



Mary Taylor, CPA
Auditor of State

MAHONING COUNTY CHILDREN
SERVICES BOARD
PERFORMANCE AUDIT

JULY 15, 2010



Mary Taylor, CPA
Auditor of State

To the Residents of Mahoning County and the Mahoning County Children Services Board:

On September 18, 2009, the Mahoning County Children Services Board engaged the Auditor of State's Office (AOS) to conduct a performance audit of its Residential Services Department. The request for a performance audit was based on the Board's desire to ensure efficient and effective services. The performance audit was designed to review and analyze the Residential Service Department in relation to peer boards, industry benchmarks, and leading or recommended practices.

The performance audit contains recommendations which the Board can consider to improve the Residential Services Department and related operations. While the recommendations contained in the audit report are resources intended to assist in identifying improvements, the Board is encouraged to independently assess operations and develop additional alternatives.

An executive summary has been prepared which includes the project history; a Board overview; the scope, objectives and methodology for the performance audit; and a summary of the recommendations, noteworthy accomplishments, assessments not yielding recommendations, issues for further study, and financial implications. This report has been provided to the Board and its contents discussed with the Board and staff members. The Board has been encouraged to use the results of the performance audit as a resource for improving overall operations.

Additional copies of this report can be requested by calling the Clerk of the Bureau's office at (614) 466-2310 or toll free at (800) 282-0370. This performance audit is also accessible online through the Auditor of State of Ohio website at <http://www.auditor.state.oh.us/> by choosing the "Audit Search" option.

Sincerely,

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

July 15, 2010

Executive Summary

Project History

On September 18, 2009, the Mahoning County Children Services Board (MCCSB or the Board) engaged the Auditor of State's Office (AOS) to conduct a performance audit of the Residential Services Department. The request for a performance audit was based on the Board's desire to ensure efficient and effective services. The performance audit was designed to review and analyze the Residential Service Department in relation to peers, industry benchmarks, and leading or recommended practices.

Board Overview

MCCSB is the public agency responsible for helping abused, neglected, and dependent children in Mahoning County. MCCSB's mission is "to assume a leadership role in protecting children and preserving families, in partnership with the community." MCCSB consists of the following departments: Intake Services, Family Services, Resource Services, and Residential Services. MCCSB is governed by a board of 14 appointed community members, with an annual budget of approximately \$16 million.

The Residential Services Department consists of the Chief Supervisor who reports to the Executive Director, Child Care Center Coordinators, Maintenance Worker, Caseworkers, Youth Leaders and Cooks. The Chief Supervisor oversees the operations and personnel of the Residential Services Department, while the Child Care Center Coordinators supervise their respective youth leaders and cooks. Each group home is assigned a full-time Child Care Center Coordinator, five full-time Youth Leaders, five to six part-time Youth Leaders, and a part-time Cook. The Maintenance Worker is responsible for maintaining all three group homes. According to the Chief Supervisor, the Caseworkers are assigned caseloads and the majority of their work is related to children placed in residential facilities.

The Residential Services Department acts as the administrator for three group homes. This enables MCCSB to provide housing for up to 30 children who interact with their peers in the community while participating in activities, school, and sports. Additionally, the three caseworkers in the Residential Services Department work with other private and public agencies (residential service facilities) to ensure appropriate care of other children who are in need of a higher level of care. In 2009, MCCSB entered into contracts with 36 residential service facilities to provide an array of treatments to children who required higher levels of care.

Objectives

Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient, appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices. Performance audits provide objective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

The overall objective of this performance audit was to review operations in the Residential Services Department and, where warranted, develop recommendations to increase efficiency and effectiveness. The performance audit assessed the following areas of the Residential Services Department:

- Staffing levels, program structure, and overall service effectiveness;
- Revenues and costs;
- Utilization rates;
- Services provided to children in the Board’s facilities;
- The process for placement in Board and private provider facilities; and
- Identification of potential alternative service delivery models.

The recommendations in the performance audit comprise options that MCCSB can consider in its efforts to improve operational efficiency and effectiveness.

Scope and Methodology

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that AOS plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives.

Audit work was conducted between October 2009 and March 2010, and data was drawn from fiscal years 2007, 2008 and 2009. To complete this report, the auditors gathered a significant amount of data pertaining to the Board, conducted interviews with numerous individuals, and reviewed and assessed available information. Revenue data for the Residential Services Department could not be tested for reliability due to a lack of corroborating information (see **Tables 2-4** and **2-10**). Peer data and other information used for comparison purposes were not tested for reliability, although the information was reviewed for reasonableness.

The performance audit process involved significant information sharing with MCCSB, including preliminary drafts of findings and proposed recommendations related to the identified audit areas. Furthermore, periodic status meetings were held throughout the engagement to inform the Board of key issues impacting selected areas, and share proposed recommendations to improve or enhance operations. Throughout the audit process, input from MCCSB was solicited and considered when assessing the selected areas and framing recommendations. Finally, the Board provided verbal and written comments in response to various recommendations, which were taken into consideration during the reporting process. Where warranted, AOS modified the report based on the Board's comments.

Six counties (peers) were selected to provide benchmark comparisons for the areas assessed in the performance audit: Clark, Lake, Muskingum, Richland, Stark, and Summit. These counties were selected based upon demographic and operational data, and input from MCCSB. Furthermore, external organizations and sources were used to provide comparative information and benchmarks, such as the Public Children Services Association of Ohio (PCSAO), the Council on Accreditation (COA), and the Government Finance Officers Association (GFOA).

The Auditor of State and staff express appreciation to MCCSB and the peer counties for their cooperation and assistance throughout this audit.

Noteworthy Accomplishments

Noteworthy accomplishments acknowledge significant accomplishments or exemplary practices. The following assessments warranted noteworthy accomplishments:

- **Expenditure Levels: Tables 2-11 and 2-12** show that MCCSB's cost per child ratios for providing residential services are lower than the respective peer averages in 2008 and 2009. As a result, this indicates that the Board provides cost-effective residential services, which is partially due to its staffing levels (see **Tables 2-2 and 2-3**).
- **Entire Length of Stay in System: Table 2-9** shows that the children currently in the group homes and residential facilities were in the Board's system for a shorter period of time than the peer averages in 2008 and 2009. According to the Child and Family Services Review, successful reunification can be defined, in part, by the length of time children spend in out-of-home care.

Assessments Not Yielding Recommendations

The following assessments did not warrant changes or yield recommendations: staffing levels, compliance audits, group home services, and reimbursements and contracts. See **page 2-12** for detailed information.

Recommendations

The audit report contains recommendations that are intended to provide the Board with options to enhance its efficiency and effectiveness. In order to obtain a full understanding of the assessed areas, the reader is encouraged to review the recommendations and related analyses in their entirety. The following presents the key aspects of the recommendations from the performance audit report.

- MCCSB should improve the evaluation of the efficiency and effectiveness of its Residential Service Department operations by aggregately tracking and reporting key performance measures on a periodic basis. Additionally, MCCSB should compile incident reports for group home and residential facilities on a consistent basis to ensure it has the necessary information to measure the appropriateness of child placements.
- MCCSB should follow through on its strategic plan goal to pursue national accreditation through the Council on Accreditation (COA). However, the Board should contact COA to obtain a more precise cost related to site visits to ensure they are not excessive.
- MCCSB should review its use of the group homes and residential facilities to ensure they achieve optimal outcomes. In order to effectively accomplish this task, MCCSB should aggregately track performance measures (see **R2.1**). Based on the comparisons from **Tables 2-6 to 2-9**, the Board should review the following indicators and practices:
 - Placing higher percentages of total children in custody within the group homes and residential facilities;
 - Having higher percentages of total children stay in the system being related to services in the group homes and residential facilities;
 - Maintaining a longer length of stay for children once they are placed in the residential facilities, which can be partially driven by the custody designations (see below); and
 - Placing higher percentages of planned permanent living arrangement children in the residential facilities and temporary custody children in the group homes.
- MCCSB should review the overall structure of its level of care assessment form and consider updating it to ensure all relevant factors are considered before deciding on placements. This can be done by reviewing and potentially incorporating pertinent sections of the Placement Request Form/Group Home Facesheet, the Child Behavior and Characteristic Checklist, and other county assessment forms (e.g., Summit). The Board also should review its system for quantifying levels of care to determine whether it should use more than three categories. In addition, MCCSB should include the birth

family, extended family, and other supportive and community resources in the staffing meeting as applicable.

- MCCSB should regularly analyze the costs and benefits of its group homes and residential facilities. Likewise, the Board should review peer programs and relevant industry sources to help identify alternative service delivery models that would save costs and improve service outcomes, and subsequently may reduce the number of children placed in group homes and residential facilities. Examples of such alternative service delivery models include: developing shared cost agreements with the Juvenile Court; implementing the multisystemic therapy program; and contracting for group home services. The Board also should ensure that interstate compact agreements are consistently used as a tool to find appropriate placements for children. Additionally, MCCSB should keep in contact with ProtectOhio to determine if the program will allow additional participants. If it does, MCCSB should consider joining the program by evaluating the costs and benefits.
- When considering contracting for group home services, the Board should issue a request for proposal that contains the essential elements to determine whether contracting for services would be more cost-effective and maintain or improve service outcomes, when compared to current operations. Alternatively, MCCSB should review the cost and service implications related to operating the group homes as residential treatment facilities. Lastly, to facilitate the aforementioned cost benefit analyses and reviews, MCCSB should use various performance measures (see **R2.1**).

Issues for Further Study

Auditing standards require the disclosure of significant issues identified during an audit that were not reviewed in depth. These issues may not be directly related to the audit objectives or may be issues that the auditors do not have the time or resources to pursue. AOS identified pay for working on holidays and group home staffing levels in relation to minimum requirements as issues for further study. Additional detail pertaining to this issue is presented in the other section of the report (see **page 2-13**).

Summary of Financial Implications

The following table summarizes the performance audit recommendations that contain financial implications. Detailed information concerning the financial implications, including assumptions, is contained within the other section of the performance audit.

Table 1-1: Financial Implications Summary

Recommendation	Annual Cost Savings	One-Time Costs	Annual Costs
R2.2 Achieve accreditation		\$31,000	\$8,200
R2.5 Reduce costs through the recommended strategies	\$66,500		
Total	\$66,500	\$31,000	\$8,200

Source: AOS performance audit

**RESIDENTIAL SERVICES
DEPARTMENT**

Residential Services Department

Background

This section of the performance audit focuses on operations in the Mahoning County Children Services Board’s (MCCSB or the Board) Residential Services Department. The objective is to assess the Residential Services Department’s operations against leading or recommended practices, industry benchmarks, and selected peers¹. Sources of leading or recommended practices and industry standards include the Public Children Services Association of Ohio (PCSAO), the Council on Accreditation (COA), and the Government Finance Officers Association (GFOA).

