

State of California

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP)

Interim Evaluation Report

**Submitted to:
California Department of Social Services
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(Corrections October 20, 2010*)

* Corrections: Page 124, 4.6.2 Child Safety, Paragraph 3, Sentence 1 now reads "...within 12 months...", and not "...within a six month...;" Page 129, 4.7.2 Child Safety, Paragraph 3, Sentence 1 now reads "...within 12 months...", and not "...within a six month..."

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Executive Summary

On July 1, 2007, California and two of its counties—Alameda County and Los Angeles County—began implementing the Title IV-E Child Welfare Waiver Demonstration Project. Under the waiver, the Capped Allocation Project (CAP) implements and assesses the use of capped IV-E allocations. The Secretary of the Federal Department of Health and Human Services (DHHS) granted the waiver of Title IV-E requirements for foster care and child welfare services under the auspices of the Children’s Bureau. In the demonstration projects the DHHS allows flexibility in the use of federal funds with the intent of promoting the development and understanding of effective innovations in child welfare systems.

The purpose of the CAP is to assist the child welfare and probation systems in Alameda County and Los Angeles County in developing and implementing alternative services to foster care to bring about better outcomes for children and families. These ends are to be accomplished by providing counties, through a capped allocation strategy, the impetus for and flexible use of Title IV-E dollars necessary to create a more responsive and comprehensive array of services and supports for children and their families, regardless of federal eligibility or placement in out-of-home care.

The child welfare system in the State of California functions under a shared governance structure. The California Department of Social Services (CDSS) monitors and oversees the system and is responsible for providing oversight and support related to funding, program and policy development, regulatory compliance, licensing, and evaluation. County departments in each of California’s 58 counties are responsible for the day-to-day administration of the child welfare system, working in conjunction with the Juvenile Dependency Court, a division of the Superior Court in each county.

Similarly, each of California’s 58 counties operates a probation department that serves adults and juveniles. A proportion of the juvenile probation population receives services in out-of-home placements and probation departments seek Title IV-E reimbursement for eligible youth. The county juvenile probation component works in conjunction with the Juvenile Delinquency Court, a division of the Superior Court in each county.

The goals of the CAP match the goals articulated in the Federal Child and Family Services Reviews and California’s Child Welfare Outcome and Accountability System (C-CFSR). The primary goals are: (a) to improve the array of services for children and families and engage families through a more individualized approach that emphasizes family involvement; (b) to increase child safety without an over-reliance on out-of-home care; (c) to improve permanency outcomes; and (d) to improve child and family well-being.

The primary purpose of the CAP Evaluation is to determine whether and how changes in the funding structure for foster care (i.e., ending the entitlement, eliminating eligibility restrictions, and capping the dollar amount in exchange for spending flexibility) affects the functioning of county child welfare systems and relevant probation systems. The secondary purpose of the evaluation is to assess outcomes for dependent and delinquent children and their families before the CAP began and then during its implementation. The evaluation uses an

interrupted time-series design to guide data collection activities. The time-series design is a quasi-experimental method that accounts for a number of threats to internal validity. However, it does not allow for statements of causality. As such, changes observed in the participating counties and in outcomes for children and families cannot be directly attributed to the CAP. Using a time-series design, the evaluation is able to observe trends before and during the implementation of the CAP. The CAP Evaluation has three components: the Process Study, the Fiscal Study, and the Outcome Study. Data for the Fiscal Study were not ready for analysis at the time of the Interim Evaluation Report.

In the years prior to the CAP, the Alameda County Department of Children and Family Services (ACDCFS) and the Los Angeles County Department of Children and Family Services (LACDCFS) were led by what respondents described as “visionary” leaders and underwent systemic change developing and defining goals for the departments, supported by the C-CFSR process, and adopting the Family to Family philosophy to serve as the organizing structure for their policies and practices. Leadership was important for two reasons. First, leadership helped the departments establish goals for children and families and set policies and practices to achieve those goals. Second, leadership was necessary to take advantage of the opportunity presented by the CAP by convincing important stakeholders that the benefit of flexibility outweighed the risk of a capped allocation. Respondents from both departments of children and family services stressed that developing a system defined by its goals for children and families and grounded in a policy and practice philosophy to achieve those goals were necessary precursors to a flexible funding/capped allocation project.

Possibly the most important factors influencing whether a county participated in the CAP were the methodology and the data used for determining the federal base allocation for the project. The cost look-back model, combined with the years of expenditure data used for the calculation, meant that the two participating counties would receive more money under that CAP than they would have if they chose not to participate in the project. If different years of expenditure data had been used (e.g., years when caseload expenditures were lower), then the CAP would have been a less attractive opportunity.

To remain fiscally sound within a capped allocation environment, the county departments of children and family services would need to alter their operations to lower the number of youth entering their system, reduce the length of time youth had contact with the system, and reduce the per-case cost of operating the system. Early in the evaluation it became evident that the departments were already oriented to those ends. The Family-to-Family program adopted by the departments was not focused on fiscal concerns but the goals the program sought to achieve were the same ones necessary for remaining fiscally sound in a capped allocation environment.

The ACDCFS and the LACDCFS have chosen to enhance their services instead of choosing to dramatically change their systems. A number of reasons emerged for why this kind of project does not work as a systems change effort. First, the degree of financial risk is too great for an organization not already defined by a set of goals and a philosophy to attain them. Second, there was the sense that momentum underway with existing reform efforts was important to allow the organization to assume a greater degree of financial risk with a greater sense of

confidence for success. Finally, there was an expressed concern that an organization should be defined by its vision and goals for children and families and not by how it is funded.

The Alameda County Probation Department (ADPD) and the Los Angeles County Probation Department (LACPD) stand in contrast to the two departments of children and family services. The CAP affects only the juvenile section of each probation department and each department was late to the planning process. The Chief Probation Officers of both departments viewed the CAP as an opportunity, but also agreed to participate in the project in the spirit of collaboration with their counterparts at the department of children and family services. The ACPD was initially pleased that they would be able to stabilize an important funding source and, over time, they proposed new strategies to improve operations. However, senior staff changes and the State's budget crisis seemed to stall the department's progress under the CAP. The LACPD embraced the CAP as an opportunity to help change the way they work with youth and families. The CAP could be used to help further the philosophical shift in the department by focusing on improving outcomes for youth, and providing the funding for the development of evidence-based practices.

As reflected in the Process Study, all four departments reported seeing their participation in the CAP as having a positive impact. The departments reported that they had successfully generated reinvestment savings over the first two years and were conservatively using the money to implement their initiatives. They valued the funding stability available under the CAP. However, they expressed concern about possible reductions in the State's contribution to the capped allocation amount as the State sought to balance its budget and that the State reductions would represent a change in the terms of the agreements governing the CAP. Despite these concerns, there was general agreement amongst representatives that the departments were better off for having participated in the CAP.

The status of how the departments were doing in achieving better outcomes for children was difficult to discern from the trend data; with additional data points over time, the trends will be easier to identify. The design of the evaluation makes it impossible to attribute changes in outcome trend lines to a department's participation in the CAP. In addition, data were not available for the two probation departments. With these analytical challenges in mind, rates of children in foster care were trending in the downward direction desired by both county departments of children and family services during the CAP period. For the ACDCFS, exits to permanency indicator trends were mixed, as were the indicator trends for the appropriateness and restrictiveness of placements. Entry rates and child safety and placement stability indicator trends appeared to be improving, though the percentage of children reentering foster care continued to be a concern and area of focus. For the LACDCFS, reunification indicator trends were positive as were the department's efforts at placing children with their siblings. The trend lines for the three child safety indicators present a concern and area of focus for the department, as does the trend line for the reentry following reunification indicator.

The county departments, the CDSS, and the evaluation team have learned a great deal in the first two years of the CAP. The remaining years of the project will provide participants with an opportunity to apply that knowledge and the evaluation team will continue its efforts to capture, describe, and understand the proceedings.

Chapter 1: Introduction and Overview

On July 1, 2007, California and two of its counties—Alameda County and Los Angeles County—began implementing the Title IV-E Child Welfare Waiver Demonstration Project. The child welfare system and a component of the probation system in each of the counties are participating in the project. Under the waiver, the Capped Allocation Project (CAP) implements and assesses the use of capped IV-E allocations. The Secretary of the Federal Department of Health and Human Services (DHHS) granted the waiver of Title IV-E requirements for foster care and child welfare services under the auspices of the Children’s Bureau. In the demonstration projects—in California, Florida and Indiana—the DHHS allows flexibility in the use of federal funds with the intent of promoting the development and understanding of effective innovations in child welfare systems.

1.1 Background and Context

The child welfare system in the State of California functions under a shared governance structure. The California Department of Social Services (CDSS) supervises the system and is responsible for providing oversight and support related to funding, program and policy development, regulatory compliance, licensing, and evaluation. County departments in each of California’s 58 counties are responsible for the day-to-day administration of the child welfare system, working in conjunction with the Juvenile Dependency Court, a division of the Superior Court in each county.

Similarly, each of California’s 58 counties operates a probation department that serves adults and juveniles. A proportion of the juvenile probation population receives services in out-of-home placements and probation departments seek Title IV-E reimbursement for eligible youth. The county juvenile probation component works in conjunction with the Juvenile Delinquency Court, a division of the Superior Court in each county.

Since the beginning of the decade, and building upon earlier efforts, the child welfare system in California has been the focus of several intensive reform efforts. In 2000, the enactment of Assembly Bill (AB) 1740 established the Child Welfare Services Stakeholders Group, which included 60 individuals who represented a diverse range of expertise and who shared a common concern for children. Their mandate was to review the child welfare system and develop a set of recommendations for redesigning the system. In 2003, the Stakeholders Group issued its final report (known as the Child Welfare Services Redesign) describing a set of redesign objectives. In 2006, the California Child Welfare Council was established by the enactment of AB 2216. An advisory body similar to the Stakeholders Group, the California Child Welfare Council considers recommendations to improve outcomes for children and youth in California’s child welfare system with the collaboration of the organizations that serve children and their families. Also in 2006, the Chief Justice of the Supreme Court of California established the California Blue Ribbon Commission on Children in Foster Care to provide recommendations

to the Judicial Council of California on ways to improve safety, permanency, well-being, and fairness for children and families in the child welfare system.

In 2001, the Child Welfare System Improvement and Accountability Act (Assembly Bill 636, Chapter 678, Statutes of 2001, Steinberg), was enacted to develop, monitor, and improve outcomes for children in the child welfare system. On January 1, 2004, the four key components of the new California Child and Family Services Review (CFSR) system under Assembly Bill (AB) 636 were implemented. The four key components of the CFSR include (a) quantitative and qualitative quarterly monitoring, (b) qualitative case reviews, (c) county self-assessments, (d) county system improvement plans, and (e) State technical assistance.

In 2002, the Children's Bureau conducted its first Federal CFSR of California's child welfare system and found that California was not in compliance on a number of measures. As a result, California began developing a Program Improvement Plan designed to guide State and county improvement efforts. The Federal CFSR process conducted by the Children's Bureau and California's Child Welfare Outcome and Accountability System became the organizing structure for child welfare system reform efforts in the State.

Between October 1, 1998 and September 30, 2003, California and seven of its counties participated in their first Title IV-E Waiver Demonstration Project. Under that Waiver, the CDSS and the counties focused on implementing and testing discrete interventions for specific populations of children and youth in the child welfare and probation systems. The Children's Bureau granted a ten-month "bridge" extension that began October 1, 2003 and ended July 31, 2004. The Children's Bureau also granted three six-month "bridge" extensions ending December 31, 2005.

The CAP, an extension of these earlier reform efforts, focuses on the financing component of child welfare services. On March 31, 2006, the Children's Bureau and the CDSS signed the Terms and Conditions for the demonstration project.

1.2 The Purpose of the Capped Allocation Project

1.2.1 The Central Purpose of the Capped Allocation Project

The purpose of the CAP is to assist the child welfare and probation systems in Alameda County and Los Angeles County in developing and implementing alternative services to foster care to bring about better outcomes for children and families. These ends are to be accomplished by providing counties, through a capped allocation strategy, the impetus for and flexible use of Title IV-E dollars necessary to create a more responsive and comprehensive array of services and supports for children and their families, regardless of federal eligibility or placement in out-of-home care.

The goals of the CAP match the goals articulated in the Federal CFSR and California's Child Welfare Outcome and Accountability System. The primary goals are: (a) to improve the array of services for children and families and engage families through a more individualized approach that emphasizes family involvement; (b) to increase child safety without an over-reliance on out-of-home care; (c) to improve permanency outcomes; and (d) to improve child and family well-being.

1.2.1.1 Alameda County

As stated in its County Five-Year Plan, the Alameda County Department of Children and Family Services (ACDCFS) and the Alameda County Probation Department (ACPD) are pursuing a series of reinvestment strategies in order to allocate financial resources to prevention, early intervention, and long-term support strategies. More specifically, financial resources are being directed away from expensive congregate care and ineffective services—and toward services and supports that are engaging, familial, community-based, and cost-effective.

1.2.1.2 Los Angeles County

As stated in its County Five-Year Plan, the Los Angeles County Department of Children and Family Services (LACDCFS) and Los Angeles County Probation Department (LACPD) are using the financial flexibility granted by the waiver to build on current system improvement efforts. They are investing, strategically, in structural and programmatic reforms to meet the needs of dependent and delinquent children and their families. County agency efforts are focusing on increasing the number, array of services, and use of individualized services, along with an increased emphasis on community alternatives, case planning, and caseload reduction.

1.2.2 The Purpose of the Capped Allocation Project Evaluation

The primary purpose of the CAP Evaluation is to determine whether and how changes in the funding structure for foster care (i.e., ending the entitlement, eliminating eligibility restrictions, and capping the dollar amount in exchange for spending flexibility) affects the functioning of county child welfare systems and relevant probation systems. The secondary purpose of the evaluation is to assess outcomes for dependent and delinquent children and their families before the CAP began and then during its implementation. It is not within the scope of the evaluation to assess separately the impact of discrete interventions (i.e., specific programs) implemented by the counties under their CAP.

1.3 The Capped Allocation Model and Amounts

Without the waiver, Title IV-E is a Federal entitlement. A State may claim and be reimbursed for the federal share of foster care board and care payments (i.e., assistance) and related administrative costs for eligible children. There is no limit on the amount a State may claim. State spending is, however, restricted to board and care costs and specific administrative

activities. Under the conditions of the demonstration project, the traditional relationship between the entitlement of unlimited reimbursement and the restrictiveness of allowable activities is reversed. While reimbursement is capped under the demonstration project, restrictions on use are reduced. In other words, the two counties in California participating in the CAP have elected to trade guaranteed entitlement for the flexibility to use the money for all child welfare services, including those normally outside the scope of traditional Title IV-E funding.

State and county administrators in California had sought that change, arguing that the Title IV-E provisions create a disincentive for reducing foster care-related expenditures. The disincentive is that efficiencies, such as placing fewer children in foster care, results in losing Title IV-E funding. Absent a source of funding for community-based services that support families, child welfare departments are left with little choice but to remove children from questionable environments and place them in foster care. When restrictive funding drives what programs and services are offered by the State and counties, it also defines the philosophy and mission of child welfare in California. State and county officials believe that the CAP provides an opportunity to have family and community needs—drive what services counties provide—supported by the funding.

In accepting a capped allocation in exchange for flexibility, county administrators hope to implement changes in operations and services to reduce foster care expenditures while improving child welfare-related outcomes for children and families. The reduction in foster care expenditures can be accomplished by reducing the number of children going into foster care, reducing the length of stay for children in foster care, and reducing the use of high-cost foster care placements. Those reduced expenditures, set against the capped allocation amount, represent reinvestment savings that can be used to fund further investments in service alternatives to foster care—with a focus on strengthening families and communities.

The methodology for determining the federal base allocation was the result of negotiations between State and county representatives from California and representatives from the Children's Bureau. Negotiators considered a number of models. One model projected future trends in expenditures based on recent trends in expenditures plus a growth percentage amount for each year of the project. Another model would have utilized control counties, as in the Waiver Demonstration Project in Ohio, pegging the reimbursement amount of the Waiver counties to the expenditures of the control counties.

The model selected to determine the federal base allocation for the CAP—a cost look-back model—calculated the average of expenditures for assistance and administration for Federal Fiscal Years (FFY) 2003–2005. There is an annual growth of 2% beginning in FFY 2006. The State of California and the participating counties of Alameda and Los Angeles also contribute to the capped allocation funds. The State's assistance contribution to the CAP is from the State's General Fund for Foster Care assistance. It is a capped base allocation determined by the actual expenditures for State Fiscal Year (SFY) 2005–2006. The State's contribution from the State's General Fund for Child Welfare Services (CWS)-related programs—CWS Basic, and

foster care administration—is a capped base allocation calculated using county allocations for SFY 2006–2007. An annual growth of two percent beginning in SFY 2007–2008 is also included in this portion of the State’s contribution. Both counties contribute funding equivalent to their actual expenditures in SFY 2005–2006. The Waiver Base consists of the combined three sources. Appendix A depicts the revenue schedules for Alameda County and Los Angeles County.

There are two other allocation categories. The costs excluded from the Waiver Base are part of the Non-Waiver Allocation. These include program costs for training, licensing, adoption administration and assistance, non-recurring adoption costs, reimbursements, evaluation, and the Statewide Automated Child Welfare Information System (SACWIS). These program costs are not subject to the capped allocations included in the CAP. The third allocation category is the Non-Base Waiver. This category includes some new programs added since the determination of the Waiver Base and some general fun programs that do not draw down Title IV-E and were not part of the base calculation. While some programs may be eligible for reimbursement under Title IV-E provisions, the Federal capped allocation cannot be increased. As a result, only the State General Fund amount is provided to the counties for the activities. In Appendix B, County Fiscal Letter (CFL) NO. 07/08-36 contains a list of the activities in each of three categories.

