average Cost Per Full-time Equivalent (FTE) Staff							
<i>(Using 8 Largest DCFS Staff Categories)</i>							
Class Title	FY18 Budget	Total FTE	Salt Lake	Northern	Southwest	Western	Eastern
Social Service Worker	\$17,862,900	273	\$62,516	\$66,119	\$67,505	\$67,475	\$70,732
Caseworker I	\$13,915,400	263	\$50,214	\$54,023	\$57,870	\$53,828	\$54,136
Program Manager	\$8,784,700	108	\$80,727	\$79,817	\$82,800	\$86,598	\$79,362
Senior Assistant Caseworker	\$6,681,100	117	\$58,040	\$58,378	\$55,216	\$56,145	\$56,184
Caseworker Specialist I	\$3,897,900	56	\$66,977	\$71,103	\$72,324	\$70,179	\$67,551
Program Administrator I	\$3,748,200	42	\$86,154	\$90,119	\$92,962	\$92,724	\$93,867
Licensed Clinical Therapist	\$2,775,900	34	\$77,298	\$78,545	\$86,204	\$83,343	\$88,346
Social Worker	\$1,533,400	22	\$69,090	\$81,802	\$58,286	\$73,232	\$85,384
Average Cost Per FTE			\$68,877	\$72,488	\$71,646	\$72,940	\$74,445
Total	59,199,500	914					
Total Personnel Budget	73,725,100	1,034					
Top 8 Categories as % of DCFS Personnel Budget or FTEs	80%	88%					

Table 4

Regions have wide latitude to hire the type of staff best suited for each of their local needs. An assessment of staff salary costs was determined, then, by comparing the overall average cost per FTE across the regions. Based upon this analysis, there does not appear to be significant variance in pay provided for direct care staff from region to region, irrespective of the staffing patterns a region chooses to utilize to meet its own local needs. By internal comparison across regions, it appears staff are being paid appropriately across all regions.

MANAGING PROVIDER CONTRACTS

What is the effect of unpredictable caseloads on the DCFS budget?

DCFS responds to situations brought to it primarily through referrals and subsequent court-orders. DCFS then manages its cases within the budget authorized by the Legislature during the previous legislative General Session. Prior to FY 2012, DCFS frequently requested additional funds to deal with its unpredictable caseload increases in: (1) children in its care (broadly referred to as *foster care*) and (2) children adopted from DCFS care where subsidies are provided (broadly referred to as *adoption assistance*). From FY 2002 through FY 2012, DCFS received \$44.6 million in additional state fund appropriations related to these two categories as shown in Table 5.

History of State Appropriations for Foster Care and Adoption Assistance											
<i>(Shown in millions)</i>											
Category	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Foster Care	0	-0.4	0	0.4	3	19.3	0	0.2	0	12.5	5.5
Adoption Assistance	1.7	0.5	0	0.5	0	0	0	0	0.8	0.6	0