Organizational Structure

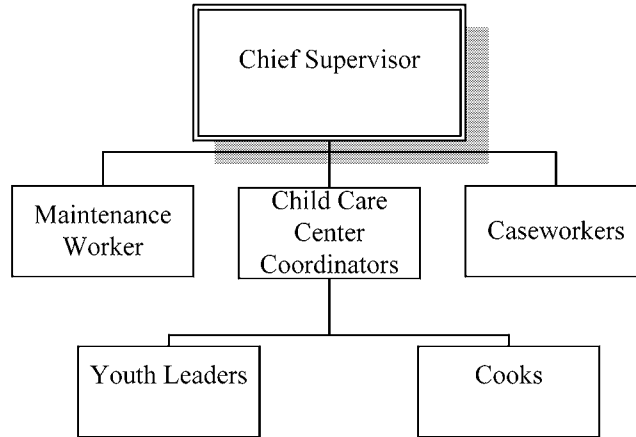
MCCSB is the public agency responsible for helping abused, neglected, and dependent children in Mahoning County. MCCSB’s mission is “to assume a leadership role in protecting children and preserving families, in partnership with the community.” MCCSB consists of the following departments: Intake Services, Family Services, Resource Services, and Residential Services. MCCSB is governed by a board of 14 appointed community members, with an annual budget of approximately \$16 million.

The Residential Services Department acts as the administrator for three group homes. This enables MCCSB to provide housing for up to 30 children who interact with their peers in the community while participating in activities, school, and sports. The three caseworkers in the Residential Services Department work with other private and public agencies (residential service facilities) to ensure appropriate care of other children who are in need of a higher level of care. In 2009, MCCSB entered into contracts with 36 residential service facilities to provide an array of treatments to children who required higher levels of care. Additionally, Ohio Administrative Code (OAC) § 5101:2-9 contains standards for children’s residential centers, group homes, and residential parenting facilities, including staffing requirements, staff development and evaluation, general maintenance of a residential facility, general safety, emergency planning and preparedness, admissions and admissions log, and medications.

Chart 2-1 shows the organizational structure of the Board’s Residential Services Department.

¹ See the **executive summary** for a list of the peers and an explanation of the selection methodology.

Chart 2-1: Residential Services Department Organizational Chart



As illustrated in **Chart 2-1**, the Residential Services Department consists of the Chief Supervisor who reports to the Executive Director, Child Care Center Coordinators, Maintenance Worker, Caseworkers, Youth Leaders and Cooks. The Chief Supervisor oversees the operations and personnel of the Residential Services Department, while the Child Care Center Coordinators supervise their respective youth leaders and cooks.

Staffing

Table 2-1 shows MCCSB’s full-time equivalent (FTE) staffing as of October, 2009.

Table 2-1: Residential Services Department Staffing Levels

Positions	FTEs
Chief Supervisor	1.0
Child Care Center Coordinators ¹	2.0
Caseworkers	3.0
Maintenance Worker	1.0
Youth Leaders ¹	14.0
Part-time Youth Leaders ^{1,2}	6.4
Part-time Cooks	1.9
Total FTEs	29.3

Source: MCCSB Organizational Chart, salary lists, wage verification reports, and interviews

¹ The FTEs exclude vacancies. Specifically, the Chief Supervisor noted these vacancies: the Child Care Center Coordinator position at the Receiving Home, a full-time Youth Leader position at the Receiving Home, and two part-time Youth Leader positions.

² The part-time youth leader FTE count was calculated by multiplying 8 hours a day times 104 days per year because part-time employees are scheduled to work every weekend for a total of 104 days per year. This total was then divided by 2,080 hours, which is the typical number of available working hours per year.

As illustrated in **Table 2-1**, the operations of the Residential Services Department are carried out by 29.3 FTEs. Each group home is assigned a full-time Child Care Center Coordinator, five full-time Youth Leaders, five to six part-time Youth Leaders, and a part-time Cook. The Maintenance Worker is responsible for maintaining all three group homes. According to the Chief Supervisor, the Caseworkers are assigned caseloads and the majority of their work is related to children placed in residential facilities. Currently, MCCSB's Residential Services Department has four vacant positions: Child Care Center Coordinator (Receiving Home), Youth Leader (Receiving Home), Part-Time Youth Leader (Girls Home), and a Part-Time Youth Leader (Receiving Home). The Chief Supervisor noted that MCCSB does not intend to fill the two part-time youth leader positions; however, MCCSB is planning on filling the vacant full-time Child Care Center Coordinator and Youth Leader positions. See **Table 2-3** for further assessment of filled and vacant positions.

Summary descriptions of the Residential Services Department's job responsibilities include the following:

- **Chief Supervisor:** The Chief Supervisor directs and coordinates the Residential Services Department by formulating and/or implementing policies, procedures, and administrative rules of the department, including rules and regulations of the Ohio Department of Job and Family Services (ODJFS). In addition, the Chief Supervisor reviews and approves all inter-Unit and inter-Departmental case transfers and recommends, monitors, and oversees case management methodology and practices relative to existing or proposed programs of service delivery. Lastly, the Chief Supervisor provides supervisory staff development, training, and specialized instruction on a continuing basis.
- **Child Care Center Coordinators:** The Child Care Center Coordinators directly supervise the day-to-day operations of the group home facilities and all front-line staff assigned to these facilities. The Child Care Center Coordinators are also responsible for facilitating group meetings with residents and staff of the facility and individual progress meetings with residents, staff, and caseworkers. In addition, the Child Care Center Coordinators act as the liaison between group homes and community agencies, such as the police, school personnel, and Juvenile Court. Lastly, the Child Care Center Coordinators work with family caseworkers in developing long-range plans for residents and assisting in determining the appropriateness of referrals to each residential facility.
- **Caseworkers:** Caseworkers provide specialized intensive casework services to children in need of residential treatment and conduct interviews with appropriate people to evaluate a child's needs. In addition, caseworkers act as liaison to placement resources, and assist in the development and implementation of Individual Child Care Agreements and treatment plans. Caseworkers are also responsible for ensuring proper care for children while in care and assist in reintegrating children into the family upon discharge.

- Maintenance Worker:** The Maintenance Worker is responsible for repairing broken equipment, windows, doors, screens, sinks, hot water tanks, etc. in all three group homes. In addition, the Maintenance Worker supervises summer student workers in painting and repair projects, yard work, etc., as assigned. Lastly, the Maintenance Worker handles all painting (interior and exterior), non-food items, purchases, storage and distribution.
- Youth Leaders (Full-time and Part-time):** Youth Leaders are responsible for disciplining children calmly, firmly, and consistently according to MCCSB’s policy on discipline/restraint. In addition, youth leaders are to act as a role model for children and report restrictions to the Child Care Center Coordinator so that they can be discussed and monitored at weekly meetings. Youth leaders are also responsible for preparing two meals and a snack for children during school and three meals and a snack in the summer, taking care of household supplies and appliances, shopping for clothing, scheduling and transporting children to medical appointments, and completing the necessary paperwork.
- Cooks:** The part-time cooks are responsible for preparing well-balanced, nutritious meals for up to ten children and six staff persons. In addition, the cooks maintain records of meals served and food usage in accordance with the State Food Service Program guidelines. Lastly, the cooks instruct young people in proper food preparation and serving and complete the monthly state and federal food reimbursement reports.

Table 2-2 compares the staffing configurations (full-time versus part-time) at MCCSB to the peers.

Table 2-2: Residential Services Department Staffing Configuration

	Mahoning	Lake	Muskingum	Peer Average
Percent Part-time Staff	28.3%	0.0%	1.7%	0.9%
Percent Full-time Staff	71.7%	100.0%	98.3%	99.2%

Source: MCCSB and peers organizational charts, staffing lists, and interviews

Table 2-2 shows that 28.3 percent of MCCSB Residential Services Department’s staff is part-time, which is significantly higher than the peers. MCCSB’s Fiscal Officer noted that one of the main reasons for using part-time staff is due to not having to provide health benefits to part-time employees. Of the 33 youth leader positions, 18 are part-time positions.

Table 2-3 compares the Residential Services Department’s staffing levels to the peers. MCCSB and the two peers² all have an Executive Director that oversees the entire Children Services Board. For the purposes of this analysis, these staff members were excluded from the

² Lake and Muskingum operate their own internal residential treatment facilities while Summit, Stark, Clark, and Richland all outsource those services. Therefore, only Lake and Muskingum are included in the staffing analysis.

comparison. In addition, the positions at the peers were included in accordance with MCCSB’s job titles, based on the respective job duties.

Table 2-3: Residential Services Department Staffing Comparison

Classifications	Mahoning	Lake	Muskingum	Peer Average
Chief Supervisor	1.0	1.0	1.0	1.0
Maintenance / Laborer	1.0	0.0 ¹	2.0	1.0
Child Care Center Coordinators	2.0 ²	1.0	2.0	1.5
Youth Leaders	20.4 ³	12.0	10.2 ⁴	11.1
Cooks	1.9	1.0	1.0	1.0
Caseworkers	3.0	4.0	2.0	3.0
Treatment Coordinator / Program Specialist	0.0	1.0	1.0	1.0
Indirect Service Coordinator	0.0	0.0	1.0	0.5
Case Aid	0.0	0.0	1.0	0.5
Education Liaison	0.0	0.0	1.0	0.5
Family Stability Worker	0.0	0.0	1.0	0.5
Total FTEs	29.3	20.0	23.0	21.5
Staffing Ratios				
Total Children Served ⁵	174	52	55	54
Total Children Served per FTE	5.9	2.6	2.4	2.5
Total Children Served Internally ⁶	58	16	55 ⁷	36
Total Internal Service FTEs ⁸	25.3	15.0	20.0	17.5
Total Children Served Internally per Internal Service FTE	2.3	1.1	2.7	1.9

Source: MCCSB and peers organizational charts and interviews

Note: Totals may vary from actual due to rounding.

¹ Lake does not have a maintenance employee. Rather, the Assistant Program Administrator is responsible for securing maintenance.

² This does not include the vacant Child Care Center Coordinator position at the Receiving Home.

³ This does not include the vacant full-time Youth Leader position at the Receiving Home and the two vacant part-time youth leader positions.

⁴ This does not include the vacant full-time Child Care Worker position. The Director indicated that Muskingum is planning on filling the vacancy.

⁵ This is the total number of children placed in group homes and residential treatment facilities throughout 2009.

⁶ This is the total number of children placed in internally operated facilities throughout 2009.

⁷ In 2009, Muskingum did not place any children with an outsourced residential facility. Therefore, the total number of children served is identical to the number of children served internally.

⁸ This includes positions that deal solely with the internally operated facilities.