From the vantage point of demonstration projects designed to study the influence of the flexible use of Federal funding—without providing new money—the capped allocation amounts are meant to represent the amounts of revenue the counties would have received under traditional Title IV-E provisions—absent their participation in the CAP. However, the combination of the model chosen to determine the federal base allocation—along with the FFYs selected for the calculation—proved fiscally advantageous for the counties that elected to participate in the CAP. For both Alameda County and Los Angeles County, foster care expenditures for assistance and administration were higher in FFY 2003–2005 than when they began operating under the capped allocation July 1, 2007. The effect was revenue enhancement resulting from the difference between the capped allocation and current costs. This revenue would not have existed absent the CAP. The initial enhancement was projected for some time prior to the start of the CAP and served as an additional attractive feature that influenced the counties’ decision to participate in the CAP. The initial enhancement of revenue assisted counties in funding service alternatives to foster care from the start of the CAP—without first generating reinvestment savings by reducing foster care intakes, length of stays, and reliance on high-cost foster care placements. In other words, the revenue enhancement became “seed” money, necessary to begin early development of alternative services.

In electing to participate in the CAP, the counties were assuming some degree of risk. If expenditures increased beyond the ceiling of the CAP, the county would be responsible for dollars spent beyond the limit. Expenditures could increase for reasons unrelated to the performance of the county’s services, such as additional program requirements brought about by new legislation, or a reduction in other revenues resulting from economic crisis. A number of factors, however, mitigated the risk. The first mitigating factor was the additional revenue that would not have been available absent the CAP. Second, the capped allocation was guaranteed.

The amount received was not tied to the performance of control counties or even the participating counties themselves, provided their expenditures stayed below the cap limit. Finally, the Terms and Conditions between the CDSS and the Children’s Bureau contained an “opt-out” clause for the State and participating counties. With 60 days notice, the parties could return to the traditional provisions of Title IV-E funding and the entitlement.

1.4 Evaluation Timeframe and Implementation Status

The Interim Evaluation Report timeframe includes the planning years preceding the start of the CAP through the first two years of the project ending June 30, 2009. At the time of the submission of the evaluation report, the CAP was approaching the completion of the third year. In general, the four county departments were implementing their second sequence of initiatives under the CAP and planning for their third sequence.

1.5 The Evaluation Framework

1.5.1 Overview of the Evaluation Questions

The central question to be assessed in the evaluation of the CAP is:

What is the impact of a capped, flexible Title IV-E funding strategy on the implementation of the Child Welfare Services System and relevant Probation System, and on Federal and State outcomes for children and their families served by those two systems in participating counties?

From this central question flow three sub-questions that guide the three components of the evaluation.

First, the Process Study will address the question:

What is the impact of a capped, flexible Title IV-E funding strategy on the implementation and operations of the Child Welfare Services System and relevant Probation System in participating counties?

Second, the Fiscal Study will address the question:

What is the impact of a capped, flexible Title IV-E funding strategy on Child Welfare Services and relevant Probation expenditures in participating counties?

Third, the Outcome Study will address the question:

What is the impact of a capped, flexible Title IV-E funding strategy on outcomes for children and families in the Child Welfare Services System and relevant Probation System in participating counties?

1.5.2 Theories of Change

The premise of the CAP is that a significant proportion of children in foster care in California are not in care based on need or appropriateness of service, but are in foster care due to the current orientation and fiscal structure of the child welfare system. Two theories of change form the basis for the initiative’s approach. The first theory supposes that eliminating the “open entitlement” approach to funding foster care will reduce the fiscal incentive to place children in out-of-home care.

Second and more concretely, eliminating the categorical nature of eligibility and allowed reimbursements (i.e., board and care) will provide the authority and the funds (through cost savings) necessary to reorient the service structure to focus on prevention, early intervention, and permanency, including reunification and after-care efforts, and ultimately lead to improved outcomes for children and families.

1.5.3 Data Collection Methods

The evaluation uses an interrupted, time-series design to guide data collection activities. The time-series design is a quasi-experimental method (Campbell & Stanley, 1963; Rossi, Lipsey, & Freeman, 2004) that accounts for a number of threats to internal validity. However, as it is not a true experimental design (i.e., random assignment to comparison groups), the design does not allow for statements of causality. The notation for the design is described in Figure 1.1.

Figure 1.1: Data Collection Design

O₁ O₂ O₃ O₄ O₅ X O₆ O₇ O₈ O₉ O₁₀

The number and timing of the observations (O₁₋₁₀) is dependent upon the specific study component (process, fiscal, or outcome). In addition, the X—or “treatment”—is not static; it continues after the CAP’s onset for the duration of the CAP.

Historical data has been collected to establish a baseline pattern of outcomes prior to the onset of the CAP within each participating county department. Data collection continues during the implementation of the CAP in participating counties to establish a second pattern of outcomes. Outcome patterns post-CAP will be compared to outcome patterns pre-CAP.

Implementing a true experimental design (i.e., random assignment) is not feasible given the nature of the CAP. The broad scope of the CAP—its focus on restructuring a county’s child welfare services system—precludes the development of comparison groups through random assignment of cases within counties. Randomly assigning counties to status as Demonstration County or Comparison County is also not possible given the voluntary nature of county participation in the CAP.

In addition, developing a dyadic “match” of comparison counties requires overcoming certain obstacles. The list of counties participating in the CAP, in combination with the voluntary nature of the initiative, makes it unlikely that adequate comparison counties could be identified and encouraged to participate. This issue is most notable in the case of Los Angeles County where the size of the child welfare system is much larger than potential comparison sites.

An additional consideration for data collection is the desire to make the evaluation as unobtrusive as possible for counties. As such, the preference is to use data sources that are already available whenever possible (and without unnecessarily compromising the evaluation) in order to limit the workload required of counties participating in the evaluation.

1.5.4 Sampling

Counties are the units of analysis for this evaluation given the broad, systems-wide scope of the CAP. (While counties will be implementing discrete interventions as part of their CAP, those individual programs are not the focus of the evaluation.) Alameda County and Los Angeles County have self-selected into the CAP based on analyses (policy, fiscal, and programmatic) conducted internally to determine the potential benefits and costs of participation.

1.5.5 Analysis

The analytical plans for the three components of the evaluation are described in the pertinent section. SPSS software is used to analyze quantitative data, where appropriate, while Atlas.ti software is used to analyze qualitative data. Also noteworthy is that, for each of the three components of the evaluation, data from the ACDCFS, ACPD, LACDCFS, and the LACPD are analyzed separately. Their respective information is not combined for analytical purposes.

1.5.6 Limitations

As with any evaluation, this study faces a number of limitations, both methodological and practical. First, the overall design—the interrupted time-series design—does not allow the evaluation to determine causality. In other words, it cannot be said—that changes observed in the patterns of outcomes of the participating counties post-CAP as compared to their pre-CAP pattern of outcomes—were caused by the CAP.

Second, county-level data prepared by a third party are being used for the outcome study. Importantly, the data serve as the basis for the Federal and State CFSR processes. However, the aggregated nature of the data precludes the kinds of statistical analyses that could be conducted in this evaluation if the data used were at the level of the individual.

Third, as both participating counties have indicated, the CAP is one part of a larger systems' environment. Teasing out the CAP's possible influence in a larger operating system will be challenging in an environment of co-occurring initiatives and reforms.

The fourth issue relates to the sample and sampling plan. Selection bias is a possibility given that the participating counties are self-selected. The counties choosing to participate in the CAP—Alameda County and Los Angeles County—may have different characteristics and conditions than counties choosing not to participate. Those characteristics and conditions are difficult to control for and may have made the CAP opportunity more attractive to the self-selecting counties, or may make them more successful at taking advantage of funding flexibility.

Finally, several data source/data collection issues will potentially limit the study. The primary issue relates to the availability of fiscal and outcome data from the county probation departments. The probation systems in Alameda County and Los Angeles County can provide only limited fiscal data for the study. More crucially, county probation departments did not have access to the State's automated child welfare case-management information system during the period of this report and do not collect information comparable to that being used in the outcome study portion of the evaluation. Given these two probation data issues, the analysis and interpretation of probation fiscal and outcome information are not included in this report.

1.6 Project Management

1.6.1 Evaluation Team

The evaluation team from the School of Social Work at San Jose State University consists of a Principal Investigator and a research specialist. The team works with liaisons in the four departments participating in the CAP along with representatives from the CDSS.

1.6.2 Key Meetings

With representatives from the CDSS, the evaluation team participates in CAP Monthly Project Team meetings, which focus on sharing information regarding various aspects of the projects and finding solutions to issues that arise. The team also participates in a workgroup organized by the CDSS that includes county representatives and various community stakeholders and advocates that focuses on updating interested parties on the progress of the evaluation. The team also participates in the Annual Child Welfare Waiver Grantees Conferences organized by the Children's Bureau.

1.6.3 Human Subjects

The CAP evaluation has been granted an exemption from human subjects' approval by the Committee for the Protection of Human Subjects at the California Health and Human Services Agency and the Institutional Review Board at San Jose State University. The exemption was granted based on the nature of the evaluation. The evaluation team is committed to conducting the evaluation in a manner consistent with the highest ethical standards.

Chapter 2: Process Study

The process study is divided into two components, (1) Implementation and (2) County Services. The Implementation Component is further divided into two subsections. The first section looks at the planning process undertaken by the counties and the State. The second section focuses on the implementation phase of the Capped Allocation Project (CAP). The County Services Component focuses on the strategies undertaken by the children and family services and probation departments in each county to improve outcomes for children and families.

2.1 Implementation Component

The Implementation Component of the process study looks at the planning and implementation phases of the CAP. The following two sections describe each phase in detail.

2.1.1 Planning Phase

2.1.1.1 Questions

The questions for the Planning Phase portion of the Process Study are in Table 2.1.

Table 2.1 Planning Phase Questions
What was the planning process for the CAP implementation?
What were seen as the necessary CAP implementation requirements?
What were the expected impacts of the CAP implementation on the organization?
What were the important contextual factors expected to influence the implementation of the CAP?

2.1.1.2 Data Sources, Data Collection, and Data Analysis

Informant interviews were the primary source of data for the analysis of the Planning Phase of the CAP. County informant interviews were conducted with executive-level county department administrators (program and administration) and with individuals who had played central roles in a county's CAP planning process. CDSS informant interviews were conducted with staff responsible for the program and fiscal oversight of the planning and implementation of the CAP. Interviews lasted about 60 minutes and took place during the first site visit to each location or via telephone in the summer/fall of 2007. Appendix C contains the Tables displaying the number of interview participants by county and department.

Informant interviews were semi-structured. However, the evaluator sought to include as many specific questions as warranted across all interviews conducted in a particular department. Appendix D contains the protocol used to guide the interviews. Audio recordings of the interviews were transcribed, coded using the Planning Phase questions as a guide, and analyzed for essential themes and lessons learned.

Relevant planning documents were reviewed. These include meeting minutes and notes, county CAP plans, and county publications.

2.1.2 Implementation Phase

2.1.2.1 Questions

The questions for the Implementation Phase portion of the Process Study are in Table 2.2.

Table 2.2 Implementation Phase Questions
What elements of the CAP were implemented as planned and what required modification?
What were the structures for the oversight and monitoring of the CAP implementation?
What were the challenges and facilitators to the CAP implementation?
What staff, staff changes, and/or training were necessary for the implementation of the CAP?
What was the frontline staff/supervisor perception of the CAP?
What was the impact of the CAP implementation on the morale of child welfare and probation departments?
What was the impact on the structures of the county departments (child welfare and probation) and the State resulting from the implementation of the CAP?
What was the role of leadership in the implementation of CAP?
What was the role of the Courts in the implementation of the CAP?
What were the key contextual factors influencing the implementation of the CAP?

2.1.2.2 Data Sources, Data Collection, and Data Analysis

2.1.2.2.1 Informant Interviews and Focus Groups

Informant interviews were the primary source of information for the Implementation Phase, along with information from focus groups. The interviews and focus groups were conducted during site visits to Alameda County and Los Angeles County in the summer of 2007, the spring/summer of 2008, and spring/summer of 2009. Interviews with administrators and staff at Children and Family Services and at the Probation Department focused on both program and administrative operations. Informant interviews lasting about 60 minutes each were conducted during the site visit or via telephone. Appendix C contains the Tables with the number of interview participants by county and department.

Focus groups were conducted with county staff at the two departments, Children and Family Services and Probation, and focused on direct-service staff and their supervisors. Each focus group took approximately 2 hours and included between 3 and 12 members. Appendix C contains the tables displaying the number of focus group participants by county and department.

The informant interviews and focus groups were semi-structured. However, the evaluator sought to include as many specific questions and topics as warranted. Appendix E contains the protocols used to guide the interviews; Appendix F contains the focus group guides. The audio recordings of the interviews were transcribed, coded using the Implementation Phase questions as a guide, and analyzed for dominant themes and lessons learned.

Interviews were conducted with representatives from the CDSS in the fall of 2008 regarding the implementation of the CAP. The analysis of those interviews will be included in the final evaluation report.

Relevant documents were reviewed. These included meeting minutes and notes, progress reports, and county publications.

2.1.2.2.2 Survey

A survey was conducted to collect information regarding direct-service staff/supervisor perspectives on the CAP. The survey contained a limited number of items in order to increase the likelihood of completion. The survey focused on staff's understanding of the CAP, their attitudes toward the CAP, and the impact the CAP has on their work with children and families. In the spring 2008, the survey was administered to staff of the ACDCFS, the ACPD, the LACDCFS, and the LACPD. The survey was administered again in the fall of 2009, but only to staff of the ACDCFS and LACDCFS. Workload issues in both Probation Departments precluded survey data collection. Response rate information for each administration is included in the sections presenting the findings. Appendix G contains a non-department specific sample of the first and second survey.

2.1.2.2.3 Casey Family Programs

Casey Family Programs have committed resources to all four county departments participating in the CAP and interviews were conducted with representatives from Casey Family Programs to better understand the role of the organization in the implementation of the project. The two interviews were conducted in fall 2009 with one representative in Los Angeles County and two representatives in Alameda County.

2.2 County Services Component

The County Services Component portion of the process evaluation is concerned with the service delivery system within each county and how those systems change (or not) because of the CAP. As such, comparisons will be made between the pre-CAP service delivery system and the post-CAP service delivery system.

2.2.1 Questions

The evaluation question guiding this portion of the process study asks, ‘What is the impact of a capped, flexible Title IV-E funding strategy on the implementation and operations of the Child Welfare Services System and relevant Probation System in participating counties?’ Related questions emerge from the central question and they are presented in Table 2.3.

Table 2.3 County Services Component Questions
How did the process for accessing services change as a result of the CAP?
How did the process of case management change as a result of the CAP?
How did the service array change as a result of the CAP?
How did the availability and the intensity of services change as a result of the CAP?
How did service integration change as a result of the CAP?
How did the processes for quality assurance change as a result of the CAP?

2.2.2 Data Sources, Data Collection, and Data Analysis

The data sources, data collection, and data analysis processes for the County Services Component are the same as for Implementation Phase. Please refer to that section for a description.

2.3 Analysis

The analysis of the Implementation Component and County Services Component is descriptive. The focus of the analysis is on identifying central themes and lessons learned.

2.4 Findings: California Department of Social Services

2.4.1 Planning Phase

2.4.1.1 Context

The State-supervised, county-administered structure of the child welfare system in California contains innate tensions around roles and responsibilities that require the continual management of a series of relationships. This is not a necessarily negative characteristic but one that adds a layer of complexity to implementing a project like the CAP. The decision-making process is not unilateral and instead requires the input of both sides. What the system lacks in efficiency, it might gain back in a greater degree of responsiveness at the local level.

The CDSS views its responsibilities with the system as a dichotomy, a balance between meeting the needs of the counties and meeting the needs and requirements of the Federal government. The primary relationship, however, is with the 58 counties in California. CDSS representatives view the relationship as a strong partnership. The CDSS assumes a leadership role in areas where it has regulatory oversight, administrative, and program or policy priorities. At other times, CDSS defers the leadership role to the counties, allowing their local needs to drive the decision-making process.

In its role, the CDSS monitors and oversees the 58 county child welfare systems through a quality assurance system and can act as a conduit between counties. The CDSS vantage point allows it to discover innovations in one county and, through dissemination, technical assistance, and training, introduce those innovations to other counties. In addition, the CDSS supports innovation and improvement by sponsoring pilot projects in one or more counties.

The CDSS also has the responsibility for operating the budgeting, allocations, and claiming structures for child welfare funding (Federal and State) for the 58 California counties. It interacts with Federal representatives regarding Federal policies, regulations, and programs and coordinates the State's response to Federal requirements and entreaties. Discussion follows on CDSS responsibilities as they relate to the CAP.

2.4.1.2 The CDSS and the CAP Proposal

A long-term CDSS priority was to test fiscal flexibility in child welfare financing. For years, the department had stressed the need for increased flexibility to improve outcomes. While the CDSS and some counties had participated in an earlier Federal child welfare demonstration project allowing for fiscal waivers, that project focused on using waivers to develop interventions designed to meet the needs of specific populations within the child welfare system.

The CDSS now seeks a systemic approach to support the current system improvements and efforts underway in California.

The department, however, adopted a neutral stance in the development of the CAP for two reasons. First, the proposal involved capping an entitlement, and due to the severe budget crisis at that time, the need for the new waiver to be cost neutral for the State. Second, the nature of the State-supervised, county-administered child welfare system in California had established a dynamic where the CDSS often played a supportive role in the pursuit of certain child welfare opportunities. This was the case when Los Angeles County DCFS initially engaged CDSS in August 2003 and began proposing the specific type of waiver project now underway. While the department had concern with the flexible capped grant proposal that the Bush Administration had proposed as a state option shortly before the county waiver proposal was received, the CAP used a slightly different approach and the department facilitated contact with DHHS so a federal waiver could be pursued.