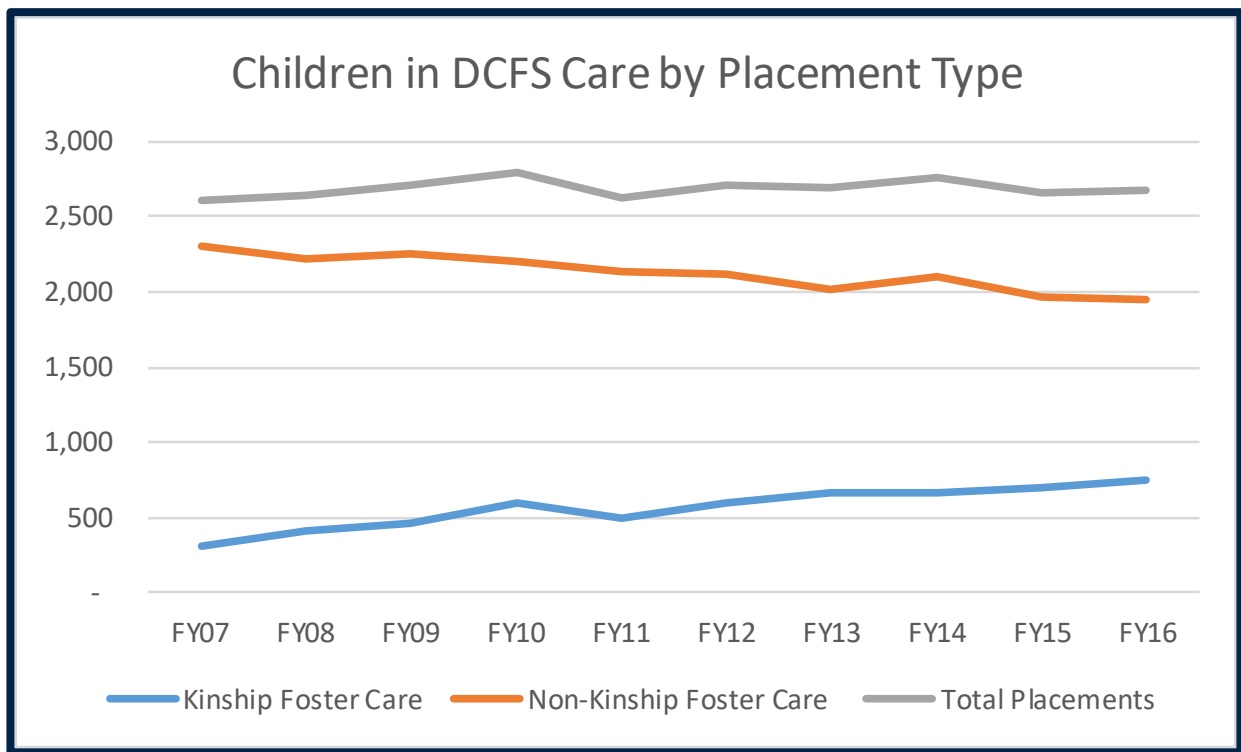
Information taken from Office of the Legislative Fiscal Analyst Appropriations Reports and the Governor's Office of Management and Budget Budget Summary books.

Table 5

Typically, increasing caseload costs could be due either to: (1) the total number of cases going up or (2) the average cost per case going up. Since FY 2012, DCFS has not requested, nor been provided, an additional legislative appropriation address either foster care or adoption assistance increasing caseload costs. Instead, DCFS has managed its budget requests for foster care and adoption assistance since FY 2012 by using two main budget techniques: (1) emphasizing and strengthening in-home services to ensure children can safely remain in their own homes and (2) effectively managing the appropriate level of placement once a child or youth has entered state custody.

How many children are in DCFS care?

DCFS makes the distinction regarding children in care between: (1) kinship foster care placements and (2) non-kinship foster care placements (see Table 6). Kinship foster care placements are those in which a child taken into custody is subsequently placed in a home of a relative as defined in statute at: [UCA 78A-6-307](#) and [UCA 62A-4a-209](#). When combining these two categories, the total number of children in DCFS care for FY 2016 was 2,682.



Fiscal Year	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Kinship Foster Care	307	413	453	590	488	597	665	663	691	740
Non-Kinship Foster Care	2,304	2,228	2,257	2,201	2,140	2,112	2,024	2,095	1,967	1,942
Total Placements	2,611	2,641	2,710	2,791	2,628	2,709	2,689	2,758	2,658	2,682

Table 6

What services are provided for children within the DCFS budget?

DCFS provides services to children and families in a variety of ways. The three basic categories of services provided include: (1) in-home services, (2) foster and proctor care settings, and (3) residential and intensive residential treatment settings (IRTS). These three categories can be associated with the intensity of services being provided. Table 7 shows the annualized cost associated with each of these three broad categories.

DCFS FY 2016 Placement Costs by Major Category

Service Category	In-Home Services	Foster and Proctor Care	Residential
Total Direct Costs (excluding Administration)	\$15,821,100	\$18,943,100	\$28,502,700
Total Children Served/annualized slots*	6,243	1,449	440
Annual Avg. Cost per Case/Placement	\$2,534	\$13,075	\$64,709

Note* : Children in DCFS placements are not necessarily there for a full year. "Slots" represents the use of placements that may equate to one or more children when annualized.

Table 7¹

Why not always use the least expensive service?