As shown in **Table 2-3**, MCCSB’s Residential Services Department has 29.3 FTEs and 25.3 internal (group home) FTEs, which are both higher than the respective peer averages (21.5 and 17.5). The higher staffing levels are attributed to MCCSB maintaining a higher number of youth leaders and cooks, which is due to MCCSB operating more internal group homes than the peers and serving more children. Specifically, MCCSB operates three group homes (10 beds per each group home) for a maximum total capacity of 30 children. In contrast, Lake operates one

treatment facility (Caley Home) with a maximum capacity of 16 children, while Muskingum operates one treatment facility (Avondale Youth Center) with a maximum capacity of 22 children. In addition, **Table 2-3** shows that MCCSB serves significantly more children per total FTE (5.9) when compared to the peer average (2.5). This is due, in part, to the peers providing treatment services, which are not provided by MCCSB's group homes. However, **Tables 2-11** and **2-12** show that MCCSB's total group home and residential facility costs per child are lower than the peer averages in 2008 and 2009. This indicates that the Board uses a cost-effective mix of internal and external resources for all services. Furthermore, when only considering group home children and staffing (Internal Service), MCCSB serves 2.3 children per FTE, which is higher than the peer average (1.9).

The MCCSB Chief Supervisor indicated that there are two vacant positions within the Residential Services Department, which are planned to be filled (total of 2.0 FTEs). Similarly, Muskingum is in the process of filling the vacant child care worker position. When adding these positions to the FTE counts, MCCSB is still serving significantly more children per total FTE (5.6 children) than the peer average (2.4 children). Additionally, when these vacant positions for MCCSB and Muskingum are included in the Internal Service FTE counts, MCCSB still serves a higher number of children per FTE (2.1) as the peer average (1.8) (see **Assessments not Yielding a Recommendation**)³.

Financial Information

Table 2-4 presents MCCSB's Residential Department revenues⁴ for calendar years 2007 through 2009. The revenue information presented in **Table 2-4** only includes the revenue sources (reimbursements) that are strictly applicable to the Residential Services Department. All other sources of revenues, such as real estate taxes, could not be separated⁵.

³ Although MCCSB noted the two vacant part-time positions will not be filled, MCCSB would still serve approximately 2.1 children per internal service FTE by including all vacancies.

⁴ Due to MCCSB's software systems inability to track department revenues separately, AOS was unable to verify MCCSB's revenue data. As such, MCCSB's revenue data is of indeterminate reliability. The information provided in **Table 2-4** was collected from the Fiscal Officer's internal worksheets.

⁵ The Fiscal Officer separately tracks the reimbursements received for each eligible child placed in a residential facility or group home in an internal worksheet.

Table 2-4: Residential Department Revenues

	2007	2008	Difference	2009	Difference
Child Support Enforcement Agency	\$175	\$7,782	4352.0%	\$24,887	219.8%
Title XX	\$200,541	\$0	(100.0%)	\$0	NA
Child Support Enforcement Agency / Title XX¹	\$18,885	\$0	(100.0%)	\$0	NA
Foster Care Maintenance	\$1,958,672	\$2,636,812	34.6%	\$2,785,782	5.7%
Social Security	\$12,720	\$36,227	184.8%	\$23,091	(36.3%)
Foster Care Maintenance / Social Security¹	\$131,538	\$110,155	(16.3%)	\$82,995	(24.7%)
None²	\$85,459	\$5,311	(93.8%)	\$836	(84.3%)
Parental Support	\$0	\$8,943	NA	\$3,056	(65.8%)
Social Security / Parental Support¹	\$6,725	\$0	(100.0%)	\$0	NA
Social Security / Title XX¹	\$30,959	\$0	(100.0%)	\$0	NA
Post Adoption Special Services Subsidy	\$0	\$29,138	NA	\$22,762	(21.9%)
Parental Support / Post Adoption Special Services Subsidy¹	\$0	\$58,224	NA	\$0	(100.0%)
Food Subsidy	\$23,424	\$21,079	(10.0%)	\$19,975	(5.2%)
Mental Health Shared Costs	\$44,659	\$13,163	(70.5%)	\$20,805	58.1%
Board of Developmental Disabilities Shared Costs	\$63,540	\$49,956	(21.4%)	\$30,364	(39.2%)
Total Revenues	\$2,577,297	\$2,976,790	15.5%	\$3,014,553	1.3%

Source: MCCSB Fiscal Officer

Note 1: Totals may vary from actual due to rounding

Note 2: Table 2-4 includes reimbursements for children in the group homes that were Foster Care Maintenance eligible.

¹ The Fiscal Officer noted that some line-items are combined because the child received services from multiple sources.

² The Fiscal Officer noted that any revenue source labeled as "none" indicates there is no coverage of any kind for the child. MCCSB is responsible for 100 percent of the cost.

Table 2-4 shows MCCSB's total Residential Department revenues increased by 15.5 percent in 2008 and 1.3 percent in 2009. The higher revenues in 2008 and 2009 are primarily attributed to increases in Foster Care Maintenance. Explanations of significant differences are as follows:

- **Child Support Enforcement Agency (CSEA):** The large fluctuations in CSEA are due to differences in the number of children whose parents/guardians are required by the court to contribute money to MCCSB for their cost of care. Additionally, according to the Chief Supervisor, the increase from 2008 to 2009 is partially due MCCSB strengthening its relationship with CSEA.
- **Title XX, CSEA / Title XX, and Social Security / Title XX:** The Fiscal Officer noted that the Title XX funds represent money that MCCSB received from Mahoning County Job and Family Services to supplement their children services board operations.

However, the Fiscal Officer indicated that this program ended in 2007. As a result, MCCSB did not receive funds in these three categories in 2008 and 2009.

- **Foster Care Maintenance (FCM):** The Fiscal Officer noted that FCM represents federal funds that are given to MCCSB for children who are income eligible. The income level is determined based on the last placement of the child. The Fiscal Officer noted that any fluctuations in FCM are due to changes in the number of children in MCCSB's custody that qualify for FCM.
- **Social Security (SS):** The Fiscal Officer noted that the fluctuations in SS are due to changes in the number of children in MCCSB's custody that qualify for SS.
- **FCM / SS:** The Fiscal Officer noted that the declines in FCM / SS revenue were due to a decrease in the number of children who qualified for both FCM and SS revenue.
- **None:** This line-item represents children who are not eligible to receive any type of coverage. MCCSB is responsible for 100 percent of the cost for these children. The Fiscal Officer noted that any money that MCCSB receives for these children is recorded in this line-item. The money usually represents back child support payments.
- **Parental Support:** This revenue represents private agreements between MCCSB and parents that stipulate that the parents are responsible for a portion of the cost of care for their child. The Fiscal Officer noted that the fluctuations in Parental Support were attributed to changes in the number of private agreements in place each year.
- **SS / Parental Support:** MCCSB had one child in 2007 who received both SS and Parental Support. The Fiscal Officer noted that the child was discharged in 2007.
- **Post Adoption Special Services Subsidy (PASSS):** The Fiscal Officer noted that PASSS is a state funded program that helps adoptive families in need of special services. However, the Fiscal Officer noted that if a child is no longer in the care of the adoptive family, the family has to return any unused PASSS funds to MCCSB. The fluctuations in PASSS revenue are due to the number of families that return PASSS funds back to MCCSB.
- **PASSS / Parental Support:** MCCSB had two children in 2008 that received PASSS and Parental Support funds. MCCSB did not have any children qualify for both PASSS and Parental Support in 2007 and 2009.
- **Food Subsidy:** The Fiscal Officer noted that this revenue represents money that MCCSB receives through the Federal Lunch Program. The amount of food subsidy MCCSB receives is dependent on the number of children placed in the group homes.

- Shared Cost Agreements (Mental Health and Developmental Disabilities):** The Chief Supervisor indicated that MCCSB has shared cost agreements with the Mental Health and Developmental Disabilities agencies. These agencies help contribute towards the cost of care for children that are involved in their respective agencies. The price paid per agency is determined by taking the per diem rate and dividing by the number of agencies involved in the shared cost agreement, minus the Title IV-E reimbursement rate. However, the Chief Supervisor noted that shared cost agreements are not mandatory. Therefore, any fluctuations in shared cost revenues are attributed to the number of shared cost agreements in a given year.

Table 2-5 presents the Residential Department’s expenditures for calendar years 2007 to 2009.

Table 2-5: Residential Department Expenditures

	2007	2008	% Difference	2009	% Difference
Salaries	\$1,139,781	\$1,173,868	3.0%	\$1,196,381	1.9%
Benefits	\$477,586	\$542,052	13.5%	\$482,820	(10.9%)
Purchased Services	\$4,156,588	\$4,837,535	16.4%	\$4,809,911	(0.6%)
Utilities	\$37,323	\$38,789	3.9%	\$41,230	6.3%
Supplies and Materials	\$112,999	\$125,562	11.1%	\$108,128	(13.9%)
Capital¹	\$22,128	\$19,730	(10.8%)	\$11,774	(40.3%)
Total Expenditures	\$5,946,405	\$6,737,536	13.3%	\$6,650,244	(1.3%)

Source: MCCSB Residential Department Summary Sheet Expenditures

Note: Totals may vary from actual due to rounding

¹The capital category includes Contract Repairs/Materials, Contract Repairs, and Equipment.

Table 2-5 shows that total Residential Department expenditures increased by 13.3 percent in 2008, but decreased by 1.3 percent in 2009. The variances in both years are primarily attributed to benefits and purchased services. Explanations of significant differences are as follows:

- Salaries:** The Fiscal Officer noted that the increase in 2008 was due to employees receiving a three percent negotiated wage increase. The Fiscal Officer noted that employees did not receive a negotiated wage increase in 2009. The slight increase in 2009 was partially due to some employees receiving longevity pay. In addition, the Fiscal Officer noted that 2009 reflects 27 pays rather than the typical 26 pays, which contributed to the increase in salaries in 2009.⁶
- Benefits:** The Residential Department’s benefits increased by 13.5 percent in 2008, but decreased by 10.9 percent in 2009. The increase in 2008 is attributed to workers compensation and hospitalization costs. Specifically, workers compensation increased by

⁶ There are normally 26 pay periods per year for biweekly pay. Since bi-weekly programs pay employees in 14-day increments resulting in a 364 day annual pay cycle, it is possible for entities to incur 27 pays in one year because there are 365 or 366 days in a year.

69.6 percent in 2008, as a result of some of the employees working at the Group Homes being injured on the job. The Fiscal Officer noted that the large increase in hospitalization costs was due to MCCSB not being charged for the December premium in 2007 until January 2008. Therefore, MCCSB paid for an additional month of premium costs in 2008, which explains the subsequent decrease in 2009 when MCCSB paid for only 12 months of premiums.