In February 2004, the Los Angeles County DCFS submitted a formal proposal for a flexible funding waiver to the CDSS. The submission was significant in that Los Angeles County accounts for a sizeable portion of California's foster care population. The system size—along with the political capital afforded Los Angeles County through strong legislative and executive branch representation—means that its proposal received proper attention. Discussions continued between the county and CDSS to negotiate a number of issues in order to develop and update the proposal for federal submission. This included needed fiscal information and written assurances from the county to hold the State harmless or cost neutral from any increased State participation.

Based on the flexible funding waiver proposed by Los Angeles County DCFS, the CDSS submitted a letter of interest to the Children's Bureau in May 2004 informing the Federal agency of the State's interest in participating in a second waiver demonstration project. The Children and Family Services Division at CDSS led the negotiations with the Children's Bureau. The Federal response identified that further negotiations would be contingent upon a submitted statewide capped allocation methodology.

In November 2004, a manager with a relationship with the CDSS Administration Division—and a background in fiscal administration and accounting—filled a key position at the Children and Family Services Division. In addition, CDSS established a workgroup consisting of CDSS representatives from both program and administrative divisions, CWDA, and representatives from eleven interested counties. It was this workgroup that finalized the fiscal methodology to determine the number of Federal dollars to be allocated based on the model by Los Angeles County and worked with the State to reach agreement on the final Federal Terms and Conditions.

Negotiations between the State and Federal governments began in March 2005 to determine the terms and conditions for the new CAP. Sample calculations using a look-back methodology (average foster care assistance and administration expenditures from a previous three year period) and based on data from the five volunteer counties were submitted to the Children's Bureau.

2.4.1.3 Negotiations with the Children's Bureau

Respondents described the negotiations with the Children's Bureau as presenting a number of challenges, with both sides working to establish the best set of conditions in determining the Title IV-E base amount of dollars in addition to the kinds of activities and programs to be included or excluded under the CAP. In using the look-back methodology to determine the base dollar amount, the CDSS wanted to use a three-year period of expenditures that would provide optimal funding. Conversely, and in its estimation, the Children's Bureau wanted did not want to be in a position to "overpay." Both parties agreed to exclude the Adoption Assistance Program from the CAP and to continue it as a matching program. The CDSS presented information indicating that the inclusion of the Adoption Assistance Program would affect counties differently and deter counties from participating in the project. Negotiators established a base funding amount for the purpose of cost neutrality. The base amount would increase 15% following the base year and continue annually for the term of the project.

The Children's Bureau did not oppose excluding the Statewide Automated Child Welfare Information System (SACWIS) from the CAP, though the Federal agency was reticent at first to exclude funding for licensing and training. The CDSS was concerned that if licensing and training were included under the CAP, they would be competing directly against service concerns for funding, with service concerns likely trumping licensing and training needs. Therefore, the CDSS did not want licensing and training to compete for service dollars under the CAP. The State agency also argued that because not every county conducts its own licensing—it is handled by the CDSS—then the CAP would have to be more directly tied to State operations dollars, a challenging endeavor.

Initial proposals did not include county probation departments as project participants and whether to include them was part of the negotiation process. In a letter to the Children's Bureau, the CDSS argued that probation costs should be excluded for three reasons: "(a) the service strategies for child welfare and probation populations are usually different; (b) the role of the court is different for the two populations, and the length of stay in out-of-home placements for probation youth are often predetermined, limiting programmatic flexibility; and (c) future probation-related legislation is possible that would be incompatible with the department's participation in the CAP" (CDSS letter to the Children's Bureau, March 2005). However, county probation departments in California had historically used Title IV-E dollars to fund the assistance and administrative costs associated with eligible youth with out-of-home placement orders, and in many ways, the CDSS had viewed the two populations of youth as similar in issues and service needs. The final inclusion of probation was based on the Federal view that the probation population is part of the child welfare system.

Cost neutrality was a major issue. Federal funds could not exceed the amount of expenditure had the pilot project not gone forward. The key was determining the amount that would be spent, absent the project. For the purpose of cost-neutrality in a similar Title IV-E child welfare demonstration in Ohio in the late 1990s, the expenditure totals of control counties served as expenditure limit for participating counties. In the California model, the expenditure limit is set by the amount of Federal dollars allocated in the grant over the five-year life of the project. In the California model, the base allocation plus the annual increase is the total amount payable to

the State on behalf of participating counties. According to the Federal project Terms and Conditions (2006), the aggregate five-year sum of payments is considered the cumulative fixed payment, and “receipt by the State of payments not greater than the cumulative fixed payment shall be considered cost-neutral to the Federal government” (p. 14).

The turning point in the negotiations came in early 2006 with word that Congress did not renew the DHHS waiver authority. Negotiators had expected reauthorization through Temporary Assistance for Needy Families (TANF) legislation. Changed expectations meant that the terms and conditions for all new waiver projects had to be completed by March 31, 2006. Negotiations between the CDSS and the Children’s Bureau took on a sense of urgency; senior administrators at both agencies became more directly involved in the process. Among respondents, there is a sense that the sudden deadline for completing the negotiations likely benefited the CDSS and participating counties, that the Children’s Bureau did not want to be in the position to say no to California’s participation in another demonstration project and, as such, there was more compromise in the final rounds of negotiation than there might have otherwise been. One possible result was greater fiscal benefit for the project.

Throughout the negotiations, representatives from the CDSS had several conversations with members of the California Congressional Delegation. Support for the CAP divided along party lines, with Democrats generally opposed to capping the Title IV-E entitlement and Republicans generally in favor. While there was a general sense of interest in the project among members of the delegation, there was neither strong resistance nor strong support for change. In contrast, members of the California State Legislature actively supported it. About half of the representatives in both houses of the California State Legislature are from the Los Angeles County area. The proposal by the Los Angeles County DCFS resulted from the direct efforts of the departmental director who sought legislative support. In July 2005, the legislature passed California Assembly Joint Resolution No. 10, declaring its support.

Negotiations between the CDSS and the Children’s Bureau culminated in the signing of the Terms and Conditions on March 31, 2006. Its successful completion is traceable to support from the Governor’s Office and the State Department of Finance. The Governor’s Office was encouraged by the degree of risk assumed by the counties rather than the State. The CDSS had previously approached the Department of Finance with relative frequency with its requests to use State general funds in a more flexible way due to traditional restrictions on the use of Title IV-E dollars. The CAP proposal presented the CDSS and the Department of Finance with the opportunity to try some of those ideas in systemic fashion. A longtime proponent of increasing the flexibility of child welfare financing, the CDSS stayed committed to the concept over the course of negotiations and through the tenure of three directors. CDSS representatives had a positive working relationship with key negotiators for the Children’s Bureau and significant experience implementing a variety of Federal waivers and waiver demonstration projects, as did the two counties most likely to participate in the CAP.

2.4.1.4 Project Planning and Coordination

CDSS and the county departments considering participation in the CAP faced the immediate challenge of an October 1, 2006 to January 1, 2007 start-date. The available deadline

for tasks such as program planning was six to nine months. Project information was transmitted to counties, along with requests for letters of intent to participate, and instructions for the development and submission of the county program plans. The CDSS had programming discussions early in the process of obtaining the CAP that focused primarily on the kinds of programs allowable in a capped allocation environment. In June 2007, further program guidance was provided in the All County Information Notice for the county letters of intent, including the requirement for the project to support and/or expand the County System Improvement Plan based on collaboration and a local planning process. After the county departments submitted plans to CDSS in spring 2007, county specific program discussions and technical assistance began in earnest. The process was county-driven and State-supported. Although key program managers within Children and Family Services Division participated in crafting the program policy for the county plans, respondents said the inclusion of the CDSS county liaisons (staff who work directly with the counties on a quarterly basis monitoring outcome data) earlier in the process would have assisted the State-level support for the counties and development of the ongoing monitoring for the CAP.

A counterpart to the question of the potential loss of Federal dollars was the amount of State dollars allocated to the CAP. Discussions on that topic began in earnest with the signing of the Federal Terms and Conditions. The CDSS began fiscal analyses on information from four counties that might potentially participate, ultimately sending information on two counties to the Governor's Office for approval. Although the State Department of Finance was initially concerned that a growth rate would negatively affect cost-neutrality, that concern was assuaged. After considerable discussions, the CDSS secured a 2% growth rate on administrative costs from SFY 2006-07 based on the approximate natural growth rate in general fund amounts. However, the assistance payments allocation was determined to be equal to the costs from SFY 2005-06. The final State general fund methodology was issued to the counties in November 2006.

The State and counties felt that six months might be inadequate to plan and begin implementing a project as complex as the CAP. The two counties electing to participate in the CAP (Alameda County and Los Angeles County) were not formally identified until September 2006 after submitting program plans. Early interest in the project was high as evidenced by the CDSS receiving letters of interest from 47 of California's 58 counties. Interest waned over the summer as counties assessed their fiscal needs against the elements of the project, and determined it was not in their financial interest to participate. Only four counties submitted a formal letter of intent to participate. Humboldt and Orange counties both withdrew.

The October 1 start-date would have placed the CAP in line with the Federal fiscal year, adding an additional level of complexity to the budgeting and allocation process for the State and counties. The January 1 start-date would not be feasible due to the tight timeframe for completing the county MOU approval process. As a result, the CDSS received verbal approval to extend the date out another quarter to April 1. Subsequently, the Children's Bureau, the CDSS, and the county departments agreed to begin the CAP on July 1, 2007. This new start date gave participants additional time to secure approvals and prepare. The date also coincides with the State fiscal year, helping to reduce another level of complexity to an already complex budget and allocation process.

2.4.1.5 Planning for Changes in Fiscal Processes and Structures

The nature of California's child welfare and probation systems—county administered and State supervised—makes for a complex budgeting, allocation, and claims process. The CAP has had an effect on all three areas. In the early stages, the majority of tasks fell to the fiscal policy group—responsible for initial interpretation and development of new CDSS programs. Preparing the funding estimates for counties that elected to participate proved to be more work than anticipated. Once the Federal base allocation and State general fund amounts were determined, the workload shifted to areas of the CDSS that conduct estimates, allocations, and accounting activities. While it was anticipated that the workload would increase due to two counties operating outside the familiar Title IV-E system, the biggest increase fell to the accounting group, given their role in processing and tracking claims against allocation amounts.

While there were important reasons to exclude items like training from the amount allotted under the CAP, the exclusions meant that, for accounting purposes, items would be designated either “waiver” or “non-waiver.” That left technical challenges for budgeting, allocations, and particularly claims. While the claims process did not change, the introduction of CAP led to the creation of a separate system for reconciling the claims of the two CAP counties alongside the system operating for the remaining 56 counties. Significantly, the CAP counties account for approximately 33% of the system.

When it appeared that more counties would take part in the project, CDSS considered developing a separate claims process. After determining that just two counties would take part, CDSS and the counties decided that participating counties would continue to submit claims in the usual way and CDSS would develop and operate a structure to reconcile and track expenditures against allocations for the two counties.

Working in the new fiscal environment presents the CDSS with new challenges due to the size of the budgeting, allocation, and claiming system. No one area understands the entire system or all the possible ramifications of a decision. One central challenge has been to harness knowledge and experience from within the organization before staffers change positions or retire, and institutional knowledge disappears.

The process has been iterative. One effective strategy is to be as inclusive as possible in meetings and discussions to maximize access to institutional knowledge and experience. Not surprisingly, given the complexity of the endeavor, respondents reported that the project could have benefited from an even greater degree of inclusiveness during the earlier stages. Policy decisions have an obvious impact on the implementation-side of the organization and an increase in communication earlier might have allowed for a greater degree of interaction and responsiveness to policy-driven needs. Also of no surprise is that certain impacts may not have been recognized and addressed in the early stage of the project. The tenuousness of the negotiations—coupled with a degree of early uncertainty about the full nature of the project—meant that the department would not be able to initiate a dedicated course of implementation despite the inclusion of critical areas and key staff in the planning and development discussions.

The CDSS planning structure initially consisted of a core team and a fiscal workgroup that met weekly on funding issues related to the CAP, the potential impact of the project on the department's workload, and the kinds of process changes needed. After the Terms and Conditions were approved, the fiscal workgroup began to include county representatives: the CDSS was concerned about the potential for workload increase at county fiscal departments if the claims and payment process changed at the State level. State and county respondents reported the importance of involving the counties in this joint process. County fiscal operations are sometimes unique to a county and it was necessary for CDSS to understand how they worked in the CAP counties. The benefits associated with the development of the waiver-related fiscal processes came in the area of improved relationships within CDSS and between CDSS and its county partners. Within CDSS administration, the CAP brought together the fiscal areas (budgeting, allocations, and claims) to coordinate efforts and work more closely together. The project also brought administrators into a more cohesive relationship with the program side of CDSS. The CAP provides an opportunity to strengthen the working relationship between CDSS and two large counties—and gain deeper understanding of the attributes and constraints of each.

2.4.1.6 Evaluation Planning

Evaluating CAP is a major CDSS responsibility. The Research and Evaluation Bureau (REB) oversees development of the evaluation plan and a number of considerations drove the decision-making process in the early stages. First, the REB leadership did not want an evaluation plan that included random assignment based on its experience with the first waiver project in California and concerns about the ethics of experimental designs. Given the system-wide nature of the CAP proposal, CDSS use of random assignment was a non-issue: counties cannot be randomly assigned to participate. Second, leaders wanted to use existing data sources wherever possible to keep costs down and to limit reliability concerns inherent in having multiple data collectors. Finally, the REB leadership wanted to keep the evaluation as simple as possible, focused primarily on whether counties create new services, more services, and/or a variety of services. Internal differences existed at the CDSS on this last point. Programming representatives advocated for the evaluation plan to include a sub-study component to be able to look at innovative county programs and whether they had any impact on child or family outcomes.

Emerging from the evaluation development process was a modified version of a plan designed by the CAP evaluator and CDSS consultant. The proposal contained three study components (process, fiscal, and outcome) designed to view information aggregated to the county-level. It did not plan to evaluate specific programs at any county department, such as child welfare or probation. The evaluation was intended to use existing data sources, primarily in the outcome component where data on the Federal Child and Family Services Review (CFSR) indicators for each of the participating counties are publicly available. However, the CDSS elected to forgo county comparisons that would have led to a more rigorous evaluation, concluding that it is unlikely that a county—electing *not* to participate—would submit to full data collection. In addition, the inclusion of Los Angeles County presented methodological challenges the CDSS decided it could not overcome.

2.4.1.7 Processes for the Planning Process

The CDSS has used a cross-divisional team and workgroup model as the central organizing structure for planning and decision-making throughout the development of the CAP. For most of the planning phase there were two workgroups, a primary workgroup comprised of individuals from a key areas within the CDSS, and a secondary workgroup focused exclusively on fiscal issues.

The primary workgroup had three phases and loci of facilitation. In the early phase—beginning in 2004 with discussions about the new capped allocation waiver project until the signing of the Federal Terms and Conditions at the end of March 2006—the primary workgroup was large and included individuals from the fiscal/administration, program, legal, and research areas of CDSS. Individuals from areas such as foster care audits and rates were included when necessary. This high degree of inclusiveness was beneficial at a time when there was a limited sense of what was needed; having a larger group allowed for participation by a variety of perspectives and expertise. The primary workgroup was facilitated by the Children and Family Services Division under the program project manager. Her knowledge and background was valuable in enabling the processes between her division and the Administration Division. Her fiscal expertise guided her in making efficient requests for information from the Administration Division and her relationship with fiscal staff likely increased responsiveness to those requests. Overall, she was in a better position to understand what information was necessary, an important consideration given the scope of the project. The Children and Family Services Division also had a second staff member who had come from the CDSS fiscal policy area with background and experience working in the county, in addition to, working on the previous waiver project. This cross-divisional expertise provided a significant resource for the core team and the fiscal workgroup as efforts moved forward.

In the middle phase—from April 2006 to approximately January 2007—the workgroup was moderated by either the project manager in the Children and Family Services Division or the lead area in the Administrative Division to address specific implementation issues. Representatives called each meeting, set the agenda, and expedited the process. In the later phase—from January 2007 to July 2007 when the project started—the large workgroup format changed and separate project meeting were held to address specific areas, and called in others when necessary. This made the process more efficient as tasks and issues became focused.

The fiscal workgroup also met throughout the CAP planning phase. The CDSS concluded that anticipated changes to the claims process as well as to budgeting and allocations, warranted regular discussion. By the later phase of the planning process, with the end of the primary workgroup and creation of smaller, topic-specific groups, the fiscal workgroup emerged as the central workgroup that met regularly. During this time, it was the forum for project planning updates for the core team members.

The planning process required the development of structure for oversight and monitoring, on both a high administrative level and a day-to-day level. At the administrative level, the executive staff of the CDSS—the Director, Chief Deputy Director, Deputy Director from various divisions, and other key staff—met weekly to be briefed on the status of the CAP, to provide

policy direction, and to respond to issues requiring intervention. The project also used a written Week Ahead Report (WAR) to brief the CHHS Agency and Governor's Office on the status of the CAP and key issues. The CAP updates went forward for inclusion in the CHHS report that is submitted to the Governor's Office highlighting key activities and events for State departments.