Appropriateness of the services is the first guiding principle for DCFS. The history and circumstances of a child may make a much more intensive, and by correlation more expensive, level of service the most appropriate. The Department of Human Services’ Utah Model of Care recognizes that often children with the most complex service needs leads to less time at home, in school, and in the community; situations that often result in increased trauma for the child. DHS recognizes that increasing prevention and self-reliance, along with family and community partnerships, results in better sustained outcomes for children and families as well as savings for taxpayers.

What services are provided for children within the DCFS budget?

Although services can be categorized in three general ways, DCFS typically pays for services using a wide variety of accounting categories. In FY 2016, DCFS provided 83 percent of all services in 12 categories - each category costing more than one million. These 12 most expensive categories, along with each category’s percentage of the total budget, the number of clients served, and the cost per client are shown in Table 8.

Top 12 Most Expensive DCFS Service Categories					
#	Service Provided	Statewide			
		Amount	% of Total	Clients	Cost/Client
1	IV-E ADOPTION SUBSIDY	\$11,138,283	19%	3,770	\$2,954
2	INDIVIDUALIZED RESIDENTIAL TRAINING SERVICES-COGNITIVELY IMPAIRED	\$8,156,362	14%	217	\$37,587
3	PROCTOR CARE MULTIPLE CLIENTS	\$6,095,082	10%	759	\$8,030
4	SUBSIDIZED ADOPTION PAYMENT	\$4,733,941	8%	1,738	\$2,724
5	HIGH LEVEL MENTAL HEALTH	\$4,237,768	7%	106	\$39,979
6	LEVEL I FOSTER CARE	\$3,988,326	7%	1,789	\$2,229
7	MODERATE LEVEL, BEHAVIORAL DISORDER	\$2,543,439	4%	151	\$16,844
8	MODERATE LEVEL MENTAL HEALTH	\$2,221,905	4%	104	\$21,364
9	HIGH LEVEL SEX OFFENDER	\$1,697,093	3%	61	\$27,821
10	LEVEL III FOSTER CARE	\$1,517,101	3%	337	\$4,502
11	LEVEL II FOSTER CARE	\$1,486,890	3%	543	\$2,738
12	MODERATE LEVEL MENTAL HEALTH / CERTIFIED SMALL GROUP HOME	\$1,073,951	2%	47	\$22,850
Total of Top 12 Categories		\$48,890,142	83%		
Total of All Services		\$58,623,691	100%		

Source: Information taken from the DHS Data Warehouse for the Contract Approvals and Payments System (CAPS)

Table 8

¹ The sum of “Total Direct Costs” shown in Table 7 differs from the \$76 million referred to on page 1 for “contracts to community providers.” DCFS explains this difference as follows: “Community Services as referenced on the first page is a very broad term, which captures a larger data set of services than just services directly served to DCFS youth. These differing numbers come from two different sets of data. An example of one of these services would be crisis nurseries . . . a bill paid from Finet [the State Accounting system] but not through CAPS [the Human Services-specific contract payment system] and thus is not a direct placement cost even though it is a community service that serves children. Another example [is] the Christmas Box house in Salt lake. [A]lthough it’s costs are not treated as direct costs to youth, it benefits them but is not attributable to one population placement cost.”

Assessing the Need for Services by Region?

As a general category, contracting for services makes up 44 percent of DCFS annual expenditures (see Figure 1). Determining how to allocate services-related resources throughout the state requires an assessment of *need* by region. Historically, service resource allocation throughout the state has been based upon the previous year’s allocations marginally adjusted, if at all, for a region’s current needs. In preparing this issue brief, DCFS and the LFA collaborated to look at several new approaches to consider *need* within each region. Table 9 takes three measures, by region, and averages them to come up with a composite assessment of need: (1) children under 18 living within the region’s boundaries; (2) children currently in foster care in each region; and (3) an aggregate of three factors which include: (a) Maltreatment incidents by region, (b) direct Court-ordered custody placements by region, and (c) children referred to DCFS from Other sources (referred to here as MCOs).