- **Purchased Services:** The Residential Department's purchased services increased by 16.4 percent in 2008, but decreased by 0.6 percent in 2009. The increase in 2008 is attributed to significant increases in seminars and conferences (86.9 percent), travel (21.3 percent), and automobile maintenance (33.9 percent). The Chief Supervisor attributed the increase in seminars and conferences costs to employees obtaining CPR certification or recertifying their annual First-Aid certifications. Travel costs are directly associated with casework travel. The Fiscal Officer noted that the increase in travel was attributed to increases in distance traveled, number of cases, and reimbursement rate⁷. Furthermore, the Fiscal Officer noted that any fluctuations in automobile maintenance costs are related to per gallon charges and the timing of invoices during each calendar year. The decrease in 2009 is related to a decline in contracts for tutoring services for children in the group homes. The Fiscal Officer noted that in 2008, each group home had an individual contract for tutoring. The contracts for the Boys and Girls homes were eliminated in 2009, and the tutor at the Receiving home now tutors all three homes. Lastly, the Fiscal Officer noted that MCCSB paid some institution costs in 2008, which were incurred in 2007. As such, the 2008 institution costs were overstated.
- **Utilities:** The Residential Department's utilities increased by 3.9 percent in 2008 and 6.3 percent in 2009. The increase in utility costs is attributed to increases in gas expenditures. The Fiscal Officer indicated that the group homes are large and lofty, which results in higher gas bills. In addition, MCCSB's telephone expenditures increased approximately 8.3 percent in 2009. The Fiscal Officer noted that the increase in telephone expenditures is due to features added in the telephone contract for the Girls home for specific work related reasons, while the other two group homes have basic phone service.
- **Supplies and Materials:** The Residential Department's supplies and materials were much higher in 2008, while they were relatively similar in 2007 and 2009. The Fiscal Officer attributed the increase in 2008 to increases in the number of children served and food prices.
- **Capital:** The Residential Department's capital expenditures declined in 2008 and 2009. The decrease in 2008 is attributed to contract repairs and contract repairs materials, while the decrease in 2009 is attributed to these two categories and equipment.

⁷ The Fiscal Officer noted that MCCSB uses the Internal Revenue Service reimbursement rate.

Audit Objectives

The following is a list of the questions used to evaluate MCCSB's Residential Services Department:

- What has been MCCSB's financial and operational history?
- How does MCCSB's Residential Services Department staffing levels and program structure compare to the peers and other available standards?
- Is MCCSB's Residential Services Department effective overall?
- What is MCCSB's residential services utilization rate for group home and private provider facilities?
- What services are provided to children in MCCSB's group homes? How do they compare to the peers, leading and/or recommended benchmarks?
- What is MCCSB's process for placement of children in group homes and private provider facilities? How do they compare to the peers, leading and/or recommended benchmarks?
- Can MCCSB reduce costs and maintain or improve positive service outcomes through alternative service delivery models?

Noteworthy Accomplishments

Noteworthy accomplishments acknowledge significant accomplishments or exemplary practices. The following assessments warranted noteworthy accomplishments:

- **Expenditure Levels: Tables 2-11 and 2-12** show that MCCSB's cost per child ratios for providing residential services are lower than the respective peer averages in 2008 and 2009. As a result, this indicates that the Board provides cost-effective residential services, which is partially due to its staffing levels (see **Tables 2-2 and 2-3**).
- **Entire Length of Stay in System: Table 2-9** shows that the children currently in the group homes and residential facilities were in the Board's system for a shorter period of time than the peer averages in 2008 and 2009. According to the Child and Family Services Review, successful reunification can be defined, in part, by the length of time children spend in out-of-home care.

Assessments Not Yielding Recommendations

In addition to the analyses presented in this section, assessments that did not result in recommendations or warrant changes include the following:

- **Staffing Levels:** See Tables 2-2 and 2-3 for the detailed discussion.
- **Compliance Audits:** ODJFS conducted a recertification review of MCCSB's Group Homes in 2008 and a complaint investigation of the Board in 2009. MCCSB received five citations during the recertification review and two citations during the complaint investigation. Pursuant to OAC § 5101:2-5-06, MCCSB submitted corrective action plans to ODJFS. The corrective action plans addressed how MCCSB would correct the area of noncompliance, how noncompliance will be addressed in the future, who is responsible for implementation of the corrective action plan, and the timeline for implementation. MCCSB submitted the corrective action plans within required timeframes and ODJFS approved both plans.
- **Group Home Services:** MCCSB is meeting the COA identified standards that should be provided to children in a group home setting. MCCSB does not provide therapeutic treatment services because it does not function as a residential treatment facility.
- **Reimbursements and Contracts:** In 2009, MCCSB recovered approximately 44 percent of their residential and group home expenditures through reimbursements. Since the reimbursement amounts are established by OAC and dependent on the eligibility of the child⁸, MCCSB does not have control over their foster care maintenance reimbursements. Regarding residential facility costs, MCCSB negotiates the per diem rates for residential facility services with their contract providers on a yearly basis. In addition, the Chief Supervisor indicated that MCCSB will negotiate special programs for reduced rates when there is a need or when there is overflow from the group homes. The Chief Supervisor also noted that some residential facilities will provide reduced rates based on the number of children placed. Furthermore, MCCSB's negotiation practices for the residential facilities per diem rates are similar to the peers. Likewise, MCCSB is meeting the practices identified in *The Contract Management Manual* (Voinovich Center for Leadership and Public Affairs, 2001) for monitoring residential facility contracts.

⁸ The main source of reimbursement Public Children Service Agencies (PCSAs) receive is through the Title IV-E Foster Care Maintenance (FCM). PCSAs are only reimbursed for children that are Title IV-E eligible. As stipulated in OAC § 5101:2-47-01, there are two distinct types of Title IV-E FCM status: program eligibility and program reimbursability. Both shall be concurrently achieved before Title IV-E FCM reimbursement for a child may be issued. "Program eligible" means the child met the ADC-relatedness standards, in effect on July 16, 1996, when he or she entered placement, and the Title IV-E agency is legally responsible for the child's care. "Program reimbursable" means federal financial participation (FFP) is available for a child meeting the requirements.

Issues for Further Study

Auditing standards require the disclosure of significant issues identified during an audit that were not reviewed in depth. These issues may not be directly related to the audit objectives or may be issues that the auditors do not have the time or resources to pursue. AOS identified the following issues for further study:

- **Pay for Working on Holidays:** MCCSB's combined overtime and holiday hours paid out totaled 2,687 in 2007, 3,199 in 2008, and 3,266 in 2009. In 2007, 2,075 hours was overtime for working on holidays (approximately 77 percent) and 612 hours was regular overtime pay (approximately 23 percent)⁹. According to MCCSB's union contract, employees who work on one of the ten paid holidays are paid at the rate of 2.5 times his/her regular rate of pay. The rate of pay is the same at the Trumbull County Children Services Board (TCCSB), which borders Mahoning County, and the pay at TCCSB is applicable for at least 11 holidays. However, Lake compensates its employees at the rate of two times the regular rate of pay for working any one of 11 holidays¹⁰. To help address overtime costs, MCCSB should review the level of holiday pay provided to employees relative to other similar operations and, if warranted, seek to reduce the level of pay.
- **Group Home Staffing Levels:** While MCCSB's staffing levels are low when compared to the peers (see **Tables 2-3**), its group home staffing levels exceed minimum requirements. Specifically, OAC § 5101:2-9-02 stipulates that "when children are present during waking hours in a residential facility living unit, there shall be at least one child care staff person for each ten children. Child care staff shall be on duty providing supervision to children where two or more children are congregated to ensure an appropriate level of supervision of all areas of the facility considering the ages and functioning levels of children in care." Based on a review of the group home work schedule, MCCSB currently has two to three youth leaders present at their group homes (each houses a maximum capacity of ten children) during the hours of 3:00 pm to 2:00 am. The Chief Supervisor noted that the overlap in staff is due to a variety of reasons, including appointments, activities, shopping, and the special needs of the children. However, if the financial condition of MCCSB worsens in the future, the Board may want to revisit their group home staffing levels to determine if a reduction in staff closer to the 10:1 ratio is feasible.

⁹ The Fiscal Officer did not break out holiday hours versus the overtime hours in 2008 and 2009.

¹⁰ Staff at the Caley Home can also earn double-time for those hours worked in excess of eight hours on a holiday.

Recommendations

R2.1 MCCSB should improve the evaluation of the efficiency and effectiveness of its Residential Service Department operations by aggregately tracking and reporting key performance measures on a periodic basis, such as those recommended by the Child and Family Services Review (e.g., length of stay, reunification and re-entry), and various cost ratios (see R2.5). Doing so would help measure and communicate the overall efficiency and effectiveness of programs, establish benchmarks for measuring service effectiveness and provide objective information for use in making future decisions. Additionally, the Board should link the performance measures in the strategic plan (see R2.2). Lastly, MCCSB should compile incident reports for group home and residential facilities on a consistent basis to ensure it has the necessary information to measure the appropriateness of child placements.

MCCSB does not track or report key performance measures in an aggregate manner. Rather, the Chief Supervisor noted that MCCSB tracks the effectiveness of programs on a per child basis. For example, MCCSB uses incident reports to measure the appropriate placement of children. The Chief Supervisor noted that all residential facilities are required to report all incidents to MCCSB within 24 hours of occurrence. Based on that information, MCCSB's caseworkers prepare monthly incident reports detailing the nature and frequency of the incidents. The Chief Supervisor noted that incident reports are also filled out for children housed within MCCSB's group homes. Furthermore, the Chief Supervisor noted that the frequency of incidents does not necessarily constitute a change in placement to a more restrictive environment. For example, the Chief Supervisor noted that in some instances, if a child is consistently written up for a particular action, MCCSB may try to place the child in a less restrictive environment to evaluate the impact of the new setting on the child's behavior. The Chief Supervisor indicated that MCCSB uses the incident reports to assess problems, determine when a child is ready to be stepped out of a program, or if the child would be better served in a new environment. However, the Chief Supervisor noted that incident reports are not compiled on a consistent basis.

Along with incident reports, the Chief Supervisor indicated that MCCSB tracks the intake and discharge dates for all children served in group homes and residential facilities. Furthermore, the Chief Supervisor meets with contract providers (residential facilities) on a quarterly basis to determine why the child is still in their care (longer than three months), identify any needs of the child that are not being met, and discuss the possibility of moving the child to another facility, reuniting the child with the family, etc. Lastly, the Chief Supervisor noted that MCCSB will compare the costs of placing a child in a residential facility/group home as opposed to being placed in a different setting, such as adoption or foster care. However, the Chief Supervisor noted that this is only done on a case by case basis. Additionally, MCCSB does not aggregately compare the total costs of

children placed in group homes versus the total cost of children placed in residential facilities, etc., on an annual basis (see **R2.5**).