On a day-to-day basis, there were essentially two tiers of oversight and monitoring. The Child Protection and Family Support Branch within the Children and Family Services Division, led by the project manager, was the primary entity charged with overseeing the planning process and coordinating the work of the team members from the various areas. Working with representatives from other bureaus (e.g., fiscal policy), the project manager monitored the activities designed to move the project to implementation. The group sought to build institutional knowledge as it moved through the process, so that it was not necessary to begin anew when a new task was needed; some amount of knowledge and expertise from one task was transferable to another. To that end, each meeting was documented with a summary that listed goals and objectives and requisite tasks. There was an effort to chronicle key events that took place in order to provide reference material to inform on-going decision-making and project-planning activities. Individual bureaus retained their responsible for the oversight and monitoring of their specific area of functions and expertise. For example, the development of the evaluation was monitored by the Research and Evaluation Bureau.

There were discussions about placing all CAP oversight and monitoring to the Child Protection and Family Support Branch. There were several reasons given for increasing the centralization of oversight and monitoring. First, the Child Protection and Family Support Branch had already taken the lead in oversight and monitoring; increasing their role would lead to greater efficiency. It required a fair degree of coordination to bring the various bureaus together for planning; giving one entity the responsibility for oversight could increase coordination. Second, there had been reorganization discussions within the participating CDSS divisions. Centralizing oversight and monitoring could limit the possible impact of any such reorganizations on the CAP. Finally, with staffing changes resulting from retirements and promotions, centralization would allow for CAP-related institutional knowledge to be developed and held within one area.

There were reasons to keep oversight and monitoring of the CAP less centralized. The CAP involved various entities at the CDSS each with fixed accountability tasks for the project. As such, the involvement in oversight would be required to ensure compliance as well as being advantageous to successful implementation. Also, an area's budget is built around staff positions; a reduction in the number of responsibilities could lead to a reduction in staff positions and budget reduction. Overall, this presents a disincentive to a restructuring of monitoring and oversight that concentrates those activities within one branch of the organization.

Prior to the signing of the Federal Terms and Conditions in March 2006, the CDSS dedicated three staff positions to the project: two under the Child Protection and Family Support Branch and one in the Research and Evaluation Bureau. This level of staffing was important, given the amount of information that needed to be developed during negotiations with the Children's Bureau. Once the project scope was evident, the CDSS sought to attain two additional positions to assist with fiscal policy and to develop the new system for claiming costs. In

California, positions are requested through a budget change proposal (BCP) within the State budget process and are subject to approval by the Department of Finance. In this case, one new position was approved and one of the positions under the Child Protection and Family Support Branch was redirected to the Fiscal Systems and Accounting Branch. While this provided additional support to the Fiscal Systems and Accounting Branch, it did not completely meet the branch needs as related to the CAP activities. It also placed an additional burden on the Child Protection and Family Support Branch to complete the necessary tasks with existing staff.

An important aspect of the staffing question was the willingness of individuals from different bureaus and branches to collaborate and assume a workload increase. This was particularly true for the branches within the Administration Division. The nature of the project required a high degree of participation from the Administrative Division, most notably in the area of claiming, and individuals took responsibility for those tasks. Complimenting the commitment to complete workload that exceeded the resources provided, the Children and Family Services and Administration Division staff consistently took on assignments above their normal allotted workload, and were therefore able to move the CAP to implementation with less than optimal staffing. In working with the counties toward CAP implementation, the CDSS sought to support counties in their efforts and approached problem resolution by working in collaboration to solve problems. The CDSS employed this approach in multiple formats, knowing from the outset that major fiscal issues would arise. For this, CDSS met regularly with county representatives to address those issues. This fiscal workgroup met with both counties simultaneously to encourage a learning feedback loop and to maximize the time spent on the problems. Here too, staff produced summary meeting notes and next-steps to guide and encourage concrete action. In addition to the regular fiscal meeting, CDSS addressed other issues and concerns on an ad hoc basis. When necessary, meetings, teleconferences, and phone calls took place with relevant CDSS and county staff to address issues. The CDSS also set up an email address for counties to communicate questions and comments.

2.4.1.8 Thoughts on Implementing the CAP

Major child welfare reform projects face implementation challenges and the CAP, while focused on the funding program of activities, is no different. Respondents noted a number of challenges related directly to the CDSS and others involved more broadly with the project. The first challenge is technical in nature. The CAP has required the development of parallel budgeting, allocation, and claiming processes for two of 58 counties in California. Given the size of the two participating counties, the importance of developing a quality set of processes cannot be underestimated. This has generally meant a significant increase in the workload for CDSS staff in both the administrative and programmatic divisions. In addition, the software that forms the basis of the business-as-usual processing structure, particularly in the area of claiming, was not designed with capacity for flexibility and adaptability, which adds to the challenge and requires creative solutions by staff. Second, and somewhat similarly, the nature of the fiscal orientation of the CAP and that two significant counties are participating add a layer of complexity when the Federal government, the State legislature, or the department wants to implement a new program or provide fiscal assistance. Every new item requires discussion and negotiation between the CDSS and county representatives (and sometimes-Federal government

representatives) about whether the two CAP counties will be included or whether their inclusion is unfair or upsets the balance of the project remaining cost-neutral.

Both staffing and the process of staffing positions at CDSS presented a third challenge. The department needed more staff dedicated solely to the CAP but the State's dismal fiscal environment precluded that possibility. The substantial number of retirees drains the institutional knowledge that would be necessary for long-term project success. This loss of administrative staff has the potential to limit the emergence of leadership among staff with a shared history with the project. The State's process of staffing its departments, paired with the slowly developing nature of the project, is a further complication as it is harder to obtain additional positions, especially in tight fiscal environments, after the project has started. Requests to increase staff are harder to justify because they are based on the prior year's activities, which leads to the assumption that the increased workload can be absorbed. Also, because positions are staffed based on workload in a specific bureau, branch, or division, the various organizations are hard-pressed to relinquish their position if additional responsibilities are added in different areas because their workload does not dissipate.

A fourth challenge is working to develop a more complete partnership with the county departments. Respondents report that the CDSS hoped to deepen working relationships so the department would better understand the needs of the participating counties and respond in a manner the participating counties would find useful. In addition, a stronger partnership would help the CDSS in its efforts to assist the counties not participating in the CAP by providing information on topics such as maximizing revenue sources, understanding programmatic advances, and making the necessary policy changes to promote and implement best practices.

CDSS respondents expressed concern about external factors. The greatest concern relates directly to operating within a capped allocation environment and ensuring that funded programs achieve the necessary results. This requires the development of a tracking and analysis system with enough sophistication to provide the data necessary to inform a timely decision-making process, particularly at the county level. Given the organizational structure of child welfare in California, the CDSS is somewhat removed from current county-based management information systems and respondents report that CDSS will need to develop its own infrastructure for monitoring project activities. The final set of concerns relates to societal items that are generally beyond CDSS control. These include the local, State, and national economies; increases in substance abuse and in poverty.

To counter these challenges, respondents discussed strategies for successfully implementing the CAP. Internally, the CDSS needs to continue to focus on including all of the necessary individuals in meetings and discussions to facilitate problem solving and avoid delays. The organization also needs to continue its efforts at developing and maintaining institutional knowledge to solidify understanding of the project and increase the degree of efficiency in operations. In relation to the counties, CDSS will work in collaboration with the Outcomes and Accountability Bureau staff to provide greater State support and will develop project-monitoring mechanisms to understand county programmatic efforts and expenditures under the CAP.

A key issue looms large over the CAP though it has not been the subject of extensive discussions between the CDSS and the counties. What should be done once the project ends in 2012? Ending the CAP will also end the entitlement nature of Title IV-E funding in exchange for fiscal flexibility. To the extent that counties can restructure their child welfare systems with these flexible dollars, they are likely to come to rely on the ability to spread a major funding source across a variety programs. That will make it a challenge to return to the fiscal environment preceding the CAP where the funding is categorical. The CDSS has required the counties to develop phase-down plans as part of their implementation plans, but out-year planning discussion have not yet taken place. The Children's Bureau currently has not made a final decision regarding its policy for authorizing new waiver extensions. However, CDSS and other states have approached the Children's Bureau to begin discussions. To the extent that counties view their project efforts as successful, they, and possibly other California counties, will want to continue operating in a CAP-like environment. This will place tremendous pressure on the CDSS to create a fiscal and policy setting that mimics the CAP. Creating such an environment will require the participation of the California Legislature and Governor's Office.

In reflecting upon the CAP's development process, respondents highlighted several areas for improvement. The department's efforts in the new waiver's development process could have benefited from a more detailed understanding of what types of information and processes were needed to inform decision-making in support of the fiscal and outcome framework for the CAP. Informed by its unique vantage point in the child welfare system, the CDSS could have guided the conversations with the counties and perhaps have made the process more efficient by being better enabled to secure the fiscal operations, align the staffing resources, and anticipate the long-range impacts of flexible funding. While the department's county forward approach was inclusive and supportive of the CAP counties, parameters informed by the department's state-level perspective might have provided greater guidance during the CAP's development process.

2.5 Findings: Alameda County Department of Children and Family Services

2.5.1 Implementation Component

2.5.1.1 Planning Phase

2.5.1.1.1 The Impetus for Participating in a Waiver Project

Lessons Learned from the First Waiver

Alameda County's participation in the Capped Allocation Project (CAP) is rooted in the county's involvement in the first waiver demonstration project in California. It is seeded in the philosophy of the county's Social Services Agency (ACSSA) director who believed that financing models are a tool to produce better outcomes for children and families. The project had its practical start in broad changes in organization and practice underway at the Alameda County Department of Child and Family Services (ACDCFS) in the early 2000's.

In its first waiver project, the ACDCFS used a capitation finance model to contract with community service providers to provide Wraparound to a sub-population of children in the foster care system. By project's end, there was dissatisfaction at ACDCFS and the ACSSA with the

arrangements of public-private partnership. In their view, the financial model provided incentives for service providers but no level of return to the county. The public sector derived no financial benefit from the arrangement and limited programmatic success. According to respondents, the ACDCFS and the ACSSA were concerned with a number of factors in the relationship. First, the number of youth in high-end, group-home placements continued to be high, despite program efforts to reduce them. Second, the program appeared to have no clear benchmarks for progress or criteria for terminating service provision. Third, there was a high level of mental-health billing, above the capitation rate, raising questions about the program's long-term sustainability. Fourth, services purchased under the waiver could also have been purchased without the county participating in the waiver project. Finally, and perhaps most importantly, the program was not cost-neutral—a requirement of participation in the waiver project—and the county was required to return approximately \$2 million to the Federal government. Despite the experience, however, the ACDCFS and the ACSSA retained the desire to test the application of fiscal flexibility within the child welfare system, albeit with a different model.

Changing the Organization and Practice

Toward the end of the first waiver project, the ACDCFS began a series of internal conversations about the state of the department. These conversations came at a time when the department was struggling to achieve its mission and trying to avoid having the CDSS assume administrative responsibility for the department through a California Welfare and Institutions Code 10605 process. Led by the ACSSA Director, the ACDCFS held a two-day retreat with 25 of its senior staff. The premise of the retreat was that the child-welfare system in Alameda County was not working. Rather than assign blame, the purpose of the retreat was to rethink the child welfare system and to identify four or five pivotal ideas to improve outcomes for children and families. The retreat was also an opportunity to strengthen relationships among colleagues in the hopes of creating greater cohesion. Despite initial skepticism, participants reported that the retreat set the stage for further conversations, a second retreat, and efforts to create change within the department.

Led again by the ACSSA Director, the ACDCFS began to assess the entire child welfare system to identify the indispensable points of intervention. At the front-end of the system, could differential response be used to keep children from entering the system while still keeping them safe? Could cases be reevaluated to determine whether the child could be placed with a relative or in a less-restrictive level of foster care? What could be done to decrease the number of children reentering the child welfare system? What could be done about the backlog of adoptions? If the department were to address these issues, would it have an effect on departmental structure? Could change result in lower caseloads? Would it improve outcomes for children? Any interventions undertaken needed to focus on strengthening families, building connections, keeping children in the community, and reducing the use of foster care, all-important considerations in the healthy long-term development of youth. An additional challenge was the moratorium placed on undertaking new initiatives at the ACDCFS. At one point, the department was involved in 55 special projects, which led to policy drift and confusion about the department's direction and mission.

Eventually, the ACDCFS adopted the four principles (safety, families, strong communities, and community and systems partnerships) of the Annie E. Casey Foundation Family-to-Family initiative to guide practice and select strategies. The department also incorporated suggestions made in a Child Welfare League of America report to describe the challenges faced by the ACDCFS. The department adopted the Structured Decision Making tool to improve decision-making. The ACDCFS also began several pilot projects using a variety of funding sources in an attempt to address systemic concerns. The department worked with First 5 of California to develop Another Road to Safety, an alternative response program, and implemented it in three zip codes in the county. The department accessed Federal dollars to begin a restructuring of the adoptions process to address the backlog of cases.

ACDCFS enlisted foundation support and outside fiscal expertise to think through the financing options, including funding that allowed for greater flexibility. With the help of consultants, the department began thinking about the child-welfare system as dynamic rather than static and in terms of entries, exits, and durations in foster care as the central components affecting costs.

Pursuing a New Fiscal Model as a Strategy

While the ACDCFS was satisfied with the pilot projects, its own philosophical direction, and with avoiding the loss of administrative authority to the CDSS, respondents indicated a continued frustration with efforts to improve the system for children and families. They expressed concern that the nature of child-welfare financing does not reward improvement, that in fact, if a system does better—by reducing the number of children in foster care—the system loses money. For that reason, it is challenging to bring a promising pilot project up to scale for broader impact. The possibility of a second waiver project began to be seen as an opportunity for the department to change the usual cycle and let the department benefit from its success, allowing it to re-invest dollars saved to do better for children and families.

SSA and the ACDCFS representatives realized that flexibility and a waiver of traditional child-welfare financing regulations are required to take pilot efforts to a wider scale. A combination of factors—the vision of the ACSSA director, rebuilding from serious operational issues, and the loss of Federal and State dollars due to early successes at reducing the number of children in foster care—all of this pushed the department toward finding a way to retain those lost dollars and use them to expand programming efforts.

Unfortunately, overtures to the administration of Governor Gray Davis were met with concern over the issue of whether waivers would eventually lead to the elimination of the Title IV-E entitlement and the block granting of Federal child-welfare dollars. At the same time, the loss of revenue continued. As a result, the department and ACSSA director became more aggressive in arguing their case, dovetailing their efforts with those of Los Angeles County DCFS and benefiting from the change in California's governorship to one more supportive of capped allocations.

Despite the sense that changes to the financing structure was necessary to realize the department's goals, respondents wanted to zero in on outcomes for youth and the strategies necessary to achieve better outcomes. Rather than an end in itself, a stable financial structure is

needed to serve the end of achieving better outcomes. Experimentation is important to discover what strategies are effective; argument to fund successful strategies follows. The ACDCFS did identify strategies that could be effective. The waiver project presented an opportunity to take those strategies to scale across the county and to learn about fiscal models with increased flexibility.

2.5.1.1.2 What is the Capped Allocation Project (CAP)?

The CAP and the spending flexibility it provided in Alameda were seen at the ACSSA/ACDCFS as a way to expand basic services the ACDCFS had been putting into practice based on Family-to-Family principles. While spending flexibility was important, of primary importance was generating savings that could be reinvested to improve the lives of children and families.

2.5.1.1.3 The Planning Process

After the Terms and Conditions for the State's participation in the CAP was signed in March 2006, respondents reported a desire, on the program side of the ACDCFS, to participate in the project. While the level of State financial support had not yet been determined, it was unclear whether the department could sustain the project with the level of financial commitment from the Federal government. As a result, the planning process in Alameda County had two tracks: financial and programmatic. Initial financial planning was led by a core planning group that included the ACSSA director, the ACSSA finance director and analysts, the ACDCFS director and the four division directors. They met regularly, and as needed.

The group's task, led by the finance director, was to conduct cost analyses based on client-flow predictions and staff salary-and-benefit costs. The analyses continued as new information became available, notably several items removed by the Children's Bureau from the Federal base allocation and adding the allocation from the State general fund when that amount was known. The analysts concluded that participating in the CAP was fiscally advantageous for ACDCFS and Alameda County. They indicated that ACDCFS was likely to receive more Federal dollars than it would have had it not elected to participate in the CAP.

As the ACDCFS and ACSSA budgets exist within a larger county budget structure, it was important to demonstrate to the county administrator's office (CAO) that the project was financially feasible. Respondents reported that the CAO was open to the idea of the CAP, but concerned that it might cost the county more money. Due to a decline in caseloads at the ACSSA, unused dollars budgeted for foster care was used to cover increased costs of other programs. Participating in the waiver would force the CAO and the ACSSA to deal more directly with the issues of rising costs in In-Home Supportive Services and the county's General Assistance program.

The ACSSA finance director reoriented thinking about the ACDCFS budget *from* the usual view of the budget as an assistance payment budget and an administration budget that spans all ACSSA programs *to* the idea of carving out, within the included CAP-related services, both the assistance and the administration budget and letting them be their own five-year budget.

According to the finance director, when the budget is viewed that way, then the decline in assistance payment costs, along with the inflation percentage included in the Federal and State allocations will cover the increased administrative costs. Analyses indicated that although there would be more money in the county's child-welfare system over the five years of the CAP, there would likely be fewer county dollars than if the county had declined to participate. This is due to the nature of the Federal base-allocation calculation, and the growth in the allocation over the time of the project, and that the county begins the CAP with more Federal dollars than it would have absent the CAP.

Programmatic planning began in earnest in May 2006 building upon a document produced after the October 2005 retreat. Over several months, the lead writer met with the directors of ACSSA and ACDCFS and four ACDCFS division directors to develop a summary plan to be submitted by the deadline set by the CDSS. Two visions emerged by the fall of 2006. One focused on implementing new evidence-based practices and broader community initiatives while the other focused on increasing the number of child welfare workers and supervisors on staff. The plan that emerged used the direction set over the previous five years as a framework: keeping children out of foster care, moving children in foster care out of care more quickly, keeping siblings together, and keeping children in their neighborhoods. Through a series of discussions in late 2006, the principals included in the plan the activities that had thus far been successful in achieving the desired outcomes. The Alameda County Board of Supervisors approved the final plan in February 2007.