DCFS Region	Children under 18	% of Total	Children in Foster Care	% of Total	Total Maltreatment, Direct Court, Other Source	% of Total	Avg. %
Salt Lake Valley	343,098	36%	815	30%	4,206	39%	35%
Northern	246,345	26%	660	25%	2,905	27%	26%
Southwest	85,213	9%	306	11%	1,061	10%	10%
Western	235,280	25%	613	23%	1,778	16%	21%
Eastern	35,933	4%	296	11%	830	8%	8%
Total	945,869	100%	2,690	100%	10,780	100%	100%

Table 9

Are resources appropriately distributed across regions to provide services based upon need?

Costs, by region, for the top 12 most expensive categories are shown in Table 10. The top 12 most expensive categories make up 83 percent of all service costs.

FY 2016 Top 12 Most Expensive DCFS Services by Category and Region																			
#	Service Provided	Salt Lake Valley			Northern			Southwest			Western			Eastern			Statewide		
		Amount	Clients	Cost/Client	Amount	Clients	Cost/Client	Amount	Clients	Cost/Client	Amount	Clients	Cost/Client	Amount	Clients	Cost/Client	Amount	Clients	Cost/Client
1	IV-E ADOPTION SUBSIDY	\$3,435,943	1,316	\$2,610.90	\$3,591,913	1,123	\$3,198	\$1,157,536	407	\$2,844	\$1,966,872	583	\$3,374	\$986,019	341	\$2,892	\$11,138,283	3,770	\$2,954
2	INDIVIDUALIZED RESIDENTIAL TRAINING SERVICES-COGNITIVELY	\$3,716,369	94	\$39,536	\$1,296,155	41	\$31,614	\$965,044	26	\$37,117	\$2,051,800	53	\$38,713	\$126,994	3	\$42,331	\$8,156,362	217	\$37,587
3	PROCTOR CARE MULTIPLE CLIENTS	\$2,405,363	316	\$7,612	\$1,369,974	169	\$8,106	\$716,931	74	\$9,688	\$902,273	123	\$7,336	\$700,542	77	\$9,098	\$6,095,082	759	\$8,030
4	SUBSIDIZED ADOPTION PAYMENT	\$1,605,826	688	\$2,334	\$1,620,329	523	\$3,098	\$321,706	120	\$2,681	\$834,533	290	\$2,878	\$351,548	117	\$3,005	\$4,733,941	1,738	\$2,724
5	HIGH LEVEL MENTAL HEALTH	\$1,867,305	48	\$38,902	\$502,388	17	\$29,552	\$475,205	10	\$47,520	\$1,344,302	28	\$48,011	\$48,570	3	\$16,190	\$4,237,768	106	\$39,979
6	LEVEL I FOSTER CARE	\$990,076	434	\$2,281	\$1,348,627	567	\$2,379	\$551,931	251	\$2,199	\$689,028	328	\$2,101	\$408,665	209	\$1,955	\$3,988,326	1,789	\$2,229
7	MODERATE LEVEL, BEHAVIORAL DISORDER	\$735,543	47	\$15,650	\$487,215	36	\$13,534	\$138,784	9	\$15,420	\$972,516	44	\$22,103	\$209,381	15	\$13,959	\$2,543,439	151	\$16,844
8	MODERATE LEVEL MENTAL HEALTH	\$514,472	34	\$15,132	\$449,385	20	\$22,469	\$328,193	15	\$21,880	\$701,376	27	\$25,977	\$228,480	8	\$28,560	\$2,221,905	104	\$21,364
9	HIGH LEVEL SEX OFFENDER	\$765,388	23	\$33,278	\$158,788	8	\$19,849	\$54,999	1	\$54,999	\$489,444	19	\$25,760	\$228,474	10	\$22,847	\$1,697,093	61	\$27,821
10	LEVEL III FOSTER CARE	\$266,735	59	\$4,521	\$327,883	71	\$4,618	\$83,343	23	\$3,624	\$686,122	152	\$4,514	\$153,019	32	\$4,782	\$1,517,101	337	\$4,502
11	LEVEL II FOSTER CARE	\$312,553	110	\$2,841	\$273,014	96	\$2,844	\$196,435	79	\$2,487	\$521,966	195	\$2,677	\$182,922	63	\$2,904	\$1,486,890	543	\$2,738
12	MODERATE LEVEL MENTAL HEALTH / CERTIFIED SMALL GROUP HOME	\$343,462	18	\$19,081	\$437,639	15	\$29,176	\$0	-	\$0	\$198,113	9	\$22,013	\$94,736	5	\$18,947	\$1,073,951	47	\$22,850
Total of Top 12 Most Expensive Categories		\$16,959,035			\$11,863,310			\$4,990,105			\$11,358,344			\$3,719,348			\$48,890,142		
Total of All Service Categories		\$20,008,658			\$14,328,561			\$6,115,411			\$13,757,569			\$4,413,491			\$58,623,691		