Recommended Budget Practices – A Framework for Improved State and Local Government Budgeting (Government Finance Officers Association (GFOA), 1999), indicates that performance measures are used for assessing how efficiently and effectively functions, programs, and activities are provided and for determining whether program goals are being met. Performance measures should be linked to specific program goals and objectives. The measures should be valid, reliable, and verifiable. Whenever feasible, they should be expressed in quantifiable terms. Performance measures should be reported in periodic reviews of functions and programs and should be integral to resource allocation decisions. Additionally, *Performance Management: Using Performance Measurements for Decision-Making* (GFOA, 2007) recommends that program and service performance measures be developed and used as important components of long-term strategic planning and decision-making, and should be linked to governmental budgets.

The Child and Family Services Review (CFSR) is the federal government’s program for assessing the performance of state child welfare agencies in regard to achieving positive outcomes for children and families. CFSR examines the delivery of all child welfare services including child protective services, foster care, adoption, family preservation and family support, and independent living. CFSR reviews outcomes for children and families in three areas: safety, permanency/permanent home environments for children, and child and family well-being. In addition, CFSR reviews how each state supports and could improve the delivery of child welfare services through staff training, computer systems, policy and practice changes, and the recruitment and training of foster parents. Specifically, CFSR provides data analysis on the following performance measures for child welfare agencies:

- **Children in Care Longer than One Year:** Many counties have shown substantial decreases in the number of children in placement point-in-time. While these decreases are remarkable, for some counties the decreases appear affiliated to the length of time children have spent in placement. In this regard, as the percent of children in placement longer than one year has increased, the number of children in placement has decreased. This inverse relationship indicates that children in placement for short periods are leaving placement faster than those in placement for long periods. It is pressing for counties exhibiting this pattern to re-visit the policies and services given to this often-distressed population to assure they are receiving effective services.
- **Children in Custody at Month’s End:** The number of children in custody (in placement) at the end of each month is a very informative measure. Comparing

the number of children in placement relative to other times can identify distinct patterns established by regular highs and lows over time. Leaders can use these measures to judge workload; however, it should be done cautiously, since these numbers do not reflect case difficulty.

- **Length of Stay Survival Analysis:** This type of analysis is a survival analysis that shows the length of time children, who have entered care for the first time during the identified time periods, have been in care. The horizontal axis is the number of days, while the vertical axis is the percent of children remaining in care. CFSR indicates that typically patterns take two forms. The first pattern (level 8 or 9) is a sharp decline in the survival line. This means children are leaving care quickly. If there is such a pattern, leaders should note when it is occurring. If it is occurring in the first 30 or 60 days of placement, counties should determine whether they are taking kids into care that perhaps could be served with less restrictive approaches. The second pattern (level 1 or 2) is a flat or nearly flat line. This indicates children are not leaving care or are leaving care very slowly. When this is evident, counties should ask “Why aren’t children leaving care? What can be done? Is this a systemic problem?” While examining the ski slope levels, leaders can also examine the number of children entering each specific cohort. Clearly, the larger the number of children entering and experiencing the level 1 and 9 ski slope patterns, the greater concern.
- **Reunification and Re-Entry:** Successful reunification can be defined by the length of time children spend in out-of-home care, whether they are reunited within 12 months¹¹, and whether the reunification with their family lasts at least 12 months without re-entry to out-of-home care.

Stark indicated that it uses CFSR’s indicators to measure service effectiveness.

R2.2 MCCSB should follow through on its strategic plan goal to pursue national accreditation through the Council on Accreditation (COA). By achieving accreditation, the Board would demonstrate a commitment to quality service. This, in turn, can increase its credibility with the community and stakeholders. However, the Board should contact COA to obtain a more precise cost related to site visits to ensure they are not excessive.

MCCSB began a strategic planning process in September 2009. The Chief Supervisor noted that a representative from each department was involved in developing the strategic

¹¹ Governing.com, in their *State Comparative Performance Measurement Child Welfare Report* (2009), also notes that reunification represents a return to permanent and stable homes, a key objective of the foster care system.

plan, as well a Dean from a local university and the Director of a local agency. The Board approved the strategic plan on December 8, 2009.

One of the goals in MCCSB's strategic plan is to pursue national accreditation through the Council on Accreditation (COA). Specifically, the strategic plan notes that MCCSB will gather information on accreditation through contact with COA; formulate a committee to determine benefits, costs, and limitations of accreditation; and develop a staff committee to begin a self-study process. The Executive Director and Administrative Team are responsible for this goal. However, the Executive Director noted that this goal has been set aside until the Structure Committee (a different internal committee) completes its work and MCCSB receives the results from the performance audit.

COA is an international, independent, not-for-profit, child and family service and behavioral healthcare accrediting organization. COA partners with human service organizations worldwide to improve service delivery outcomes by developing, applying, and promoting accreditation standards. COA's accreditation process involves a detailed review and analysis of an organization's administrative operations and service delivery against national standards of best practice. Most organizations are able to complete the entire accreditation process in 12 to 13 months. COA accreditation is effective for four years from the date of the initial accreditation.

Stark, Summit, and Richland are currently accredited by the COA, while Clark is in the process of obtaining accreditation. The Director at Richland noted that one of the key benefits from becoming accredited is that the certification requires staff to have certain educational and professional qualifications. In addition, COA outlines workload ratios that the entity has to maintain, such as number of cases per social worker. Lastly, the Directors at Summit and Stark noted that the accreditation ensures that they keep up with trends and forces organizations to review every aspect of their operations to identify areas for improvement.

PCSAO identifies the following benefits of accreditation:

- Assures that children, families and individuals receive the highest quality service;
- Identifies organizations in which consumers can have confidence;
- Enables organizations to receive public and private funding support;
- Provides solid risk management strategy and ongoing plan for quality improvement;
- Enables organizations to meet measuring and reporting requirements of governing authorities, funders and regulators;
- Demonstrates accountability in management of resources; and
- Builds staff morale and increases program effectiveness.

Despite the benefits associated with becoming accredited, there are associated costs. Specifically, Richland indicated that in addition to the annual accreditation fee, which is based on the size of the entity’s budget, it incurred higher salary costs due to the educational and professional qualifications required of staff. Additionally, Stark and Summit noted that they incurred additional staff costs in the beginning of the accreditation process (collecting required documentation to become accredited).

COA noted that the fees associated with its accreditation include the following:

- **Application Fee:** There is a nonrefundable application fee of \$750 for new applicants only.
- **Accreditation Fee:** COA will calculate the accreditation fee using a sliding scale based on the organization’s most recent audited gross annual revenue. Based on MCCSB’s most recent audit, the accreditation fee would be approximately \$19,000 to \$20,000. Organizations affiliated with one of COA’s 13 sponsoring organizations are eligible for a reduced rate that is approximately 25 percent less than the full fee. The reaccreditation fee is the same as the first-time fee.
- **Site Visit Costs:** The organization pays a flat fee of \$2,000 per peer reviewer for a two-day on-site review, plus \$425 per day times the number of reviewers for each additional day. The fee covers all costs and expense of the site visit, including, but not limited to, travel, hotel, meals, and incidentals.
- **Maintenance of Accreditation Fee:** There is an annual maintenance of accreditation fee of \$400.

Financial Implication: Based on the abovementioned data, the initial cost for MCCSB to become accredited would be approximately \$31,000. To provide a conservative estimate, this assumes MCCSB pays the non-discounted accreditation fee and incurs \$10,000 in site visit costs. Thereafter, the average annual cost to maintain the accreditation would be approximately \$8,200, which accounts for the \$400 annual maintenance fee and spreads out the reaccreditation fee over four years. As previously mentioned, COA accreditation is effective for four years from the date of the initial accreditation. Lastly, MCCSB may incur additional costs related to personnel, which could not be readily quantified.

R2.3 MCCSB should review its use of the group homes and residential facilities to ensure they achieve optimal outcomes. In order to effectively accomplish this task, MCCSB should aggregately track performance measures (see R2.1). Based on the comparisons from Tables 2-6 to 2-9, the Board should review the following indicators and practices:

- **Placing higher percentages of total children in custody within the group homes and residential facilities;**
- **Having higher percentages of total children stay in the system being related to services in the group homes and residential facilities;**
- **Maintaining a longer length of stay for children once they are placed in the residential facilities, which can be partially driven by the custody designations (see below); and**
- **Placing higher percentages of planned permanent living arrangement children in the residential facilities and temporary custody children in the group homes.**

Furthermore, MCCSB should determine the total revenues dedicated to the Residential Services Department by tracking the amount of the children service levy revenues that specifically support the Department.

Table 2-6 compares MCCSB’s percentage of total children served in residential facilities and group homes to the six-peer averages for 2008 and 2009.

Table 2-6: Residential and Group Home Children Percentages¹

	MCCSB 2008	MCCSB 2009	Peer Average 2008 ²	Peer Average 2009 ²
% of Total Children in Residential Facilities	24.7%	23.5%	15.9%	14.5%
% of Total Children in Group Homes	13.2%	12.0%	2.5%	2.8%

Source: ODJFS Snapshot Placement Reports

¹ This data represents the total number of children in custody as of December 31 for each year, which includes all placement types: adoptive placement, residential center, foster home, group home, certified/approved relative, detention facility, licensed medical/educational facility, certified approved non-relative, independent living, and residential parenting facility.

² The peer average includes Clark, Lake, Muskingum, Richland, Stark, and Summit.

Table 2-6 shows that MCCSB placed 24.7 and 23.5 percent of its total children in custody in residential facilities in 2008 and 2009, respectively. This is higher than the peer averages (15.9 and 14.5 percent, respectively). In addition, MCCSB’s percentage of children in residential facilities was higher than all of the peers in both years, with the exception of Lake which had 51.6 percent and 48.3 percent of their children served in residential facilities in 2008 and 2009, respectively. MCCSB does not operate a residential treatment facility; therefore, the Board contracts with outside providers for this service (see R2.5 for additional discussion). Similarly, Clark, Richland, Stark, and Summit contract with outside residential facilities. Conversely, Muskingum operates a residential treatment facility (max capacity of 22 children). While Lake also operates a residential treatment center (max capacity of 16 children), it also contracts with outside residential facilities. When only including peers who solely contract out for residential services, the peer averages decrease to 6.7 percent in 2008 and 5.8 percent in 2009.

Table 2-6 also shows that MCCSB placed 13.2 and 12.0 percent of its total children in custody in group homes, respectively, which is higher than the peer averages in both years (2.5 and 2.8 percent, respectively) and higher than each peer. However, the peer average is slightly skewed because Muskingum and Richland did not place any children in group homes in 2008 and 2009. When Muskingum and Richland are excluded from the peer averages, the revised peer averages increase to 3.7 percent in 2008 and 4.2 percent in 2009, which are still significantly lower than MCCSB’s percentages. However, MCCSB operates group homes while the peers all contract out for this service. Based on the abovementioned comparisons, the peers are placing a larger percentage of their children in settings other than group homes and residential facilities, when compared to MCCSB.