For some time, the ACDCFS had been operating under the premise that any new initiative needed to work in concert with the policy and program activities already underway. Participating in the CAP was not going to alter the department's direction. Planning was merged into processes already in place for Family-to-Family and the System Improvement Plan. The organizational structure for Family-to-Family planning became the structure for CAP planning. The executive team is comprised of the ACSSA director; the ACSSA finance director and analysts; and the ACDCFS director, the four division directors, and members of the evaluation and research team. A larger management team includes the ACDCFS representatives from the executive team and program managers. Subcommittees give monthly progress reports. The goal of the management team is to identify barriers to implementation and strategies to alleviate the barriers. The process for determining strategies was the same as for Family-to-Family: written recommendations by the management team were reviewed by the executive team for philosophical congruence and financial feasibility.

2.5.1.1.4 Early Changes in the Organization and Implementation Requirements

Organizational changes occurred within the finance department, due in part to the CAP. The number of financial analysts dedicated to the ACDCFS increased from one to two. In relation, the number of financial analysts devoted to CalWORKS (the State's Temporary Assistance for Needy Families program), Medi-Cal (the State's Medicaid program), food stamps, and General Assistance was increased from one to three. According to respondents, financial analysts play important roles sitting at the juncture of financial information, program information, and research. The role and size of the research group was also increased. They

advised the finance director with data trend analyses and assessed the fiscal impacts of policy changes.

Better systems were needed to monitor and evaluate programs and public monies efficiently under the CAP, respondents said. Efforts were underway to improve information quality and analysis and increase regular reporting. Respondents felt it was important to create a learning organization that combined information, analysis, and recommendations in a way that could be shared in a substantive way—to address issues and celebrate successes. The desire to communicate directly with the entire department required a communications strategy.

The division director with direct responsibility for the CAP was also responsible for Family-to-Family. This increased the integration between the two efforts and ensured that what was planned under the CAP was consistent with Family-to-Family principles. It also helped increase the likelihood of a consistent message.

Executive staff was concerned about the need to accurately describe the CAP to the ACDCFS staff, particularly to make it clear that the CAP was not just another program, but instead a change in funding to allow the department to do more of the same on an expanded scale. In earlier years, the department had taken on programs that were not integrated into a coherent strategy, resulting in frustration among workers and supervisors. Executive staff wanted to be sure that frustration did not result from a misunderstanding about what the CAP represented for the department.

The significance of the CAP and information about the planning process were relayed to child welfare supervisors and child welfare workers through discussions over brown-bag lunches, floor meetings led by program managers, and presentations by executive staff. The ACDCFS director explained how the CAP ties into the department's work. In the several months leading up to implementing the CAP, program managers used a PowerPoint presentation in unit meetings to explain the project and elicit staff feedback.

Two issues became apparent. (1) Staff attrition due to job change and retirement: Maintaining institutional memory was always challenging and would be so regarding the CAP. (2) Child-welfare work is demanding. What is not perceived as directly related to one's daily work is less likely to be retained. This meant that educating staff about the CAP would be an on-going process. Even for some program managers, who were more intimately involved in planning, the characteristics of the CAP did not initially sink in. A new "project" always meant a new plan, more meetings, and more work; when those things did not materialize because of the nature of the CAP, it created a degree of anxiety that nothing was happening.]

2.5.1.1.5 External Organizations

As part of normal operations, the ACDCFS has a number of important external relationships. These relationships were significant as the department entered the CAP. The first three relationships concern administration of the CAP. The remaining relationships concern programming. Respondents felt it was a necessary precursor to positive external relationships to have a set of institutional values that had been internalized by the organization, a condition they

felt the ACDCFS had achieved. With those values in place, the department was better able to work with other organizations in a consistent fashion, guided by the framework of policy and practice.

CDSS

Respondents indicated that the working relationship with counterparts at the CDSS was generally positive but noted some frustration with CDSS process and timeline for determining the State's financial commitment to the CAP. ACDCFS understood, however, the CDSS must balance its own external relationships, notably the California Department of Finance.

One of the biggest challenges the CAP presents to the CDSS and to counties has to do with the fiscal system the CDSS uses to manage social services. The county finance department was in agreement with the CDSS decision to not reinvent the claiming system but instead alter the existing system as necessary for the two CAP counties. The system is complex with a decision to change one aspect of the structure having ramifications for other areas. Respondents reported that the CDSS was open to suggestions from the county about how best to change the system and was willing to work through the details to achieve solutions. When financial implications were not available or had not been conveyed, decisions were revisited. Despite small glitches, the organizational relationships were collegial and productive.

Los Angeles County Department of Children and Family Services

A second beneficial relationship during the planning phase was between the ACSSA/ACDCFS and its counterparts in Los Angeles County. The relationship between financial departments in the two counties allowed there to be a degree of pre-processing, which enabling the two counties to talk to the CDSS as a cohesive unit during negotiations for allocation amounts and new claiming processes.

Alameda County Probation Department

A third relationship for the ACDCFS is its partnership with the county's Juvenile Probation Department. The two organizations have historically had a tenuous relationship as a proportion of the in-care population of children in the county moved back and forth between the two systems. The two have not always agreed on how best to serve that youth population, or, which department should be responsible for particular cases. The ACSSA holds the budget for Juvenile Probation foster care. This requires a cooperative relationship, particularly in a capped allocation environment. Respondents report a cooperative relationship between the two finance agencies, which met regularly and engaged in joint caseload analysis. A desire was expressed to increase communication and cooperation about programs.

Service Provider Community

In the early stages, the service provider community was the first to express organized concern about the ideas for a waiver project. Over two-years preceding the start of the CAP, the ACSSA director and ACDCFS executives met with representatives from group-home and foster-family agency providers. Early meetings explored the shift in the department's philosophy based on Family-to-Family, particularly the move away from group home placements, and stressed that the shift presented new opportunities and new models of practice for providers. The ACSSA

director stressed that while the nature of the relationship was changing, the hope was that the expertise of the group-home and foster-family agency providers could be retooled to fit the new service needs of children and families. As in departmental discussions, the effort was to set a tone of agreement that the system was not working rather than place blame for failings.

As the process progressed and the department's plans became clear, meetings shifted to concrete engagement. At a large meeting, strategies for the CAP were outlined and, at a series of break-out groups, provider opinion was sought and the conversation included the roles providers might play in implementing the strategies. Several more meetings leading up to the implementation of the CAP were held to provide an avenue for input and to encourage engagement in the process of change. Respondents were encouraged that the provider community supported the ACDCFS plan for the CAP when it came before the Board of Supervisors, suggesting at least philosophical agreement. Implementing the CAP plan would bring to the fore questions about details of the transition in service models.

The Community

The ACSSA/ACDCFS also sought to engage the larger community, particularly the African-American community in the neighborhoods of greatest service need, to the end of protecting children. The conduit into those communities and others was through the faith institutions as they provide leadership to the neighborhood and larger community. The ACSSA director held a breakfast for faith institution leaders to introduce the department's Family-to-Family philosophy. Later, a training academy was developed by the ACDCFS to explain the child welfare system, the populations it serves, and major issues—particularly the disproportional representation of African-American children in the child-welfare system—so that faith leaders could better explain the system to their congregants. Eventually, the faith leaders formed a committee to recruit African-Americans to become foster parents.

Additional External Organizations

Respondents reported that several important external partners were kept apprised and their support solicited during planning though they were less directly involved in the process itself. These groups included the juvenile court, labor, and the Alameda County Board of Supervisors.

2.5.1.1.6 Leadership

Respondents reported that leadership from the ACSSA director had played the central role in convincing the ACDCFS to participate in the CAP, facilitating the process, and moving the department in a new philosophical and programmatic direction. The ACSSA director's notion of a different system was a major impetus behind the department's reform efforts. However, the ACSSA director announced his resignation to take effect shortly after the start of the CAP. Respondents observed that the goals set forth by the ACSSA director had become institutionalized within the ACDCFS executive staff and they were fully capable of providing the leadership to carry on.

2.5.1.1.7 Challenges and Attributes at Implementation

A number of issues stood out as challenges and attributes for the ACDCFS as the agency began implementing the CAP. Communication to an internal and external audience was seen as vital to the project. Internally, it was important to keep staff informed to dissuade rumor, misunderstanding, and skepticism. Respondents expressed the need not to be distracted by problems that inevitably arise and forgetting to inform staff about the progress of the project and successes achieved. It was important too, to communicate with community groups and child advocacy organizations concerned about the welfare of children and families.

Communication was particularly important given the influx of new staff representing new energy and enthusiasm and a likely openness to working with children and families in new ways. Though they had advanced through the department, several senior managers were new to their positions. They began their tenure as the CAP was getting underway, had participated in the efforts to adopt Family-to-Family principles, and agreed with undertaking new directions with the CAP.

Several departmental attributes stand out as the CAP began. The reform efforts led by the ACSSA director leading to the adoption of the Family-to-Family philosophy appeared to put the ACDCFS on solid footing. Programming was established, as was the question of whether the project was financially feasible. The project was less about new programs than about using a fiscal strategy to advance a philosophy and program efforts already underway. With the principles and program established—and central to the CAP—it was significant that the division director responsible for Family-to-Family also was the CAP coordinator. This provided a greater degree of integration than if the responsibilities had been shared.

Respondents reported cohesion within the department and fewer turf wars over resources. This was attributed to several factors. The division directors had experience in multiple areas within the organization, which seemed to foster a greater understanding of the needs of the department as a whole. The director had risen through the ranks. The sense of cohesiveness was helped by the perception of the CAP as benefiting the entire department and not just certain divisions.

Another attribute was the dynamic relationship between the ACSSA finance department and the ACDCFS. Despite the financial nature of the CAP, the finance department viewed itself as a supporting player to the programmatic work of the ACDCFS. While taking the lead on business issues, the finance department helped the ACDCFS think through the financial implications of its programmatic practices. Finance let ACDCFS know what is not financially sustainable. In that way, the programs and the goals they were designed to achieve could be the focus of the CAP and not funding supports.

Finally, the relationships with the CDSS and the Los Angeles County ACDCFS were important to getting the CAP underway. Without collaborative effort, negotiating an adequate allocation for the counties would have been impossible, as would have the development of an alternative cost-claiming system for use by the counties and CDSS.

2.5.1.2 Implementation Phase

2.5.1.2.1 Plan

Respondents were generally happy with participation by the Alameda County Department of Children and Family Services (ACDCFS) in the Capped Allocation Project (CAP). The department generated reinvestment savings in the project's first two fiscal years; respondents credited the CAP with aiding the department in continuing to achieve positive outcomes for children and families. The CAP's fixed commitment provided fiscal stability in challenging economic times, which meant the department did not have to lay off staff.

The CAP was described by respondents as having made more apparent the connection among practices, outcomes, and finances. ACDCFS priorities are increasingly clear in terms of how they relate to finances and the possibility of generating reinvestment savings, and how reinvestment savings can be used to support new and existing programs. In combination with Family-to-Family and the Program Improvement Plan, the CAP was described as focusing the efforts of the ACDCFS, reducing the number of goals, and simplifying the message, and eliminating the perception that goals and practice was being determined by the next new funding grant. Family-to-Family was described as the programmatic philosophy behind best practices, the CAP as providing the money, and the Program Improvement Plan as the mandate to plan and implement.

But respondents expressed frustration with the slow implementation of the second sequence programs, approved in February 2009. The fiscal crisis in California has had an impact on the larger county structure within which the ACDCFS operates. The Alameda County Board of Supervisors and County Administrator have instituted a hiring freeze across departments and placed a moratorium on new contracts. As a result, implementation has languished. The first sequence of activities has continued but the second, requiring contracts, has not started. Hiring by the department, while still possible due to the available reinvestment savings, has been slow.

Two somewhat conflicting conceptualizations of the CAP have emerged at the ACDCFS. The first, from the fiscal side of the Alameda County Social Service Agency (ACSSA), views the CAP as a fiscal model that orients administrative thinking toward maximizing the department's entire budget to purchase programs that will improve outcomes. While some degree of flexibility exists within the traditional child welfare funding model, the traditional model is categorical in that it does not encourage the same kind of strategic thinking as CAP. The traditional model also does not allow the department to retain savings it might accrue. The CAP, on the other hand, allows the department to reinvest any accrued savings in other child welfare resources. The CAP is also thought of as a five-year budget, as opposed to the usual annual budget, requiring a longer planning trajectory to ensure that the department does not overspend but does use the entire amount of reinvestment savings by project's end.

Central to the second impression, which comes from the program side of the ACDCFS, is the flexibility the CAP provides in creating a series of strategies driven by best practices and not primarily by the necessity of operating within a capped allocation environment. The department's program side does not dwell on CAP as a fiscal model or as a change in funding

strategy. Respondents expressed their frustration that the driving force behind the selection of strategies to execute had become focused on money with an emphasis on numbers served and outcomes achieved to ensure savings or cost-neutrality. These respondents expressed concern that, as a result, department staff had begun to view decisions—primarily placement decisions—as decided for fiscal reasons.

For their part, the “fiscal model” respondents stressed the importance of including the cost-benefit concern when selecting case strategy. They want staff to think in terms of whether an intervention will have a positive fiscal impact as well as a positive impact on outcomes so that the generated savings can be reinvested and to reconsider strategies that have little to no fiscal impact. These respondents stressed there was not an attempt to triage strategies for what is most fiscally efficient.

Respondents report that the ACDCFS has made efforts to combine the goals and philosophies of the CAP, Family-to-Family, and Program Improvement Plan processes—with the CAP guiding and unifying the department’s direction. They stressed the importance of cohesion in coordinating efforts to achieve departmental goals. Information about the CAP is transmitted within the ACDCFS in a number of ways. Large forums are used to address the entire department; the director and division directors visit the offices several times a year to discuss the project; program managers discuss goals and progress with supervisors and child welfare workers in section meetings and supervisors do the same in unit meetings. In all, the role of staff and the importance of teamwork in decision-making are essential themes.

Determining the strategies, particularly the second series of strategies, has been a process internal to the ACDCFS. Suggestions for new initiatives have come from program managers or division directors based on their assessment of section or division needs to meet departmental goals. A proposal by a program manager for an initiative requires sponsorship by a deputy director for discussion among the executive team—including the director and deputy directors, the ACSSA director and finance director, and others. The finance department conducts a cost-benefit analysis on proposals under consideration using the criterion of generating savings through improved outcomes or cost avoidance elsewhere in the system. In some cases, initiatives that will not generate savings but will net another benefit have been approved as small pilot projects.

According to respondents, the initiatives phased in under the CAP were underway prior to the CAP, or they were strategies the ACDCFS was likely to employ absent the CAP and despite the funding challenge. The CAP allows the department to sustain strategies that started as pilots and are successful. The emphasis is on putting into action strategies that can be successful and be justified with the ending of the Capped Allocation Project and the waiver of Title IV-E requirements for foster care and child welfare services. The first sequence of strategies focused on developing and enhancing prevention and diversion programs. The second sequence zeroes in on strengthening preventive and supportive services for children and families.

2.5.1.2.2 Oversight and Monitoring

Two groups meet monthly to monitor and oversee execution of the Capped Allocation Project.

(1) The CAP coordinator, an ACDCFS division director, leads the implementation team, which is made up of the ACDCFS director, remaining division directors, program managers, representatives from the research and evaluation unit, the Alameda County Probation Department (ACPD), the ACSSA finance department, and Casey Family Programs (CFP). This team is tasked with planning, coordinating, and executing the Capped Allocation Project.

(2) The executive team, comprised of the ACSSA and finance directors, the ACDCFS director and division directors, and the ACPD chief and assistant chief probation officers, provides broad oversight, approves strategy, monitors the budget, and reduces systemic barriers.

Representatives from the ACDCFS and ACSSA meet regularly with the Alameda County Board of Supervisors and County Administrator to provide updates on the CAP, and they meet with other public agencies and community partners. In monthly telephone calls, the CAP coordinator discusses issues and progress with the Los Angeles County DCFS CAP coordinator and the California Department of Social Services (CDSS) program manager.

Programmatic and fiscal data are important components of oversight and monitoring. The ACDCFS emphasis on the use of data preceded the CAP and continues under it. The department uses several data structures. Under Safe Measures, some but not all supervisors review the caseloads of child welfare workers and the reviews are discussed at monthly meetings with staff. The Data Dashboard, distributed quarterly throughout the department, is intended to help child welfare workers, supervisors, and program managers think about systems indicators—such as caseload and placement type—and to provide a context for their work. For a more comprehensive review of systems-level indicators, including Federal progress indicators, department staff uses the Child Welfare Dynamic Report System from the CDSS and the University of California, Berkeley.

The department and the ACSSA, in conjunction with CFP and IBM, are developing a data warehouse that will have the capacity to provide information both at the systems- and client level. The Social Services Integrated Reporting System consists of information from: California Welfare Integrated Network client eligibility system, Child Welfare Service /Case Management System (CWS/CMS), the adult and aging Case Management Information and Payroll System, Employment Services Client database, Adoptions database, and the ACPD client database. Other data sources likely to be added include Medi-Cal, Housing Authority, Structured Decision-Making, Team Decision-Making, and other programmatic data. The development of the SSIRS has been a team endeavor including representatives from program, fiscal, and data operations. Similarly, the operation of the SSIRS will take a team approach. The data warehouse will reside with the ACSSA's Information Services Division with reports prepared by the Office of Data Management; the Research and Evaluation Unit will do data analysis and interpretation.