Source: Information taken from the DHS Data Warehouse for the Contract Approvals and Payments System (CAPS)

Table 10

Assuming all regions are acceptable with regard to outcomes, a comparison was made as to service expenditure patterns based upon need. Table 11 shows unexpected usage of services by region by identifying areas where a region is 10 percentage points or greater in variance from the calculated average of need.

Unexpected Usage of Services by DCFS Regions (Variances of 10% or Greater for the 12 Most Expensive Services Making Up 83% of Total Costs)													
DCFS Region	Avg % of Need	I/E Adoption Subsidy	Individualized Residential Training Services	Proctor Care Multiple Clients	Subsidized Adoption Payment	High Level Mental Health	Level I Foster Care	Moderate Level, Behavioral Disorder	Moderate Level Mental Health	High Level Sex Offender	Level III Foster Care	Level II Foster Care	Moderate Level Mental Health
Statewide Cost		\$11.1 M	\$8.2 M	\$6.1 M	\$4.7 M	\$4.2 M	\$4.0 M	\$2.5 M	\$2.2 M	\$1.7 M	\$1.5 M	\$1.5 M	\$1.1 M
Salt Lake Valley	35%	31%	46%	39%	34%	44%	25%	29%	23%	45%	18%	21%	32%
Northern	26%	32%	16%	22%	34%	12%	34%	19%	20%	9%	22%	19%	41%
Southwest	10%	10%	12%	12%	7%	11%	14%	6%	15%	4%	5%	13%	0%
Western	21%	18%	24%	16%	18%	32%	17%	38%	32%	29%	45%	35%	18%
Eastern	8%	9%	2%	11%	7%	1%	10%	8%	10%	13%	10%	12%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Variance = 10 percentage points or greater in variance from the calculated average of need (see Table 9 "Assessing Service Needs by DCFS Region")

Table 11

Table 11 provides DCFS with information to re-assess resource allocation for areas where acceptable explanations cannot be provided for large variances.

The importance of right-sizing two important budget components: (1) in-home services and (2) foster care.

Table 8, *The Top 12 Most Expensive Service Categories*, indicates the number of children served through each category and the cost per child, on average, to provide each service. The number of children served and the cost per child vary significantly by category. For example, the basic level of foster care (Level 1) serves 1,789 children at an average cost of \$2,229 per child; \$4.0 million is spent annually providing this service. By contrast, \$4.2 million is spent providing high level mental health services to only 106 children at an average cost per child of \$39,979. Again, appropriateness of services is the first guiding principle for DCFS. However, if and when children can appropriately be served in least restrictive and most home environment-like settings, it can, as the department indicates, result in “better sustained outcomes for children and families as well as savings for taxpayers.” Providing sufficient levels of in-home services and basic foster care are two key budget components in insuring children are placed properly.

Are there enough providers for DCFS to make appropriate choices for level of care?

Making appropriate placement choices requires sufficient funding for and an adequate supply of services providers all along the spectrum of service categories. Sufficient levels of in-home services and basic foster care are two key budget components necessary to insure children are placed in least restrictive and most home environment-like settings . . . resulting in “better sustained outcomes for children and families as well as savings for taxpayers.” In its 2016 General Session, the Legislature received requests to: (1) stabilize the current foster care recruitment contract and (2) increase rates for foster parents. Both of these requests are related to maintaining an adequate supply of basic foster care options. Getting the level of these two service categories right is critical to effectively managing the DCFS services budget. In September 2012 through a federal waiver, DCFS received approval to use federal foster care funds for up-front, preventive in-home services. Phased implementation of the waiver began in October 2013. This effort “uses a set of evidence-based strategies, tools, and expectations that best support the safety, permanency, and well-being of children with their family” [[Homeworks - A DCFS Program: http://le.utah.gov/interim/2013/pdf/00004039.pdf](http://le.utah.gov/interim/2013/pdf/00004039.pdf)]

Foster Care and Proctor Care – is the State paying more for the same services?