According to Ohio Revised Code (ORC) § 2151.011, an “agreement for temporary custody” means a voluntary agreement authorized by section 5103.15 of the Revised Code that transfers the temporary custody of a child to a public children services agency or a private child placing agency. A representative from the PCSAO indicated that the goal for children placed in temporary custody is to return the child into the care of a family member. Permanent custody means a legal status that vests in a public children services agency or a private child placing agency, all parental rights, duties, and obligations, including the right to consent to adoption, and divests the natural parents or adoptive parents of all parental rights, privileges, and obligations, including all residual rights and obligations. Planned permanent living arrangement (PPLA) means an order of a juvenile court pursuant to which both of the following apply: The court gives legal custody of a child to a public children services agency or a private child placing agency without the termination of parental rights, and the order permits the agency to make an appropriate placement of the child and to enter into a written agreement with a foster care provider or with another person or agency with whom the child is placed. PCSAO indicated that children who are placed in PPLA custody typically spend their entire childhood in the care of a public children services agency.

Table 2-7 presents the percentage of residential facility placed children by custody type for MCCSB and the six-peer averages in 2008 and 2009.

Table 2-7: Residential Facilities Children Custody Statistics¹

	MCCSB 2008	MCCSB 2009	Peer Average 2008 ²	Peer Average 2009 ²
Percent of children in temporary custody	42.6%	47.1%	51.8%	43.9%
Percent of children in permanent custody	5.6%	5.9%	28.4%	33.7%
Percent of children in PPLA custody	40.7%	27.5%	18.3%	19.1%

Source: ODJFS Snapshot Placement Reports

¹This represents the number of children in residential treatment facilities as of December 31 for each year.

²The peer average includes Clark, Lake, Muskingum, Richland, Stark, and Summit.

Table 2-7 shows that the majority of MCCSB’s children in residential facilities were placed in temporary custody, similar to the peer averages. However, MCCSB had a significantly higher percentage of residential children placed in PPLA and a significantly lower percentage in permanent custody, when compared to the peer averages. According to PCSAO standard 3.14, “ordinarily, when children are placed in PPLA, it is expected that they will remain connected to their families, even when those families cannot provide for their safety. PPLA, for most children, should not be considered a final permanency plan. Thus, the agency should continue to pursue options to meet the children’s permanency needs.”

Table 2-8 presents the percentage of group home children by custody type for MCCSB and the peers in 2008 and 2009.

Table 2-8: Group Home Children Custody Statistics¹

	MCCSB 2008	MCCSB 2009	Stark 2008	Stark 2009	Summit 2008	Summit 2009
Percent of children in temporary custody	48.3%	42.3%	19.4%	0.0%	18.9%	20.0%
Percent of children in permanent custody	6.9%	11.5%	41.7%	55.2%	37.8%	45.7%
Percent of children in PPLA custody	27.6%	30.8%	38.9%	44.8%	43.2%	34.3%

Source: ODJFS Snapshot Placement Reports

¹ This represents the number of children in residential treatment facilities as of December 31 for each year. In addition, only Stark and Summit are included. Muskingum and Richland did not place any children in a group home setting in 2008 or 2009. Although Clark and Lake did utilize the services of group homes, it was for a very small population of children (less than 4 children).

Table 2-8 shows that the majority of MCCSB’s group home children in 2008 and 2009 were placed in temporary custody, in contrast to Stark and Summit. This suggests that MCCSB uses the group homes more as a means of trying to quickly reunify children with their families. As a result, MCCSB has a lower percent of group home children placed in permanent custody and PPLA than the peers in both years.

Table 2-9 presents various lengths of stay statistics for MCCSB and the six-peer averages in 2008 and 2009.

Table 2-9: Length of Stay Statistics¹

	MCCSB 2008	MCCSB 2009	Peer Average 2008	Peer Average 2009
Average number of days in system: residential ²	615	512	855	982
Average number of days in system: group home ²	560	732	1,127 ³	1,782 ³
Average stay within residential facilities	236	242	180	272
Average stay within group home	188	261	315 ³	395 ³
Percentage of total stay in residential facilities	38.4%	47.3%	25.9%	27.0%
Percentage of total stay in group homes	33.6%	35.7%	42.8%	22.0%

Source: ODJFS Snapshot Placement Reports

¹ This represents the number of children in group homes and residential treatment facilities as of December 31 for each year.

² This represents the average number of total days residential and group home children are in the Agency’s custody.

³ The peer averages exclude Muskingum and Richland because they did not place any children in a group home setting in 2008 and 2009.

Table 2-9 shows that MCCSB’s length of stay is lower than the peer averages for each corresponding year, with the exception of the average stay in residential facilities for 2008. However, Clark is significantly skewing the peer average in 2009. When Clark is excluded from the peer average, the revised peer average stay within residential facilities is 189 days in 2009, which is lower than MCCSB’s average of 242 days. This indicates that MCCSB’s residential children are remaining longer in the residential facility setting. This can be due, in part, to the significantly higher percentage of children in residential facilities with a PPLA custody designation (see **Table 2-7**). In contrast, the length of stay for MCCSB’s group home children is lower than the peer averages in both years. This can be due, in part, to the higher percentage of children in group homes with the temporary custody designation (see **Table 2-8**).

Moreover, **Table 2-9** shows that stay in residential facilities and group homes comprises a higher percentage of total stay at MCCSB than the peer averages in both years,¹² with the exception of the group home percentage in 2008. However, Lake significantly skews the peer average for group homes in 2008. When excluding Lake, the peer average decreases to 23.8 percent for group homes in 2008, which is lower than MCCSB. This indicates that MCCSB uses residential facilities and group homes as placement alternatives at a greater rate than the peers. Likewise, as previously illustrated by **Table 2-6**, the Board assigns higher percentages of total children in custody to group homes and residential facilities (see **Table 2-6**). Taken collectively, these indicators show that MCCSB puts a greater reliance on group homes and residential facilities as placement alternatives than the peers.

¹² Clark significantly skews the peer average for residential facilities. When excluding Clark, the peer averages decline to 19.2 percent in 2008 and 21.5 percent in 2009.

Table 2-10 compares MCCSB’s revenues for the Residential Services Department to Muskingum¹³ for 2008 and 2009.

Table 2-10: 2008 and 2009 Revenue Comparison

	MCCSB		Muskingum	
	2008	2009	2008	2009
Total Revenues¹	\$2,976,790	\$3,014,553 ²	\$464,126	\$703,677
Total Children Served³	199	174	64	55
Revenue Per Child	\$14,959	\$17,325	\$7,252	\$12,794

Source: MCCSB and Muskingum financials and children statistics

¹ Since MCCSB’s accounting system does not separately track revenues by department, the Fiscal Officer prepared a spreadsheet that shows the reimbursements per child for all children placed in the group homes and residential facilities for 2008 and 2009. AOS was unable to determine the validity of the revenue figures.

² The 2009 total revenues represent actual reimbursements through October 2009. The Fiscal Officer projected the November and December reimbursements because according to him, reimbursements are on a two month delay.

³ This represents the total number of children served for the entire year.

Table 2-10 shows that MCCSB’s revenue per child was much higher than Muskingum in both years. **Table 2-10** also shows that MCCSB’s total revenues increased by 1.3 percent in 2009, despite the total number of children served decreasing by 12.6 percent. The Fiscal Officer noted that there is not a proportionate relationship between total revenues and total children served. The amount of revenues is dependent on various factors, including the length of stay and the eligibility of the child to receive reimbursements. Additionally, in contrast to MCCSB, Muskingum is able to separate the specific dollar amount from its property tax levy which is allocated to the Avondale Youth Center for residential services. Muskingum’s levy proceeds are used to support the entire agency. However, since MCCSB does not separately track property tax revenues for residential services, **Table 2-10** does not include property tax revenues. MCCSB’s Fiscal Officer noted that since the levies support the overall operation of the agency, all levy proceeds are placed in the general operating budget and disbursed to the departments to cover expenditures.

R2.4 MCCSB should review the overall structure of its level of care assessment form and consider updating it to ensure all relevant factors are considered before deciding on placements. This can be done by reviewing and potentially incorporating pertinent sections of the Placement Request Form/Group Home Facesheet, the Child Behavior and Characteristic Checklist, and other county assessment forms (e.g., Summit). The Board also should review its system for quantifying levels of care to determine whether it should use more than three categories. In addition, MCCSB should include the birth family, extended family, and other supportive and community

¹³ Muskingum County Children Services is the only peer that separately tracks revenues that are specifically used to support its residential service operations.

resources in the staffing meeting as applicable. This would ensure that MCCSB considers relevant viewpoints and issues when deciding on the most appropriate placement.

MCCSB follows specific steps in deciding placements for children to group homes and residential facilities. For instance, MCCSB holds a staffing meeting to discuss the best placement for children which consists of the Chief Supervisor, the Caseworker Supervisor, and the Caseworker. In addition, MCCSB completes a level of care assessment that focuses on safety, thought process, insight, interaction with peers, home visits, and school. Based on the assessment, the child is awarded points for each area which determines the level of care: home based services – foster home (6 to 12 points), group home – specialized foster care (12 to 18 points), and specialized foster care – residential (18 to 24 points). MCCSB also completes the Child Behavior and Characteristic Checklist that addresses current and historical behaviors and characteristics of the child in these categories: developmental, behavioral, physical, educational/school, and emotional/psychological. In addition, the Board completes the Placement Request Form/Group Home Facesheet to assist in determining the most appropriate setting for a child. This form provides MCCSB with demographic and service information including, the projected length of placement, case plan goal, and reason for placement.

For residential placements, the Chief Supervisor reviews the risk factors for each child and works with the caseworkers to determine the best residential facility for the child. Once all the paperwork is filled out and compiled, MCCSB sends all information to the preferred placement facility. The placement facility then reviews the information to determine if they can meet the needs of the child. If the facility feels as if they can fulfill the needs of the child and have space available, the child is placed in the residential facility.

In general, Lake, Muskingum, Richland, Stark and Summit use similar processes as MCCSB when deciding on placements.¹⁴ Although MCCSB follows specific steps and addresses various factors when determining placements, it does not use all of the information in determining the child’s level of care. More specifically, MCCSB’s level of care assessment form contains four choices within the abovementioned six areas, of which one is selected that best matches that particular child. For example, the home visit category contains these four choices:

1. Complies with parents’ rules.
2. Complies with rules most of the time.
3. Complies with rules some of the time, violence, verbal aggression.
4. Parents report frequent noncompliance, violence, verbal aggression.

¹⁴ Information was not obtained from Clark County.