Respondents report that the increased availability and data use is spurred by a desire for greater accountability and improved decision-making. As a result, decisions have become more data-driven, particularly as they relate to fiscal questions, helping to keep efforts focused on improving outcomes and reducing the influence of advocacy for programs in the process of strategy selection. The increase in data use is assisted by discussions and presentations by the research and evaluation staff. Respondents report, however, that while the capacity to understand the data has improved, there continues to be a learning curve related to the capacity to apply what is learned.

The evaluation of individual initiatives and programs is a challenge for the ACDCFS. While the department has often conducted pilot programs, respondents reported they were not followed with evaluation to determine effectiveness. As a result, some programs have continued without a useful understanding of how they improve outcomes. The department has added staff to its research and evaluation unit in an effort to increase its understanding of the effect of strategies conducted under the CAP.

2.5.1.2.3 Staffing and Training

Hiring additional child welfare staff is a major component of the ACDCFS's second sequence of strategies under the CAP. According to plan, the department would add 30 child welfare workers, 5 supervisors, and 2 clerks. By June 30, 2009, the department hired 18 of the 30 child welfare workers through an intra-county transfer of child welfare workers laid off from other counties. The positions for 5 supervisors were filled through promotions but the process for hiring the remaining 12 child welfare workers and two clerks was slowed by the hiring freeze ordered by the Alameda County Board of Supervisors and County Administrator.

The ACDCFS Executive Team determined that the best use of the additional staff was to focus on three areas: (a) intensive engagement work with families identified through the department's family-finding efforts; (b) increased visitations based on Structured Decision-Making risk-level; and (c) carrying vertical caseloads. Each area is operated as a small pilot to determine effectiveness before expanding operational scope.

The ACDCFS increased staffing in other areas as well. Five clerks were hired to conduct searches in the Front End Family Finding Programs. Two facilitators were hired as part of the department's expansion of reunification and permanency through Team Decision-Making. Reinvestment savings were not used, however, for these hires.

The ACSSA and the ACDCFS has undergone staffing changes in senior management over the course of the CAP. In August 2007, the ACSSA director, instrumental in securing the county's involvement in the CAP, left the agency. Two of four division directors retired in the first two years as did two program managers. According to respondents, the changes have resulted in a degree of instability in the organization as the transition occurred with staff adjusting to new leadership and concerned about the direction of the department as the CAP moved further along. Despite the personnel changes, there was no major shift in emphasis by the new ACSSA director. The promotion of two new division directors created a degree of internal continuity.

2.5.1.2.4 Structure and Operations

Turnover among senior management along with participation in the CAP prompted departmental realignment. The ACDCFS added positions for program managers. The realignment consisted of shifting responsibilities between program managers and division directors with a resulting change in organizational hierarchy related to certain programs and operations. Senior management approved the plan for realignment and transition that was developed by program manager and division director representatives. Variables that factored into the decision-making included workload (e.g., number of programs to supervise, overseeing contracted activities of program staff), past association and expertise with a program, and the logical linking of programs at the division level. Large operations like emergency response, family maintenance, and family reunification were generally not affected. The reorganization centered on specialized operations. The transitional plan was distributed throughout the department and the new hierarchal alignments were conveyed in unit and section meetings.

The CAP has affected strategies based on outcomes and costs. The placement section is a central area of interest due to the department's approach to reducing out-of-home placements and concentrating instead on kinship placements when placement is necessary. Placement is also a target of interest due to high costs related to out-of-home placements. In 2006, the placement section was redesigned and reinforced by the One Child, One Placement Program approach. Before redesign, the child welfare placement section was made up of specialized units of workers and supervisors for specific kinds of placements. Child welfare workers are now generic, working in several units with supervisors in one section under one program manager. The placement approval process is centralized to ensure that the least restrictive out-of-home placement option is considered first. A placement recommendation requires justification, and then review and approval by the program manager. The emphasis has been on exploring all alternative placement options to avoid placement in a group home. As part of the shift in decision-making, placement child welfare workers are required to attend Team Decision-Making meetings for children and families. While the department was expecting to participate in the CAP, respondents indicated the redesign would have taken place regardless.

The shift in the placement process was described by respondents as slow and taking about 8–9 months. Seeking alternative placements required ongoing reinforcement. Centralizing the placement process improved the expertise of child welfare workers and resulted in more consistency in placement decisions, respondents said. Conversations with relatives about their capacities and expectations occurred with greater frequency.

Respondents report an increase in information gleaned from monitoring placements. The division director routinely reviews the section's statistics and makes queries to reinforce the emphasis on alternative placements to group homes. Placement approvals and recommendations are tracked and reviewed to identify trends requiring modification. A committee reviews group-home-placement decisions to ensure they are both necessary and appropriate; an interagency review committee oversees the approval process for placement recommendations to the most restrictive and expensive level of group homes used by the ACDCFS.

In the year following the onset of the CAP, respondents reported that ACDCFS contracted out fewer services and increased its in-house activities. The rationale was to gain a better understanding of program operations before contracting out. Respondents reported it is easier to monitor quality and effectiveness when the department operates the program although conducting activities in-house is not without its challenges. Adding an activity can require reworking structure, which can mean negotiations with the union, a process that can take longer than establishing an outside contract. As activities and responsibilities expanded in the second year of the CAP, there was a return to contracting with community-based providers as a way of increasing the variety and scope of initiatives.

Respondents described the ACDCFS as moving in the direction of performance-based contracting, a slow and complicated process. Department representatives have made clear its goals, direction, and expectations to the service provider community, including group homes, Foster Family Agencies, licensed foster parents, and other service providers; respondents indicated that the majority are on-board. Those service providers who are not committed to the department's efforts generally do not receive placement referrals. The ACDCFS views the relationship with community-based service providers as a partnership, in keeping with the Family-to-Family philosophy. Respondents reported that a fair amount of time, energy, and resources are expended to nurture those partnerships and create a feedback loop that allows for input from the providers. Contracting with providers based on performance runs counter to the notion of partnership. In some service areas, there are not enough providers to constitute a market; in other words, if there is only one provider of the needed service than that provider receives the contract.

A number of other challenges to contracting exist. Some service providers used by the ACDCFS also contract with other agencies such as the Alameda County Behavioral Health Care Services, leaving ACDCFS with little leverage to ensure quality or compliance with its philosophies. Some respondents expressed concern about the contracting review process for small, neighborhood-based organizations that may have a more direct connection to the families receiving services. Larger established organizations usually have the infrastructure to respond to contract opportunities and the stability and expertise that makes them attractive candidates; but they can be more removed from the community and their staff can be less ethnically/linguistically/socio-economically diverse than smaller contractors.

2.5.1.2.5 Leadership

Respondents reported that the ACDCFS has benefited from strong leadership with characteristics of strength, vision, inclusiveness, respect, and trust. The last two were cited as especially important to child welfare workers and supervisors, but all are central to establishing direction and unity.

2.5.1.2.6 Morale

Morale across the ACDCFS was described by respondents as mixed. Morale can change day-to-day and it is difficult to generalize. Change in senior management and the resulting realignment created some uncertainty. Workload continues as a big issue. Respondents also

described a general sense of relief and happiness regarding participation in the CAP. Respondents credited the project with the absence of departmental layoffs.

2.5.1.2.7 Court

The ACDCFS director continues to meet quarterly with the presiding judge of the Juvenile Court in the state Superior Court in Alameda County. ACDCFS representatives also meet monthly meetings with the north and south county bench officers to discuss issues and to update the court on the CAP purpose and progress. ACDCFS respondents sense that the judges and bench officers agree with the department's philosophical direction and with the goals of the CAP, although the two entities are not described as working hand-in-hand. In some cases, the department has had to resist pressure from attorneys and judges to use reinvestment funds to pay for specific services for individual children and families through an appeals process. The court's decisions are not seen, however, as an attempt to thwart the department's efforts under the CAP.

2.5.1.2.8 Contextual Factors

Respondents indicated that both the Alameda County Board of Supervisors and County Administrator are in full support of the CAP, the result of efforts by the previous ACSSA director and current senior staff. The Alameda County Board of Supervisors approves the program and fiscal plans of the ACDCFS under the CAP, and the board receives regular updates. The finance director meets regularly with the County Administrator to provide programmatic and financial updates.

The ACDCFS communicates with group-home providers, foster family agencies, and licensed foster parents about the department's goals and expectations, most notably efforts under Family-to-Family rubric, to quickly reunify families, provide stable placements for those children not reunifying, and improving outcomes for children in long-term care. These discussions began before the CAP was introduced, and occur in regular monthly meetings with providers, and at special meetings with the department director. Providers are sometimes invited to Family-to-Family training. The emphasis with group-home providers and foster family agencies is to move children out of care more quickly, either home or to a lower level of care. With licensed foster parents, the emphasis has been on reunification and including biological parents in the process, concurrent planning, and adoption.

According to respondents, the majority of providers have adapted to the philosophy and goals adopted by the ACDCFS. The most perceptive of the group-home providers have begun to develop alternative services to meet the department's changing needs and some foster family agencies are reportedly doing the same. One concern centers on group home closures and the resulting loss of capacity that could leave the department with limited placement options for the most challenged children. With fewer children placed in group-homes and with the children who are placed often having severe emotional and behavioral challenges, the provider community argues that reimbursement rates are not high enough to sustain their operations.

As part of its operations, the ACDCFS interacts with a number of public agencies. The department's relationship with the Alameda County Probation Department (ACPD) has long

been complicated though, with dialogue and working together to phase in the CAP, the inter-agency relationship has improved. Respondents described a strong relationship with the Alameda County Behavioral Health Care Services as the two departments work closely together, in Alameda County, with Wraparound, which is a set of services that support severely emotionally disturbed youth in achieving a stable permanent placement with an adult. The youth are referred by the ACDCFS. Wraparound is provided by community-based organizations through contracts with the county behavioral health.

In some cases, the Department of Child and Family Services is treated as a customer by the Alameda County Behavioral Health Care Services; the county behavioral health has tailored programs to support the work of the child welfare department. Respondents also reported that ACDCFS has strong relationships with Alameda County Regional Center and the Alameda County Office of Education. The department's relationships with independent school districts vary by district.

The downturn in the national, State, and local economies have affected caseloads. The ACDCFS hotline call volume remains constant, according to respondents. The department has kept some reinvestment savings uncommitted to strategies in the event there is an upturn in entries into foster care. The department is concerned, however, about the impact of the economy on its community-based service providers who tend to operate with funding from multiple grants. Service capacity will decrease if providers go out of business.

Of major concern to ACDCFS is how the economy will affect State funding to the county. According to respondents, the model for planning for five years of the CAP assumes that the ACSSA programs are funded at a constant rate. The overhead costs are distributed across programs based on time-study hours. With a reduction in the hours of other programs due to budget cuts, an increased share of overhead costs could shift to the ACDCFS' budget and reduce the amount of reinvestment savings. A second concern is the possibility that the CDSS will reduce its commitment to the CAP by 10% as proposed by the Governor of California. The ACDCFS and the Los Angeles County DCFS are in talks with the CDSS about whether the cuts are appropriate given the memorandum of understanding between the State and the counties. The ACDCFS is concerned about precedent-setting as a reduction in funding adds a degree of uncertainty to the fiscal model, raising several questions. (1) How definite is a budget and program plan if the CDSS can reduce its commitment at will? (2) How much money should be allotted for that possibility?

With the uneasiness generated by a potential funding cut, implementation of the second sequence of activities that received approval in February 2009 has slowed, and planning for the third fiscal year is progressing gradually.

2.5.1.2.9 Additional Challenges and Facilitators

A number of challenges face the ACDCFS. Respondents described a general concern about finding the right pace of change within the department. Moving too slowly can lead to frustration and ineffectiveness. Moving too quickly can lead to resistance and entrenchment with an emphasis on stability. This is not an issue unique to the CAP implementation but is instead an

on-going challenge. Disregarding the slowdown resulting from the State's budget crisis, the pace of change felt appropriate to respondents given the work that preceded the CAP to solidify the guiding philosophy of ACDCFS.

A second ongoing challenge is the competing values inherent in child welfare. Does the department place a child with an out-of-state family member making reunification more challenging than a local placement? Should a child be placed with a relative coming in at the last minute after the child has lived in a concurrent planning placement for their entire life? These kinds of decisions are difficult even when a department has institutionalized a philosophical orientation.

Respondents also described a number of facilitators to the implementation of the CAP, with several seen as laying important groundwork for the project. The Family-to-Family goals, outcomes, and practice changes served as a jumping off point for the CAP. The change in focus and practice was described as being a necessary precursor. Implementing new initiatives to generate savings would have been difficult without first having ACDCFS staff oriented toward working with families in a different way. Also included in the Family-to-Family philosophy is the importance of community partnership and shared decision-making. Respondents indicated that without the preparatory work and without the initiatives in the department's sequence of strategies, the CAP would have been much harder to implement.

Respondents reported that the Federal and State focus on planning and outcomes, particularly through the Child and Family Services Review process, has helped to reinforce the ACDCFS's focus on planning and outcomes. The Program Improvement Plan, System Improvement Plan, and Peer Quality Case Review processes in 2005–06 and 2008–09 have been helpful. In particular, the Peer Quality Case Review process indicated a gap in connection between line staff and senior management and gave child welfare workers and supervisors an avenue for exchanging ideas. The result, according to respondents, has been a greater emphasis on a shared responsibility for carrying out the department's mission.

The ACDCFS continues to pursue other funding sources to maximize its revenue and create program sustainability. If other funding sources can be found to develop and pay for certain strategies, reinvestment savings can be used elsewhere. An important possible source is the flexibility within the time study and claiming process. Respondents report a greater degree of sophistication on the part of fiscal staff to legitimately use flexibility in interpreting program allocation areas. For example, it is possible to review spending in two similar allocation categories and legitimately claim a child welfare worker activity to the allocation category that is under spent instead of the category that is over spent. Other revenue strategies include foundation grants, collaborating with other agencies, and trading office space for worker time.

2.5.1.2.10 Worker-Supervisor Survey

The Title IV-E Waiver Capped Allocation Project Evaluation team surveyed DCFS workers in Alameda County to assess the knowledge and perceptions of the Capped Allocation Project (CAP) by employees. The first round of surveys began in spring 2008 and yielded 139 responses out of 326 employees invited to take part, a response rate of 42.6%. For the second

round of surveys, in fall 2009, the response rate was slightly higher, at 49.1%. In 2009, out of the 346 employees surveyed, 164 responded with completed surveys.

Of 139 ACDCFS staff members who responded in 2008 (Table 2.4), 70.5% were child welfare workers and 29.5% were child welfare supervisors. In 2009, these numbers remained fairly consistent, with 77.4% of respondents child welfare workers, and 22.6% child welfare supervisors.

Table 2.4 ACDCFS – Job Title					
	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Child welfare workers	98	70.5	127	77.4	9.79
Child welfare supervisors	41	29.5	37	22.6	-23.39
Total	139	100.0	164	100.0	

Of the ACDCFS survey respondents in 2008 (Table 2.5), 23.7% worked in Emergency Response, 12.2% in Family Maintenance, 12.9% in Family Reunification, 16.5% in Permanency Placement, and 34.5% described themselves as working in a category not represented on the survey. These numbers were quite consistent in 2009, aside from a 57.4% drop in workers in Family Reunification from one year to the next.

Table 2.5 ACDCFS – Job Category					
	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Emergency response	33	23.7	37	22.6	-4.6
Family maintenance	17	12.2	23	14.0	14.8
Family reunification	18	12.9	9	5.5	-57.4
Permanency placement	23	16.5	31	18.9	14.5
Other	48	34.5	64	39.0	13.0
Total	139	100.0	164	100.0	

In 2009, the evaluation team included a new survey item intended to elicit information on the length of time respondents had been employed by ACDCFS. As seen in Table 2.6, the vast majority of survey respondents have worked for ACDCFS for over three years, with less than 30% working for the agency for less than 36 months.

	No.	%
12 months or less	17	10.4
13 to 24 months	15	9.1
25 to 36 months	16	9.8
More than 36 months	116	70.7
Total	164	100.0

Respondents were asked to rate their knowledge of the CAP in 2008 and then again in 2009 (Table 2.7). In 2008, only 16.5% of those surveyed claimed to be knowledgeable or very knowledgeable about the CAP, with the remaining 83.5% claiming no knowledge, limited knowledge, or some knowledge. By the second round of surveys in fall 2009, knowledge of the CAP had grown substantially. Those having no knowledge of the CAP dropped from 15.8% of respondents in 2008 to only 1.2% in 2009, a change of 92.6%. The proportion of those who described themselves as knowledgeable or very knowledgeable about the CAP grew from 16.5% to 56.1% between 2008 and 2009, a combined change of over 200%.

	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
No knowledge	22	15.8	2	1.2	-92.6
Limited knowledge	43	30.9	17	10.4	-66.3
Some knowledge	51	36.7	53	32.3	-12.0
Knowledgeable	18	12.9	78	47.6	269
Very knowledgeable	5	3.6	14	8.5	136.1
Total	139	100.0	164	100.0	

According to survey responses, perceptions by child welfare workers and supervisors on the influence of the CAP on their daily work with children and families also went through a change between spring 2008 and fall 2009 (Table 2.8). In 2008, over half of respondents could not determine the CAP's influence on their work, and very few, only 2.2%, reported the CAP as having a lot of influence on their work, with only just under 10% claiming it had some influence. However, the responses in 2009 reflect a growing awareness among child welfare workers and supervisors about the influence the CAP has had on the work they do each day. By 2009, only 13.4% were unable to determine the influence of the CAP on their work, while 23.2% responded that the CAP had a lot of influence on their day-to-day work, a change of almost 1000%. Close to half of respondents reported that the CAP had either some, or a regular amount of influence on

their work, and only a few, 5.5%, felt the CAP had no influence on their work with children and families.