Table 8, *The Top 12 Most Expensive Service Categories*, indicates that the basic level of foster care (Level 1) serves 1,789 children at a cost of \$2,229 per child totaling \$4.0 million in annual spending to provide this service statewide.

By contrast, \$6.1 million is spent providing proctor care to 759 children at a cost per child of \$8,030. The use of proctor care services expanded significantly during the time when the State of Utah was involved in complying with the [David C. lawsuit](http://le.utah.gov/interim/2010/pdf/00000404.pdf) settlement agreement (<http://le.utah.gov/interim/2010/pdf/00000404.pdf>). A significant portion of the proctor care category appears to be duplicative of foster care by paying private entities to recruit and supervise foster parents in a parallel system to the one DCFS is directly overseeing; thereby adding an additional layer of costs. DCFS is currently reviewing the proctor care category to determine how much of this category is simply a more expensive duplication of basic foster care and, if found to be significant, how to address the duplication.

Appendix A:

Table 12 contains a detailed listing of staff positions by the state office and various regions along with associated costs as found in the DCFS Staff FY 2018 budget request.

DCFS Staff by Location - Detail of FY 2018 Base Budget Request														
Class Title	State Office		Salt Lake		Northern		Southwest		Western		Eastern		State Total	
	FTE	FY18 Budget Request	FTE	FY18 Budget Request	FTE	FY18 Budget Request	FTE	FY18 Budget Request	FTE	FY18 Budget Request	FTE	FY18 Budget Request	FTE	FY18 Budget Request
Accounting Technician III	0	\$0	2	114,175	0	-	0	-	1	56,444	0	-	3	170,618
Administrative Assistant	1	\$67,188	-	-	0	-	0	-	0	-	0	-	1	67,188
Administrative Secretary	1	\$49,109	1	62,088	1	64,494	1	66,378	0	-	0	-	4	242,069
Administrative Services Manager	0	\$0	1	108,487	1	126,967	1	94,471	1	82,984	1	126,967	5	539,876
Assistant Caseworker	0	\$0	-	-	15	420,379	0	-	3.5	188,300	7	337,347	26	946,027
AUDIT MANAGER	1	\$108,371	-	-	0	-	0	-	0	-	0	-	1	108,371
Auditor I	0	\$0	1	73,128	0	-	0	-	0	-	0	-	1	73,128
Auditor II	1.5	\$131,539	-	-	0	-	0	-	0	-	0	-	2	131,539
Auditor III	2	\$202,303	-	-	0	-	0	-	0	-	0	-	2	202,303
Business Analyst	0	\$0	0.75	62,741	0	-	0	-	0	-	0	-	1	62,741
Business Analyst Supervisor	2	\$204,769	-	-	0	-	0	-	0	-	0	-	2	204,769
Caseworker I	11	\$532,127	84	4,202,443	53	2,863,208	29	1,678,223	53	2,852,877	33	1,786,478	263	13,915,357
Caseworker Specialist I	0	\$0	10.00	669,767	19	1,350,959	4	289,297	13	912,328	10	675,513	56	3,897,864
Child Welfare Support Supervisor	0	\$0	1	68,918	4	265,912	0	-	1	81,094	3	193,130	9	609,054
Child Welfare Training Coordinator	1	\$103,495	-	-	0	-	0	-	0	-	0	-	1	103,495
Child Welfare/Juvenile Justice Court Liaison	0	\$0	1	68,241	0	-	0	-	0	-	0	-	1	68,241
Clinical Consultant	0	\$0	3	280,409	2	195,365	1	85,478	1	76,628	3	279,372	10	917,251