If MCCSB selects “1” for each of the six categories, it would result in a level of care score of 6 (foster home). By comparison, Summit uses a Placement Assessment Survey which contains 203 questions/areas to address when determining the child’s level of care. In addition, Stark and Summit assign children according to six levels of care. For example, Summit assigns Levels One, Two, and Three as foster care; Level Four as treatment foster care or group home care; Level Five as open residential facility; and Level Six as a secure intensive residential facility or ACUTE care hospital. Furthermore, according to the Chief Supervisor, MCCSB does not involve individuals outside of its organization in the placement decision (e.g., birth family, extended family, and other resources). However, families are involved in wrap around services (see **R2.5** for more information).

According to the PCSAO, identifying the most potentially successful placement for children begins before the determination that the child will be removed from home. Pre-placement staffing (a Team Decision Making meeting) should occur and involve the birth family, extended family, and other supportive and community resources prior to a decision that the child must be removed. When it is determined that removal is necessary, the agency, in partnership with the family and community stakeholders, should select the placement for the child that promotes safety, stability and permanency. This decision should be based on the child’s current and future needs identified through an assessment process. Additionally and equally important, the Child Family Service Agency (CFSA) should evaluate separation and attachment issues with the child’s family including siblings and extended family; the desires of the child’s family; and the children’s permanency plans.

R2.5 MCCSB should regularly analyze the costs and benefits of its group homes and residential facilities. This would enable the Board to determine which group homes and residential facilities are yielding the best results at the most cost effective price, and help identify appropriate program/placement changes. Likewise, the Board should review peer programs and relevant industry sources to help identify alternative service delivery models that would save costs and improve service outcomes, and subsequently may reduce the number of children placed in group homes and residential facilities. Examples of such alternative service delivery models include: developing shared cost agreements with the Juvenile Court; implementing the multisystemic therapy program; and contracting for group home services. The Board also should ensure that interstate compact agreements are consistently used as a tool to find appropriate placements for children. Additionally, MCCSB should keep in contact with ProtectOhio to determine if the program will allow additional participants. If it does, MCCSB should consider joining the program by evaluating the costs and benefits.

When considering contracting for group home services, the Board should issue an RFP that contains the essential elements to determine whether contracting for services would be more cost-effective and maintain or improve service outcomes, when compared to current operations. Alternatively, MCCSB should review the cost and service implications related to operating the group homes as residential treatment facilities. Lastly, to facilitate the aforementioned cost benefit analyses and reviews, MCCSB should use various performance measures (see R2.1).

Table 2-11 compares total expenditures per child at MCCSB to the peers for 2008 and 2009.

Table 2-11: Cost per Child Comparison¹⁵

	MCCSB	Lake	Muskingum ¹	Stark ²	Peer Average
2009 All Services	\$38,220	\$70,475	\$24,772	\$37,295	\$44,180
2009 Contracted Services	\$42,746	\$58,616 ³	NA	\$37,295	\$47,955
2009 Internal Services	\$29,167	\$97,157	\$24,772	NA	\$60,964
2008 All Services	\$33,857	\$65,750	\$21,182	\$26,872	\$37,935
2008 Contracted Services	\$39,498	\$61,330 ³	NA	\$26,872	\$44,101
2008 Internal Services	\$24,121	\$73,043	\$21,182	NA	\$47,113

Source: MCCSB and the peers financials, children statistics, and interviews

Note: The data reflects all children placed in a residential facility or group home, and total costs for the entire year.

¹ All children were placed at the Avondale Youth Center. As a result, the cost per child for all services and internal services is the same.

² Stark solely outsources for residential and group home services. As a result, the cost per child for all services and external services is the same. Although Stark does incur some salary and benefit costs for employees who are responsible for placement, Stark does not separately track salaries and benefits.

³ Lake’s cost per child for contracted services does not include salary and benefit costs for employees who administer placement. Lake was unable to break out the salary and benefit costs for those individuals. In addition, Lake’s accounting system groups external residential costs with other services. The Fiscal Officer identified the line-items where the majority of the expenditures were related to residential facilities. Only the following expenditures are included in Table 2-11: Residential Treatment, Food and Supplies, and Clothing.

According to Table 2-11, MCCSB’s cost per child ratios for all services, contracted services and internal services are lower than the respective peer average in 2008 and 2009. Although MCCSB’s cost per child for all services was higher than two peers in 2008 and 2009, this is partially due to costs related to 2007 being reflected in 2008 (see Table 2-5) and Stark’s data not including all costs (see footnote 2).

¹⁵ Summit was unable to provide the total number of children placed in a group home or residential facility. Therefore, it was excluded from the peer expenditure comparison. In addition, Clark and Richland were not asked to provide expenditure information based on the time parameters for this performance audit. Clark has a contract with an outside company in Indiana to place children and Richland closed their group home in 2003.

In order to provide an additional comparison which also includes Summit, **Table 2-12** compares MCCSB's cost per child and cost per service day to the peers based on child counts and service days from the ODJFS reports. This data reflects children in group homes and residential treatment facilities as of December 31 for each year. As a result, this analysis assumes that the data as of December 31 would be consistent throughout the year. Additionally, **Table 2-12** reflects expenditure data for the entire year in 2008 and 2009, which is the same expenditure data used in **Table 2-11**.

Table 2-12: Cost per Child and Cost per Service Day (As of December 31)

	MCCSB	Lake ¹	Muskingum ²	Stark ¹	Summit	Peer Average
2009 Cost per Child	\$86,367	\$118,215	\$61,929	\$81,116	\$103,793	\$91,263
2008 Cost per Child	\$81,175	\$105,598	\$61,621	\$90,288	\$112,990	\$92,624
2009 Cost per Service Day	\$347	\$621	\$416	\$148	\$357	\$385
2008 Cost per Service Day	\$371	\$649	\$629	\$201	\$419	\$474

Source: ODJFS Snapshot Placement Reports, MCCSB and peers

¹ See footnotes in **Table 2-11** regarding omitted expenditure data for Lake and Stark.

² The child counts at Muskingum reflect the maximum capacity of its residential treatment facility because the reported number of children as of December 31 did not appear reasonable. For the cost per service day ratios, the number of days was increased accordingly, based on the average number of days per the reported number of children.

Table 2-12 shows that MCCSB's cost per child was lower than the peer averages in both years. Consequently, this supports the conclusions derived from the comparisons in **Table 2-11**. In addition, MCCSB's group home and residential facility expenditures comprised approximately 41 percent of total Board expenditures in 2008. This is higher than the peer average (26 percent)¹⁶ and each of the four peers, with the exception of Lake. The higher percentage is due, in part, to MCCSB placing a higher percentage of children in group homes and residential facilities (see **R2.3** and **Table 2-6** for more information).

Furthermore, **Table 2-12** illustrates that MCCSB's cost per service day was lower than the peer averages in both years.¹⁷ However, MCCSB's cost per service day was much higher than Stark in both years and only slightly lower than Summit in 2009. These counties solely outsource for services. **Table 2-12** also shows that the cost per service

¹⁶ Stark County's total expenditures are from 2007 because 2008 was unavailable. When excluding Stark, the peer average increases to 29 percent. Additionally, Stark's and Lake's group home and residential service expenditures exclude some costs (see footnotes in **Table 2-11**).

¹⁷ AOS completed an additional cost per service day assessment based on using total children served the entire year from **Table 2-3** and the average stay within the group home and residential facilities from **Table 2-9**. Similar to **Table 2-12**, this additional assessment showed that MCCSB's cost per service day was lower than the peer average in both years.

day in at Stark and Summit are lower than Lake and Muskingum, which internally provide services, in both years.

MCCSB uses the following practices that help reduce the number of children entering the system, minimize costs, and/or enhance services:

- **Wrap Around Services:** MCCSB offers wrap around services through the Family and Children First organization, which includes:
- **Referrals:** Referral to additional support people who are not yet involved, but may help the child and/or family. In addition, families will receive referrals for respite/family support activities and assistance for paying the cost of these services.
- **Wrap Around Service Coordination:** The child and family work with a “Facilitator” to create a team made up of the family, natural supports (such as other family members, neighbors, friends), informal supports (church, coaches, etc.), and formal supports (agencies, professionals, etc.). The family and team develop one plan that all the agencies use to assist the family. The plan is based on strengths of the child and family. Each team member including the child and family has responsibilities in the plan.
- **Transition planning:** Use of wrap around process to work together to help make the transition between home to residential placement and back to the home/community smooth and supportive. This transition includes determining the goals of placement and reviewing progress made, if placement is meeting the goals or if changes are needed, and what supports are needed to bring the child home and assure a stable environment.

The Chief Supervisor noted that the main goal of providing wrap around services is to prevent the child from entering into MCCSB’s care. The Chief Supervisor noted that approximately one-third of the children receiving wrap around services from Family and Children First still enter into MCCSB’s care. Summit and Stark noted that their wraparound services have helped reduce the number of children who enter into their care.

- **Multidimensional Treatment Foster Care (MTFC):** MCCSB recently implemented the MTFC program. MTFC is designed to serve as an alternative to residential treatment and to deter subsequent incarceration among a high risk population. The goal of MTFC is to provide these youth with the skills, resources, supervision and structure necessary to reduce delinquency in place of more pro-

social and adaptive behaviors. The program relies on the involvement of trained foster families, therapists, and case managers to provide youth with the skills and structure to modify behavior. The ultimate goal of MTFC is to return youth to their biological or adoptive families, who are also involved throughout the process. Each youth who participates in MTFC receives an individualized program that emphasizes behavioral skills training, discipline and reinforcement, and positive relationships.

MCCSB enrolled their first child in the MTFC program in December 2009. The Chief Supervisor prepared a cost savings report that detailed the cost per diem rates for ten children placed in residential facilities and the cost for those children if placed in the MTFC. The Chief Supervisor estimated a costs savings of approximately \$850 a day, which amounts to \$25,500 over 30 days and \$153,000 over the course of six months. Additionally, Summit also recently decided to offer the MTFC program; however, Summit is contracting those services out to a private provider. Summit did not conduct a formal cost savings, but the Director noted that they are anticipating a reduction in residential costs.