Table 2.8 ACDCFS – The CAP’s Influence on Daily Work					
	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Not able to determine	71	51.1	22	13.4	-73.8
No influence	12	8.6	9	5.5	-36.0
Limited influence	20	14.4	14	8.5	-41.0
Some influence	20	14.4	38	23.2	61.1
Regular influence	13	9.4	43	26.2	178.7
A lot of influence	3	2.2	38	23.2	954.5
Total	139	100.0	164	100.0	

Respondents were asked for their opinions on whether the CAP was having a positive effect on the county child-welfare environment (Table 2.9). In 2008, the majority, 68.3%, could not determine the CAP’s effect. Among the respondents, 30.9% perceived the CAP as having a positive effect while only one respondent felt the CAP was not having a positive effect. In 2009, the majority saw the CAP as having a positive effect on the county child welfare environment, and far fewer could determine the CAP’s effect than in 2008. Only 6.1% perceived the CAP as not having a positive effect on child welfare.

Table 2.9 ACDCFS – Is the CAP Having a Positive Effect?					
	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Not able to determine	95	68.3	36	22.0	-67.8
No	1	.7	10	6.1	771.4
Yes	43	30.9	118	72.0	133.0
Total	139	100.0	164	100.0	

Respondents were also asked whether they felt a wider array of services had become available within the six months prior to each survey (Table 2.10). In 2008, the number of employees surveyed who felt that a wider array of services had *not* become available in the last six months was equal to the number of those surveyed who felt a wider array of services *had* become available (both 27.3%). In 2009, these numbers diverged, with many more respondents perceiving a wider array of services available (57.9%) and fewer perceiving there was no rise in available services (15.2%).

	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Not able to determine	63	45.3	44	26.8	-40.8
No	38	27.3	25	15.2	-44.3
Yes	38	27.3	95	57.9	112.1
Total	139	100.0	164	100.0	

Summary

Over the course of the 2008–2009 surveys, knowledge of the CAP grew substantially among surveyed DCFS workers in Alameda County. At the start of the period, about 16% of survey respondents reported having no knowledge of the CAP, but at the end, this number dropped to only 1%. Approximately 7% reported they were knowledgeable or very knowledgeable about the CAP in 2008, and in 2009 that proportion increased to over 56%. Survey respondents also reported that the CAP had a much greater influence on their daily work in 2009 than in 2008, and the proportion who reported the CAP as having a positive effect on the county child-welfare environment more than doubled during the same period. Workers indicated that they perceive a wider array of services becoming available in Alameda County.

2.5.2 County Services Component

2.5.2.1 Initiatives

ACDCFS, through its planning processes, identified a number of initiatives it intended to implement under the CAP. The initiatives included the continuation and expansion of existing strategies as well as new programs. The implementation of the first sequence of initiatives began with the start of the CAP in July 2007. The second sequence of initiatives was approved by the Alameda County Board of Supervisors in February 2009. However, due to State and county budget issues, the implementation of the majority of second sequence initiatives was put on hold or implemented only in part. The first sequence of initiatives continues to be employed. Both sets of initiatives are described as of June 30, 2009.

2.5.2.1.1 First Sequence Initiatives

Another Road to Safety Prevention Program is an alternative response program and a major initiative funded under the CAP. It was introduced in 2002 in conjunction with Every

Child Counts and community-based service providers to offer services to children from birth to age five in three of the county's targeted neighborhoods. Services include assessments, weekly home visits, case management, family care plans, and support from Specialty Provider Teams and referrals to community-based service providers. Another Road to Safety services can last up to nine months. Under the CAP, this program is now funded by the ACDCFS and has been expanded to serve children from birth to age 18 countywide. The cost of the program in each of the first two FYs (2007–08 and 2008–09) was \$1,500,000.

ACDCFS has allocated reinvestment savings for its *Enhanced Foster Parent Recruitment* (also known as the Faith Initiative) efforts. Prior to the CAP, the department collaborated with the faith community to disseminate information and mobilize interest in foster parenting among community members. The cost in each of the CAP's first two FYs (2007–08 and 2008–09) was \$275,000.

A *Voluntary Diversion Program* to non-child welfare relative guardianships was funded by the ACDCFS in the first year of the CAP. The expected annual cost of this program is \$750–\$900 per case.

Over the CAP's first year, there was an *expansion of reunification of permanency Team Decision-Making Meetings* as the ACDCFS began efforts to increase staff understanding and use of the process. In addition, two more Team Decision-Making facilitators were hired to augment Team Decision-Making capacity. Reinvestment savings were not used to hire the facilitators.

2.5.2.1.2 Second Sequence Initiatives

ACDCFS expanded its Another Road to Safety program to include families in the department's family maintenance program. The focus of the *Another Road to Safety Family Maintenance Program* is to reduce the rates of re-entry into foster care. The program also includes enhanced support for families taking part in the department's kinship program through the linking of Another Road to Safety resource centers and kinship centers. The cost of this program in FY 2008–09 was \$1,865,000, plus \$198,000 for enhanced kinship support.

To reduce time children are in foster care or county care, and also reduce courtroom delays that hinder timely family reunification and placement with relatives, ACDCFS has funded *Enhanced County Counsel* activities, which provides support in the courtroom by increasing county counsel staff. The County Counsel's Office hired only one of the anticipated four attorneys and neither the paralegal nor secretary due to the countywide hiring freeze instituted in response to the State's budget issues. The cost of the partial implementation of this initiative in FY 2008–2009 was approximately \$78,000, from a total of approximately \$355,000.

Front End Family Finding has two components. The first involves locating family members. ACDCFS hired five clerks to conduct relative searches using the search tool Accurint. The cost of location activities in FY 2008–09 was approximately \$335,000. The second component, on hold, involves engaging the families in process. Engagement activities will be provided either by contracted local agencies or by department social workers. The expected annual cost of engagement activities is \$500,000.

As part of the *Enhanced Foster Parent Recruitment*, ACDCFS added a *childcare option* for children birth to age six in County foster homes. This option is intended as an incentive for the recruitment and retention of foster parents. It, however, was put on hold due to the budget issue. The expected annual cost of the childcare component is \$750,000.

The *Enhanced Parent Advocate Program* is the continuation and expansion of a program that focuses on strengthening partnerships and supports families as they move through the child welfare system, allowing for participation that is more successful and which leads to quicker family reunification. The hiring of additional parent advocates has also been placed on hold. The expected annual cost is \$300,000.

ACDCFS developed plans for a *Visitation Center* for families who have supervised- or home-visitation plans. The center's purpose is to create a child-and-family-friendly environment to facilitate visitation. Establishing the center was on hold and its expected annual cost is \$1,000,000.

ACDCFS works with the county's Youth Adult Partnership, an advisory board made up of former foster youth who assist the county in designing the best ways to serve youth emancipating from foster care. To facilitate the activities, the department has hired a coordinator (a department staff person) to lead the efforts. The expected annual cost is approximately \$135,000.

ACDCFS was authorized to hire 30 new child welfare staff, five new child welfare supervisors, and two new clerical project staff members. The department plans to deploy the staff in a variety of ways to assess the impact of the alternative deployments: staff will participate in family engagement activities as part of the family-finding activities, increase visitations based on Structured Decision-Making risk levels, and carry combined (vertical) caseloads rather than work in specialized units. Of the 30 it had planned to hire, the department did hire 18 child welfare workers through intra-county transfers for workers laid off from other child welfare agencies in other counties. The five supervisor positions were filled with promotions from within the department. The expected annual cost of the staff is approximately \$6,800,000.

ACDCFS was also authorized to support the hiring of 4.5 FTE public health nurses to enhance the Services to Enhance Early Development program, which is an effort to minimize disruptions in attachment relationships by quickly placing court-dependent children with caregivers who would be willing to provide permanency (adoption or legal guardianship) if reunification with birth parents is not possible. The nurses would be hired by the county Health Care Services Agency. Their hiring was on hold due to the budget crisis. The expected annual cost of hiring the nurses is approximately \$330,000.

One Child, One Placement Program consists of a further restructuring of ACDCFS placement activities to assist in the reduction of group-home placements, and to increase numbers of first placements with relatives. There were no reinvestment dollars attached to the restructuring.

2.5.2.2 Accessing Services; Case Management; and Service Array, Intensity, and Integration

Respondents reported the focus of their philosophy of operations, as well as their initiatives under the CAP, is to alter the ways in which children and families access services through the ACDCFS. The department is trying to reduce the number of children entering the child welfare system, reduce the length of time a child spends in the system, and for those needing long-term foster care, providing care in the most family-like setting possible. The growing emphasis is on developing, enhancing, and supporting prevention and diversion programs in the county with CAP reinvestment savings and other funding sources, as well by improving the use of existing services such as Structured Decision-Making tools within the department. At the same time, the placement section redesign and the One Child, One Placement Program, along with an increased emphasis on the use of the Team Decision-Making, were cited by respondents as examples of how the ACDCFS is responding to ensure better outcomes for children through the pathways of child welfare.

Respondents indicated that there has not been fundamental change in how case management is conducted. For example, the ACDCFS has not converted to vertical case management. The general division of operations remains categorized in the activities of emergency response, family maintenance, family reunification, and permanency placement.

Respondents did report that the variety of services available had expanded to some degree, as did the intensity of some services. This was not surprising, according to respondents, given the ACDCFS plan to enhance services already underway pre-CAP, instead of creating a range of new services. Respondents reported a number of areas where services are needed: substance-abuse treatment, substance-use testing, and programs for minors who have been sexually exploited in prostitution or trafficking.

Cooperation with other departments has increased, according to respondents. While the relationship with the ACPD is still tenuous, it is improving, particularly for youth who engaged with both probation and the child welfare systems. Respondents cited the strong ongoing relationship with the county's Behavioral Health Care Services, particularly with the Wraparound program, and the relationship with the Alameda County Department of Public Health and its support of the Services to Enhance Early Development program with public health nurses.

2.5.2.3 Quality Assurance and Data Collection and Management

The use of data, described in the Implementation section of this report, extends to quality assurance activities. Respondents indicated that all levels of the ACDCFS, from division directors to child welfare workers, use county data sources and reports to monitor cases and the work of the department. Respondents reported that management looks for trends at the individual level, unit level, and program level to ensure that protocols are followed and decision-making is in line with the department's goals. The placement section is an example. Group home placement recommendations required approval and were reviewed to ensure that all other options had been explored. All recommendations were tracked to determine whether particular child welfare

workers or supervisors required additional assistance or training in securing alternative placements to group homes.

2.6 Findings: Alameda County Probation Department

2.6.1 Implementation Component

2.6.1.1 Planning Phase

2.6.1.1.1 The Impetus for Participating in a Waiver Project

Background

A major shift occurred in the juvenile section of the Alameda County Probation Department (ACPD) shortly after the turn of the millennium. Most importantly, there was a change in the PD's leadership brought about by an alteration in how the chief probation officer was selected. Under the old system, the chief probation officer was appointed by the presiding judge of the Superior Court and was responsible to that individual. The structure placed the chief probation officer outside the normal oversight of the county board of supervisors and of the county administrator's office, the two entities most responsible for the department's budget. With limited checks and balances, the arrangement seemed to result in departmental cost overruns on an annual basis. In addition, respondents reported that the conduct of the chief probation officer left the department isolated from other agencies and suffering from a loss of staff and low morale. Under the new system—achieved through a local ballot initiative—the Alameda County Board of Supervisors appoints the chief probation officer placing the position under the authority of the Alameda County Board of Supervisors. With the resignation of the chief juvenile probation officer, who had been appointed under the old rules, the Alameda County Board of Supervisors appointed a candidate amenable to the new hierarchy and to improving the department.

With new administration came a shift in the philosophical focus of Juvenile Services, particularly in the Placement Unit at the Alameda County Probation Department. This shift coincided with philosophical changes taking place at the Alameda County Department of Child and Family Services (ACDCFS). The increasing openness at Probation to other public agencies fostered cross-departmental influence. Philosophically, the department grasped that the model of removing youth from home and community to ensure public safety and attain treatment for the youth was not reaching desired outcomes, though this conclusion was not drawn from data analysis. Instead, it was drawn from the collective sense of deputy probation officers (DPOs) and their superiors based on seeing youth recidivate. The old model, as described by respondents, was rooted in the idea of isolating the youth, treating him, making him whole, and sending him back to the family, ostensibly either to fix the family or remove the youth. The new model emphasizes holistic and systemic treatment of the entire family—parents, siblings and the presenting youth, along with addressing issues of concern. The effort to treat families was a cultural shift and a learning process within the ACPD. Not everyone agreed with the shift in approach although, as time passed, an increasing number of officers saw the wisdom of supporting youth in local neighborhoods and trying to keep kids—with added supportive services—in the communities where they grow up.

Annual cost overruns played a part in the major shift at the Alameda County Probation Department. The new administration stressed fiscal responsibility and undertook efforts to reduce costs. This was particularly true in the juvenile services section where changes were made within the department and with provider agencies in the community. The ACPD initially looked for ways to make better decisions as youth came into the system, and when appropriate, to avoid costly placements. The process the Investigations Unit used to determine whether a placement order should be recommended was reviewed to determine whether enough time and resources was being invested in keeping youth in the community with services. The simple answer was that DPOs and supervisors had been making decisions that were more punitive than therapeutic. Even specialty units such as the Family Preservation Unit had not been intervening in significant ways. With the shift to a new order, criteria for removal and guidelines for alternatives to placement recommendations were developed and disseminated through trainings to supervising DPOs. Staff was instructed in the new philosophy and trained in new practices and strategies for interacting with families. With a stronger interventionist approach, the Family Preservation Unit was seen as a viable alternative to placement for some youth—and an increasing number were referred to the unit instead of a group home.

The ACPD looked at ways to address costs and to act on its new practices in relationship with group-home providers. The average length of stay in a group-home behavior-modification program ranged from nine to 12 months. After deciding that it was both possible and desirable to reduce the time a youth moves successfully through such a program, the ACPD met with service providers and DPOs on how to shorten and intensify the program—and still achieve the same outcomes. After several meetings, the majority of group homes agreed to a general reduction in program length to six to nine months coupled with an intensification of services. The department also looked at ways in which its processes contributed to lengthy program durations and found that increased monitoring by the DPO of youth progress would help the process move toward the desired outcome. In cases where behavior issues occur, the DPO can intercede in ways that do not lengthen the time it takes youth to complete the program successfully.

Probation department administrators talked with Juvenile Court bench officers regarding the ACPD's new philosophy and approach to placement. Respondents reported that bench officers were in general agreement and supportive of the department's efforts. As a result, PD respondents could choose alternative dispositions for cases involving youth that, in the past, would have routinely gone to placement.

The ACPD effort to develop service alternatives to placement began before the Capital Allocation Project (CAP) came into being. ACPD staff reviewed the efforts of its relevant units, such as community probation and the family preservation unit, and found areas to improve. Staff trainings augmented staff expertise and knowledge of external resources. The department simultaneously began efforts to create a network (beyond group homes) in the community to provide services and resources to youth on probation and to their families. Staff noticed that various funding streams had increased the availability of services to youth who fall into the category of child welfare (dependency). ACPD staff began asking organizations in those funding streams to serve delinquent youth as well. ACPD administrators reached out to peers to increase access to services at Alameda County Behavioral Health Care Services and elsewhere. The result

was an increase in resources available to the probation department, and therefore, alternatives to placing youth in group homes.

Participating in the CAP

Initially, the ACPD did not express interest in participating in the waiver project proposed by the ACDCFS and the California Department of Social Services (CDSS). After passage in 2005 of the Deficit Reduction Act (DRA) and subsequent changes to Title IV-E funding, the ACPD became interested in the waiver project with a capped allocation. ACPD analysts developed projections about the impact of the DRA on the ACPD and determined there would likely be a reduction in future funding, and possibly, even a retroactive reduction in funding. A cap on Federal IV-E funding could potentially stabilize a key funding source for a period of years and give the ACPD access to funding it would likely lose—absent a waiver.

The relationship between the ACPD and the Alameda County Social Service Agency (ACSSA) and ACDCFS had improved over several years after leadership at the probation department changed and the department engaged in an effort to control its expenditures. Inter-organizational meetings occurred with greater frequency. Working with families was often the subject, along with how to keep children and youth out of both county systems. In a gesture of partnership, the DCFS shared family-finding software with the ACPD to assist in locating relatives for probation youth. In February 2006, the Children's Bureau at the U.S. Department of Health and Human Services required the inclusion of county probation departments in the CAP waiver projects. The requirement effectively mandated partnership between the two Alameda County agencies with respect to the project.

According to respondents, the ACPD was well situated to take advantage of the waiver opportunity. Three conditions were present for the department to be comfortable in participating: (a) the appropriate practice philosophy and willingness to take a risk; (b) cooperation within the department and willingness to improve; and (c) at least a small amount of initial savings in the base allocation. With those conditions met, the chief probation officer agreed to the ACPD participation in the CAP.

2.6.1.1.2 What is the CAP?

For the ACPD, the CAP represents a way to stabilize an important funding source at a beneficial level. The ACPD was comfortable with the strategies of reducing placements, reducing the numbers of youth in placement, and reducing the duration of placements because the department was already engaged in those activities. The CAP also presented the ACPD with an opportunity to expand its community-based services network, reducing the department's dependency on the network accessed by the ACDCFS. Finally, the CAP allows the ACPD to engage in an ongoing conversation with the ACDCFS regarding youth and services. Absent the CAP, the conversations might occur but in a disjointed manner.