Contract/Grant Analyst I	0	\$0	3	202,942	2	144,150	1	67,159	5	380,947	0	-	11	795,198
Contract/Grant Analyst II	3	\$249,391	1	89,886	1	77,773	0	-	0	-	1	82,863	6	499,912
DHS Administrator III	0	\$0	1	107,210	1	114,960	1	109,614	1	114,849	1	109,614	5	556,248
DHS Assistant Division Director II	2	\$273,340	-	-	0	-	0	-	0	-	0	-	2	273,340
Director, Division of Child and Family Services	1	\$164,015	-	-	0	-	0	-	0	-	0	-	1	164,015
Division Administrative Services Director	1	\$117,389	-	-	0	-	0	-	0	-	0	-	1	117,389
Electronic Business Project Manager	1	\$111,953	-	-	0	-	0	-	0	-	0	-	1	111,953
Financial Analyst I	0	\$0	-	-	1	68,402	0	-	0	-	0	-	1	68,402
Financial Analyst II	1	\$62,820	-	-	0	-	1	66,981	0	-	0	-	2	129,801
Financial Analyst III	3	\$270,481	1	66,246	0	-	0	-	1	72,989	0	-	5	409,716
Financial Manager II	2	\$227,095	-	-	0	-	0	-	0	-	0	-	2	227,095
Information Specialist IV	0	\$0	-	-	0	-	0	-	0	-	0	-	-	-
Licensed Clinical Therapist	0	\$0	10	803,131	2	157,091	6	517,226	9.75	812,593	5.5	485,902	34	2,775,943
Office Specialist I	0.63	\$26,072	-	-	0	-	1	49,431	0	-	0	-	2	75,503
Office Specialist II	0	\$0	-	-	0	-	0	-	0	-	0	-	-	-
Office Technician I	0	\$0	-	-	0	-	0	-	0	-	0	-	-	-
Office Technician II	0	\$0	5	283,683	2	89,657	0	-	0	-	1	28,756	8	402,095
Program Administrator I	13.77	\$1,210,390	7	603,075	7	630,836	5	464,808	5	463,619	4	375,468	42	3,748,196
Program Administrator II	2	\$201,182	2	205,504	1	106,057	1	114,618	1	97,294	1	99,170	8	823,825
Program Manager	8	\$637,987	29	2,341,089	23	1,835,786	13	1,076,401	16	1,385,573	19	1,507,876	108	8,784,712
Program Support Specialist	4	\$281,185	-	-	0	-	0	-	0	-	0	-	4	281,185
Project Aide	0.3	\$5,441	-	-	0	-	0	-	0	-	0	-	0	5,441
Senior Assistant Caseworker	0	\$0	29.41	1,706,956	27.5	1,605,394	19	1,049,110	20	1,122,894	21.3	1,196,716	117	6,681,069
Senior Business Analyst	13	\$999,224	-	-	0	-	0	-	0	-	0	-	13	999,224
Social Service Worker	15	\$969,549	91.86	5,742,709	82	5,421,776	26	1,755,134	38.45	2,594,424	19.5	1,379,278	273	17,862,870
Social Worker	0	\$0	15	1,036,357	2	163,604	3	174,857	1	73,232	1	85,384	22	1,533,434
Support Services Coord I	0	\$0	3	193,142	1	66,981	1	61,086	1	71,410	0	-	6	392,619
Support Services Coord III	0	\$0	-	-	1	82,863	0	-	1	82,978	1	74,157	3	239,998
Temporary/Seasonal FLSA Non-exempt Job	0.64	\$42,858	-	-	0	-	0	-	0	-	0	-	1	42,858
Therapist Supervisor	0	\$0	6	604,877	0	-	0	-	2	186,259	0	-	8	791,137
Title IV-E Medicaid Elig. Spec.	0	\$0	9	553,766	6	349,031	2	119,927	4	254,897	2	121,472	23	1,399,093
Trainer II	0	\$0	2	147,976	0	-	0	-	0	-	0	-	2	147,976
Trainer III	0	\$0	1	82,140	1	71,863	1	72,989	1	88,184	1	82,516	5	397,692
Training Manager I	3	\$282,219	1	93,968	1	81,747	1	84,800	1	90,237	1	94,286	8	727,258
Totals	94.84	\$7,531,494	322	20,575,053	256.5	16,355,252	118	7,997,987	181.7	12,143,037	136.3	9,122,265	1,109	73,725,089

Table 12

Appendix B:

What are the direct costs of DCFS Programs?