While MCCSB uses the abovementioned strategies, it does not regularly evaluate the costs and benefits of operating group homes and contracting for the residential facilities. Further, the following practices may help in saving costs and improving service outcomes, which subsequently may reduce the number of children entering MCCSB's systems:

- **Multisystemic Therapy (MST):** Richland implemented the MST program for children in imminent risk of needing out of home placement. The Director noted that there are approximately 50 children a year that participate in the MST program. MST is a unique, goal-oriented treatment program designed to help youth in their community. MST is most effective in helping youth with violent delinquent behavior and youth with serious emotional problems. Parents who elect to enroll their child in the program receive a complete assessment of their youth and how they relate to family, school, and the community. In addition, MST seeks to understand the fit between the child's problems and the factors which contribute to them and focuses on helping parents build supportive social relationships. Each child is assigned a counselor that is available 24 hours a day, seven days a week. Services are provided in the home, school, neighborhood, and community. All treatment decisions are designed by discussion with family members and other key people in each area of the child's life: parents or legal guardians, school teachers, principals, etc.
- **Shared Costs:** MCCSB will work with other agencies that are involved in a child's care, such as Mental Health, the Juvenile Court, Drug/Alcohol, and

Developmental Disabilities. The Chief Supervisor noted that the agencies used to be organized into a local cluster, where all parties involved in the treatment of the child contributed at different levels to the per diem cost, depending on their level of involvement with the child. However, the local cluster disbanded, and MCCSB replaced the local cluster with shared cost agreements. However, the shared cost agreements are not mandatory. MCCSB has shared cost agreements with Mental Health and Developmental Disabilities. The price paid per agency is determined by taking the per diem rate and dividing by the number of agencies involved, minus the Title IV-E reimbursement rate. MCCSB will also enter into shared cost agreements with parents, where the parents are required to contribute a portion of their social security payments to MCCSB. However, MCCSB does not have a shared cost agreement with the Juvenile Court. The Chief Supervisor noted that MCCSB has experienced an increase in the number of court placed children.

The Summit Director noted its use of a local cluster to discuss children who are involved in two or more agencies. The local cluster has a memorandum of understanding that every agency will contribute toward the funding for wraparound and other services. Similarly, Stark has a multi-system committee that consists of individuals from Mental Health, the Court, Schools, Children Services, and Developmental Disabilities. All of the agencies in the multi-system committee will contribute towards the cost of care.

- **ProtectOhio:** In October 1997, Ohio implemented ProtectOhio, a Title IV-E Child Welfare Waiver Demonstration project. ProtectOhio experiments with the flexible use of Title IV-E dollars in which funds normally allowed to be spent only for foster care are allowed to be spent for a range of child welfare purposes. The underlying premise of the Title IV-E Waiver is that changes to federal child welfare eligibility and cost reimbursement rules will change the purchasing decisions and service utilization patterns in ways that are favorable to children and families. ProtectOhio adopts a managed care approach to increase the efficiency and effectiveness of the child welfare system, focusing on reducing the number of children coming into care; decreasing the length of stay in care; and increasing the number of children reunited with their families or placed in other permanent situations.

The first ProtectOhio Waiver demonstration program operated for five years, from October 1, 1997 through September 30, 2002; then ensued a “bridge period” of two years while Ohio negotiated with the federal agency to obtain a five-year extension. The extension was granted in January 2005, retroactive to October 1, 2004, and scheduled to end September 30, 2009. When the Waiver began in 1997, 14 local public children services agencies (PCSA) opted to participate in ProtectOhio. Since 1997, Ohio has contracted with a research team led by Human

Services Research Institute (HSRI), to conduct a rigorous evaluation of the ProtectOhio demonstration. Essential to the evaluation is the examination of a group of comparison counties, chosen for their similarities to the demonstration counties. In 2003, HSRI published findings from its five-year study, which revealed that compared to their pre-Waiver actions and the comparison counties, demonstration counties showed:

- Greater targeted focus on prevention;
- More attention to outcomes;
- Overall greater use of managed care strategies;
- More interagency collaboration;
- Slower growth in foster care spending; and
- More growth in “other child welfare” expenditures.

Richland, Stark, and Muskingum all elected to participate in the ProtectOhio program as demonstration counties, while MCCSB and Summit serve as comparison counties. All three of the demonstration peers noted that the ProtectOhio program has been successful in reducing the number of children entering care by allowing the agencies to use Title IV-E foster care maintenance reimbursements on other child welfare services, such as intake and outgoing services. However, Richland and Muskingum both indicated that the ProtectOhio program is closed to other counties at this time. According to the Fiscal Officer, MCCSB decided not to participate in ProtectOhio as a demonstration county because of the provision that locked revenues at the same amount for multiple years regardless of changes in children/needs and MCCSB’s population was in flux at that time.

- **Interstate Compact Agreements:** The Muskingum Executive Director noted that Muskingum utilizes interstate compact agreements as a way to reduce residential facility costs. The interstate compact agreements allow Muskingum to search for a kin provider outside of the State of Ohio. The kin provider does not have to be a family member; the Executive Director noted that this could be a coach, mentor, or another support system. According to MCCSB’s Executive Director, the Board has sent approximately five to ten children to relative/kin placements by using the interstate compact agreements. Additionally, the Chief Supervisor noted that MCCSB tries to locate family members and involve them in the child’s life even if family members do not take custody of the child.

Lastly, MCCSB is currently one of six counties in Ohio that still internally operate a group home or residential treatment facility. Two of the remaining five counties are Lake and Muskingum, which both operate a residential treatment facility. The Chief Supervisor noted that MCCSB continues to operate group homes in order to prevent

children from being placed in a residential treatment facility who do not need that level of care. In addition, the Chief Supervisor indicated that there are no other group homes located in Mahoning County to contract for those services. Similarly, Lake and Muskingum noted that they like to keep their children in their respective counties (if possible) and that there are no other group homes located in their counties. In contrast, Richland and Summit used to operate their own group homes and/or residential treatment facilities, and noted that it was costly to operate their own facilities. As a result, Richland and Summit decided to close their group homes and/or residential treatment facilities and outsource with private providers. Likewise, PCSAO indicated that it is very costly for counties to internally operate group homes/residential treatment facilities.

As shown in **Tables 2-2, 2-3, 2-11 and 2-12**, the Board is operating relatively efficient and cost-effective residential services. However, based on the aforementioned information from Richland, Summit and PCSAO, as well as Stark County's significantly lower cost per service day (see **Table 2-12**), contracting for group home services may yield lower costs. In addition, MCCSB has not issued an RFP for group home services to help determine whether contracting for services would reduce costs and maintain or improve service outcomes. Likewise, the Board has not reviewed the cost and service implications of operating the group homes as residential treatment facilities. According to the Executive Director, using the group homes as residential treatment facilities may pose licensing and service issues (e.g., safety) due to the varying needs of each child and the limited number of beds.

The Contract Management Manual (Voinovich Center for Leadership and Public Affairs, 2001) indicates that when contracting for services, agencies should define the product and then solicit bids or proposals for the desired service. It indicates an RFP is a form of a bid and is generally used for services that cannot be summarized in written bid specifications. It recommends numerous elements to include in an RFP, and how to structure, evaluate, and award an RFP. It also recommends that the ensuing contract reflect with specificity the particular service type, scope, deliverables, performance standards, and payment methodology. Performance standards should illustrate impact (Indicators), be specific and definable (Measurements), set benchmark criteria (Benchmarks), identify the source of data (Reporting Requirements), designate frequency, and have financial impact. Finally, Hamilton County issued an RFP for group home services in 2007 that contained several elements, including scope of service, program deliverables, and budget and cost considerations.

Financial Implication: If MCCSB reduced the total cost per child by at least one percent through the aforementioned strategies, it would reduce costs by approximately \$66,500. This is based on 2009 data.

Financial Implications Summary

Table 2-13 presents a summary of cost savings, one-time costs and annual costs identified in the report.

Table 2-13: Financial Implications Summary

Recommendation	Annual Cost Savings	One-Time Costs	Annual Costs
R2.2 Achieve accreditation		\$31,000	\$8,200
R2.5 Reduce costs through the recommended strategies	\$66,500		
Total	\$66,500	\$31,000	\$8,200

Source: AOS performance audit

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Board Response

The letter that follows is Mahoning County Children Services Board's official response to the performance audit. Throughout the audit process, staff met with Board officials to ensure substantial agreement on the factual information presented in the report. When Board officials disagreed with information contained in the report and provided supporting documentation, the audit report was revised.



Mahoning County Children Services

222 W. Federal Street, 4th Floor • Youngstown, Ohio 44503 • 330-941-8888 / Fax 330-941-8787

July 8, 2010

Ms. Mary Taylor, CPA
Auditor of State of Ohio
Lausche Building
615 Superior Avenue NW, 20th Floor
Cleveland, Ohio 44113-1810

Dear Ms. Taylor:

Mahoning County Children Services Board has formally reviewed the recommendations of the State Examiner's Performance Audit of the agency's Residential and Group Home Programs. Our response outlined below will address the issues examined and formulate plans moving forward to best serve the children of our county.

The noteworthy accomplishments of the agency regarding cost-effective residential services and reunification of children with families affirm the goals of the agency. Reuniting children with family members whenever possible and working toward the best interest of the child has always been the primary philosophy of Mahoning County Children Services.

We have found that some of the recommendations by the auditors have been or will be implemented in the near future. The agency has recently completed a Strategic Plan and is moving forward with accreditation of the agency. In order to better monitor the efficiency and effectiveness of residential services, the Board has approved the hiring of a Continuous Quality Improvement (CQI) Supervisor to steer the agency toward compliance both in social service areas and accreditation. This person will be responsible for aggregately tracking and reporting key performance measures, including tracking incident reports, to consistently evaluate placement settings. It should be noted that the agency is currently in the process of organizational restructuring in line with recommendations from the Strategic Plan and the Board appointed Structure Committee.

The main focus of the audit as requested by the Children Services Board addressed the operations of the three (3) agency operated group homes. The information collected by the auditors suggests further review of the costs and benefits of operating the group home program. The Board has appointed a sub-committee to study the recommendations of the audit and formulate plans going forward regarding the future of the group homes. Issues pertaining to length of stay in either group homes or residential facilities, as well as tools used to make placement decisions, will be studied to allow for the most efficient way to perform these services while always putting the best interest of the child first.

Our Mission:

Mahoning County Children Services, in partnership with the community, is committed to assuming a leadership role in protecting children and preserving families.

Ms. Mary Taylor, CPA, Auditor of State of Ohio

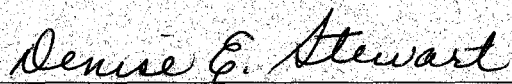
July 8, 2010

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The committee will weigh the options of subcontracting for group home services in order to find placement in less restrictive settings other than residential facilities. Any plans for changing the current group home and residential structure will be a collaborative decision by key staff and the governing Children Services Board.

It was a pleasure to work with the audit team during this process. They readily made themselves available to answer questions and provided ongoing reviews of audit information. We appreciate the recognition of our accomplishments which affirms the agency's "efficient and cost-effective residential services", as well as the direction of our new Strategic Plan. The Children Services Board and administrative team will carefully consider the audit recommendations in line with analyzing the costs and benefits of group home services in order to formulate appropriate program changes. Overall, the areas outlined in the Performance Audit continue to be a high priority with this agency and Board. We will continue to work toward a level of optimal performance in all facets of services to the children of our county.

Sincerely,



Denise E. Stewart
Executive Director

DES/bsm

cc: Danielle Lorenz



**Auditor of State
Mary Taylor, CPA**

**Office of the Auditor of State of Ohio
88 E. Broad Street
Columbus, Ohio 43215
(800) 282-0370
www.auditor.state.oh.us**