In January of 2011, the Office of the Legislative Auditor General released [A Performance Audit of the Division of Child and Family Services](http://le.utah.gov/interim/2012/pdf/00002411.pdf) [http://le.utah.gov/interim/2012/pdf/00002411.pdf]. Figure 1.2 of that audit, *Direct Costs of DCFS Programs for Fiscal Year 2010*, was accompanied by the following explanation: “DCFS operates six major programs. This figure shows the direct costs of each service, including personnel, travel, current expense, and pass-through payments to providers. The administrative overhead for the state office and the MIS computer system were not allocated to the programs.” Table 13 and Figure 2 show Direct Costs of DCFS Programs updated for Fiscal Year 2016.

Direct Costs of DCFS Programs		
Program and State Office Administration	FY 2016 Expenditures	Percent
Foster Care (Out of Home)	87,156,901	53%
Adoption Services	23,503,947	14%
In-Home Services	15,821,103	10%
Child Protective Services	15,015,141	9%
Domestic Violence	7,419,883	4%
Child Abuse Prevention	3,550,899	2%
Subtotal Programs	152,467,874	92%
Administration (and MIS)	16,019,594	10%
Total Expenditures	168,487,468	102%

Note: Data provided to the Office of the Legislative Fiscal Analyst and to the Office of the Legislative Auditor General by DCFS.

Table 13

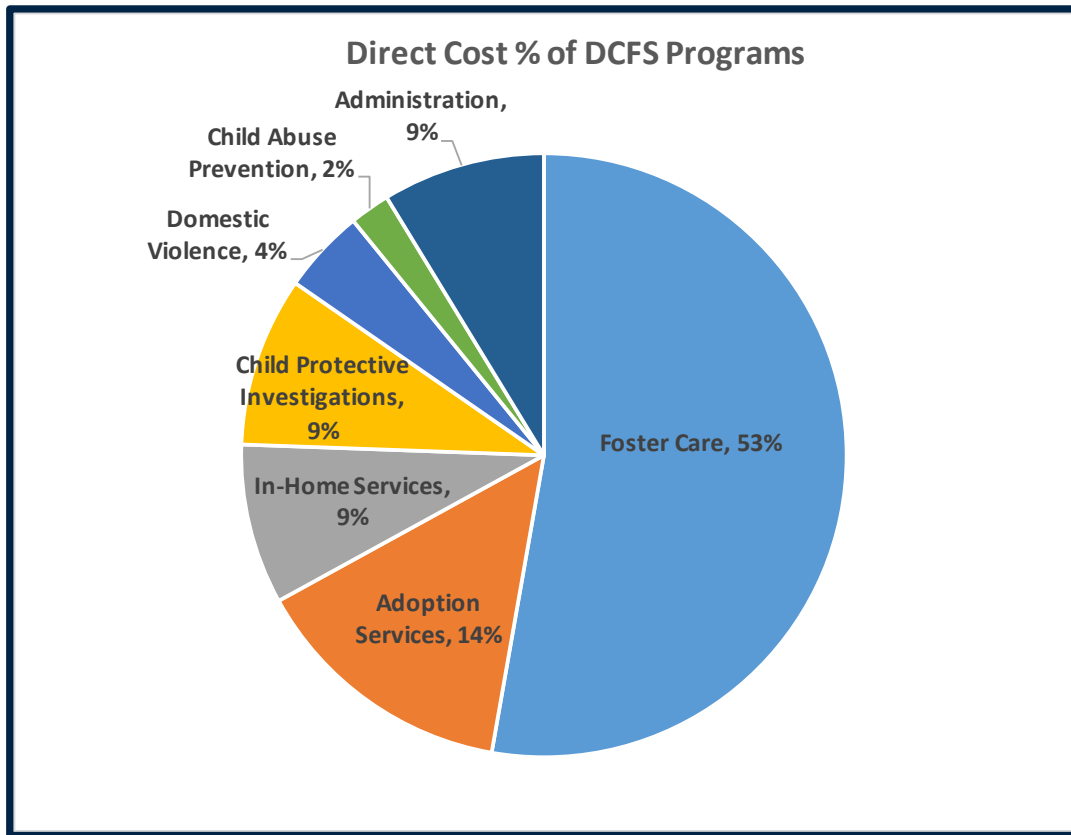


Figure 2