2.6.1.1.3 The Planning Process

The ACPD planning process was limited due to the abrupt nature of its inclusion in the CAP. The department had not participated in the previous waiver project and had not spent the

intervening years considering and planning for the possibility of another waiver project. With the signing of the Terms and Conditions in March 2006, the initial concern for the department was the financial negotiations regarding how the dollars would pass from the ACSSA to the ACPD under the CAP. The Assistant Chief Probation Officer led those discussions for the ACPD and took part in the CAP executive-team meetings organized by the ACDCFS and in fiscal meetings organized by the ACSSA that occurred between the signing of the Terms and Conditions and the start of the CAP.

The CAP plan for the ACPD was to continue in the philosophical direction of the preceding years. Respondents reported that the department was happy with the progress in reducing the number of youth with placement orders and wanted to continue with those activities, making alterations where necessary. To achieve those ends, the staff of the placement unit was tasked with reviewing what had been successful, what had not, and what more was needed to improve outcomes. Discussions groups across Juvenile Services assisted in the process.

A number of findings arose from the process forming the basis of the ACPD plan for the CAP. First, there was the need to better define the important outcomes for Juvenile Services, to increase the level of sophistication of what the department wanted to understand. Second, and closely linked to the first, was the need to develop a better management information system to monitor and measure the outcomes of interest. The ACPD had tried previously to create a data system but the effort was hampered by problems with the contractor. The CAP and juvenile probation work, in general, still needed an improved process for examining and evaluating the system. Third, the ACPD needed to continue its efforts in seeking out alternatives to out-of-home placements. The family-finding software provided by the ACDCFS could be used to find relatives as a youth entered the system making a Family Preservation Unit referral a possibility, or it could be used to find relatives as a youth prepared to exit a group home to assist in reentry into the community and help prevent recidivism. Other resources like multi-systemic therapy might also be developed or accessed to assist in helping youth and their families. Finally, there was the realization that some youth would continue to need the programs provided by group homes and there should be continued efforts to work with the providers to achieve the best possible outcomes for youth.

2.6.1.1.4 Early Changes in the Organization and Implementation Requirements

Respondents did not anticipate structural changes to the ACPD in response to the CAP. They expected the effect to be abstract, providing a conceptual framework for the efforts to improve outcomes begun in previous years. The CAP would have an organizing effect on the activities of the department allowing them to be grouped under one rubric. The framework would make it easier to convey the message to staff and to develop a stable institutional memory minimally affected by retirements and turnover.

The message to ACPD staff (DPOs and supervisors) regarding the CAP was about its consistency with current policies and practices. Respondents felt that some staff was aware of the CAP's relationship with funding though it was not necessarily crucial that they were. It was more

important that they understood the CAP as a way to focus on working with the entire family and avoid having a youth end up in out-of-home care when appropriate.

A position in the Placement Unit is distinct from other roles in the ACPD. The job requires the skills to work with youth and families, and with group home providers. It can require extensive travel to placements outside the county and state. The job also offers routine based on Federal and State protocols that guide the work with children in out of home care. Historically, there have been DPOs and supervisors who have gravitated to the Placement Unit and the staffing in the program has remained stable. A sense of unity and support has resulted from that sense of stability. Juvenile Services as a whole, however, has been understaffed. In recent years, the county emphasis has been on adult probation, leaving fewer staffing resources for juvenile probation. Respondents felt that proficiency would increase in the Placement Unit and in Juvenile Services if they were fully staffed.

Respondents reported a need for trainings commensurate with the shift in philosophical approach in Juvenile Services. The majority of DPOs and supervising DPOs were criminal justice majors in college. They required further education in areas beyond monitoring and enforcement. Specifically, trainings were needed that assisted probation professionals in understanding family dynamics, assessing the appropriateness of services, substance abuse issues, and how to make decisions in a different context with a different set of priorities.

2.6.1.1.5 External Organizations

Service Provider Community

The shift in the ACPD's philosophical approach presented a challenge to group-home providers before their participation in the CAP. The majority were open to the shift and to changing their programs while others were less so. The ACPD approach in discussing the shift in philosophy and participation in the CAP occurred at a middle manager level, relying on previously established relationships between the department and its providers.

Juvenile Court

The Juvenile Court, according to respondents, is critical to the department's ability to shift its philosophy to an emphasis on alternatives to placement and will be critical to what the ACPD wants to achieve under the CAP. The court, in general, is supportive of alternatives to placement recommendations when reasonable and presented with strong rationale. Given the bench officer's independence, investment in youth outcomes, and knowledge of treatment modalities, respondents felt the officers' would be supportive of the CAP. But there was still a concern expressed that bench officers could ultimately make rulings different from the recommendations of the DPO, jeopardizing a fiscal model that relies on prevention and service alternatives to out-of-home placements to remain viable.

DCFS

The ACPD and the ACDCFS are bound together in a relationship of providing services to youth. According to respondents, a fair number of youth in the Placement Unit were ACDCFS dependents at certain points during their lives. Tension has historically existed between the departments over dependent youth who act out in significant ways. The DCFS child welfare

workers tend to see certain behaviors as sufficient to move a youth from dependent to ward status. The deputy probation officers, who tend to argue that most of the cited behaviors do not warrant a status change, are concerned with how the seriousness of becoming a ward would affect youth over the long-term. The two departments have established protocols for “dual status children” who have both dependency and ward status.

The relationship between the departments has improved over the last decade after leadership in both departments changed. Discussions at the administrative level increased and ACPD respondents reported a greater sense of cooperation and philosophical alignment. Increased cooperation was in its early stages but it was felt that the CAP presents the departments with more opportunities to work together, primarily in the area of early intervention to prevent youth from entering either system.

2.6.1.1.6 Leadership

Respondents credited the change in how the chief probation officer is appointed and the resulting change in administration with improved relationships with other agencies, a shift in the philosophical approach to working with youth in Juvenile Services, and efforts toward improving organizational morale.

2.6.1.1.7 Challenges and Attributes at Implementation

As The CAP was being established, a major unknown faced the ACPD. California Senate Bill (S.B.) 81 called for the release of non-violent, non-serious offenders from the responsibility of the California Department of Corrections and Rehabilitation, Division of Juvenile Justice, and returned to the responsibility of their county of origin. The law was to go into effect in September 2007 but by July, respondents reported that many details had not been worked out. The department was concerned about the fiscal impact of youth returning to county responsibility but was unclear if it would affect the CAP.

Some respondents were cautious about reducing the length of group-home programs from 9-12 months to 6-9 months. While they generally viewed the reduction in time as positive, they indicated that it was important to monitor each case to determine whether adding a month or two to the program might be beneficial in the long-term to guard against recidivism and other placement issues. They said programmatic or fiscal pressure should not trump the needs of youth for successful outcomes.

A second caution was sounded about the increased emphasis on keeping youth in their communities by placing them in smaller, local group homes. Respondents felt that might work for some or most youth, but some of the most successful programs, particularly with youth facing more challenges, are larger and out of state. Certain youth have benefited from the distance from their peer environment and the institutional structure these programs provide.

Perhaps the biggest challenge facing the ACPD as the CAP got underway was the lack of a management information system. Monitoring and evaluating performance and youth outcomes would be difficult until a cohesive system could be put into place. The company hired to develop

the system went out of business and the development effort languished. The department began efforts, with the assistance of the DCFS and Casey Family Programs, to restart the process.

Respondents felt the ACPD had been on a path of improvement for a number of years. The department had previously contracted with an agency to conduct a needs assessment and team-building processes that improved the trust level between direct-service staff and administrators. The philosophical approach to ACPD policy and practice and the mission of the department required a continual education process as staff retired and new staff started. Importantly, the CAP was viewed as a way to refocus efforts that had gotten underway in preceding years.

2.6.1.2 Implementation Phase

2.6.1.2.1 Plan

The ACPD's involvement with the CAP is concentrated in the Juvenile Services Division and engages a number of units of operation. The Placement Unit is the primary area affected by the CAP as its DPOs provide case management and other services to minors who have received Suitable Placement orders. A Suitable Placement minor has been removed from his or her home and placed in an alternative environment—such as with a relative or non-relative or a group home—to better meet the minor's needs.

Respondents indicated a general happiness with the ACPD's participation in the CAP. There was the sense among respondents that the department had become increasingly focused on reunifying youth with their families and on alternatives to out-of-home placement. However, it was less clear to respondents whether those changes represented a philosophical shift in the department or whether changes were driven by the economic pressures of operating within a capped allocation environment.

A singular definition or interpretation of the CAP for the ACPD did not emerge from conversations with respondents. The CAP was described as a new way of reimbursement for service activities; a model based on the philosophical approach of, and the importance of, evidence-based practices; and a further mandate to reduce out-of-home placements.

According to respondents, the ACPD attained approximately \$2 million in reinvestment savings in the second year of the CAP through reductions in out-of-home placement costs. Approximately \$1.1 million was used to retain staff positions that might otherwise have been lost due to budget cuts, particularly in the department's Family Preservation Unit.

2.6.1.2.2 Oversight and Monitoring

Day-to-day oversight and monitoring of the CAP was carried out by the CAP Coordinator, a Deputy Chief Probation Officer overseeing the project, in conjunction with the Deputy Chief Probation Officer responsible for the Placement Unit and other key units. The CAP Coordinator and the Chief Probation Officer are also part of the Executive Team working with representatives from the Alameda County Department of Children and Family Services

(ACDCFS). Internally, a weekly “Chief’s” meeting included the Chief Probation Officer, the Assistant Chief Probation Officer, and the two Deputy Chief Probation Officers most closely affiliated with the CAP. ACPD plans for the CAP are ultimately approved by the Alameda County Board of Supervisors.

In its efforts to monitor placements and track placement expenditures, the ACPD was hampered by the inadequacy of its aging data management system. The development of a new data management system called Prism had been underway for several years and it was anticipated that the system would soon be operational. The system would allow department staff to track a youth’s placement history in its entirety, enhancing staff decision-making and allowing for the measurement and tracking of youth outcomes. The new system would also aid in fiscal management, allowing for tracking placement costs. Because an adequate data management system was not in place, the department had been unable to calculate savings under the waiver. The new system is expected to alleviate this issue.

2.6.1.2.3 Structure and Operations

Since the start of the CAP, according to respondents, the ACPD had undergone organizational change. Its administration went through two restructurings. In 2008, one of two administrators retired and was replaced through an internal promotion process. The second Assistant Chief Probation Officer (who had envisioned the department’s involvement in the CAP) transitioned out of the department; responsibility for the CAP shifted to the newly promoted Assistant Chief Probation Officer. Also in 2008, a second Deputy Chief Probation Officer position was created in Juvenile Services and filled through an internal promotion process. One of the Deputy Chief Probation Officers is responsible for units of Supervising DPOs and DPOs while the other is responsible for the CAP, the data system, and grant-related programs.

The Juvenile Services Division was implementing plans to blend its intake and investigation divisions into a single unit, including the training of DPOs and Supervising DPOs. Once fully implemented, cases will be managed vertically, with a single deputy performing both intake and investigative functions. The purpose of the change is to enhance a DPO’s relationship with youth and their families and streamline processing through the system.

An on-going challenge reported by respondents concerned the processing of group home claims by the ACPD. The department did not have its own administrative unit charged with the task of processing paperwork related to group home payment claims (in order for group homes to receive payments for the board and care of their wards); instead, it was the responsibility of the case-carrying DPO to complete the claims paperwork. This paperwork is required to commence payment when a minor enters placement and when the minor is released, to stop payments. DPOs send all completed paperwork to eligibility staff at the Alameda County Social Service Agency (ACSSA) for processing.

According to respondents, the payments to group home providers can be slowed because the ACPD must process claims through another agency. Group home providers sometimes had to await payment for an extended period creating concern about the ongoing care of probation

youth due to nonpayment. In addition, group home providers may be over-paid if the paperwork at the cessation of the youth's Suitable Placement is not processed in a timely manner and payment continues. The potential for overpayments is an additional challenge to operating in a capped allocation environment. Respondents reported that the time spent preparing paperwork and tracking the claims and payments reduces the available time for casework and meeting with youth.

Respondents also discussed the need for an operations manual for Placement. They described work in the Placement Unit as complicated, causing them to constantly create and update procedural guidelines.

2.6.1.2.4 Staffing and Training

DPOs were shifted from the Placement Unit to serve in the Family Preservation Unit. The change was described by respondents as occurring in tandem with shifts in treatment goals that focused on family reunification and community-based treatment. Transferred DPOs underwent training in family-preservation case management. Department DPOs also received training in intake/investigations and Screening for Out-of-Home Services Committee meeting protocols.

The ACPD was affected by the countywide hiring freeze and the impact of the State's budget crisis with the possibility of having to make staff reductions across the department. Community Probation, a grant-funded, community-based intervention program sometimes used as a front-end alternative to out-of-home placement, lost 8 positions since the start of the CAP.

2.6.1.2.5 Courts

Respondents view the Juvenile Court as a critical component of the ACPD's efforts under the CAP. Respondents indicated that judges were generally amenable to alternate strategies to out-of-home placements and reducing the length of group-home treatment programs. To obtain the support of bench officers, the department provided systematic and continual education of the CAP goals and procedures to bench officers. To assist with this issue, the presiding judge held regular court-probation meetings, with bench officers attending along with the Assistant Chief Probation Officer and two Deputy Chief Probation Officers. The department informed the bench officer of changes being implemented and elicited feedback. Respondents hold these meetings in high regard and characterize them as informative and constructive. To encourage continued support, respondents said it is the responsibility of probation officers to prepare inclusive and thorough case management plans.

2.6.1.2.6 Contextual Factors

Senate Bill 81 (S.B. 81), The California Juvenile Justice Realignment Act of 2007, had a noteworthy impact on the ACPD. The legislation reclassified offenses that warranted a minor's detention in California Department of Juvenile Justice (CDJJ) facilities to include only those offenses for which a youth may be tried as an adult known as 707 (b) offenses. The reclassification left county probation departments without a State custody option for minors

committing serious offenses. In addition, all minors in State custody not held for 707 (b) offenses were to be returned to the custody of their home counties.

Respondents reported that S.B. 81 had an impact on the ACPD in terms of planning for both returnees and for placement recommendations, with CDJJ custody no longer an option in most cases. In practical terms, only eight youth were returned to Alameda County from CDJJ facilities. However, because the county now retain youth who would have normally gone to CDJJ, this has created a slightly larger population of serious juvenile offenders in county custody, necessitating the creation of new programs for them. The ACPD also had to rethink dispositions for serious offenders. Because removal to state custody was used as the most serious dispositional outcome, the department and the Juvenile Court, developed alternatives for these cases. A GPS system is in place, and the department made use of remote, self-contained residential facilities in many of these cases. The Youth Offender Block Grant (YOBG), created by S.B. 81, helped to fund these changes.

2.6.1.2.7 Worker-Supervisor Survey

The Title IV-E Waiver Capped Allocation Project Evaluation team surveyed probation officers in Alameda County to assess the knowledge and perceptions of the CAP by employees. Of the 74 surveys sent out in the spring of 2008, 64 were returned completed, yielding a response rate of 86.5%.

Of the 64 Alameda probation officers who responded (Table 2.11), 89.1% were deputy probation officers, and 10.9% were supervising deputy probation officers.

	No.	%
Deputy Probation Officer	57	89.1
Supervising Deputy Probation Officer	7	10.9
Total	64	100.0

Among survey respondents (Table 2.12), 35.9% worked in Community Probation, while 28.1% worked in Investigations, 34.4% in either Placement or Family Preservation, and one staff member worked in a category not reflected by the survey.

	No.	%
Community probation	23	35.9
Investigations	18	28.1
Placement/family preservation	22	34.4
Other	1	1.6
Total	64	100.0

In Table 2.13, very few probation officers (7.8%) reported having no knowledge of the CAP while the majority (59.4%) described themselves as having at least limited or some knowledge. 32.8% of respondents reported feeling knowledgeable or very knowledgeable in regards to the CAP.

	No.	%
No knowledge	5	7.8
Limited knowledge	14	21.9
Some knowledge	24	37.5
Knowledgeable	16	25.0
Very knowledgeable	5	7.8
Total	64	100.0

Survey responses regarding the influence of the CAP on the daily work of probation officers was near equally divided among the various categories, and do not indicate a trend in either direction (Table 2.14). Of the respondents, 20.3% could not determine the influence of the CAP on their daily work, 21.9% felt the CAP had had no influence, 17.2% felt the CAP had limited influence, 17.2% felt the CAP had some influence, and 15.6% felt the CAP had had regular influence. Just 7.8% of respondents felt the CAP had a lot of influence on their work with children and families.

	No.	%
Not able to determine	13	20.3
No influence	14	21.9
Limited influence	11	17.2
Some influence	11	17.2
Regular influence	10	15.6
A lot of influence	5	7.8
Total	64	100.0

Respondents were asked for their opinions on whether the CAP was having a positive effect on the county's probation placement environment (Table 2.15). In 2008, the majority, 59.4%, could not determine the CAP's effect. However, when comparing those who did make a determination, 28.1% perceived the CAP as having a positive effect compared to 12.5% who felt the CAP was not having a positive effect.

	No.	%
Not able to determine	38	59.4
No	8	12.5
Yes	18	28.1
Total	64	100.0

Respondents were asked whether they felt a wider array of services had become available within the six months prior to the survey (Table 2.16). Fewer respondents (23.4%) reported their perception of a rise in available services than 39.1% who did not perceive a wider array of available services. The second largest percentage, 37.5% could not determine whether more services had become available in the six months prior to the survey.

	No.	%
Not able to determine	24	37.5
No	25	39.1
Yes	15	23.4
Total	64	100.0

Summary

In Alameda County, juvenile probation officers and their supervisors were surveyed in 2008, with a very high response rate of 86.5%. The vast majority reported having at least limited knowledge of the CAP, with fewer than 8% reporting that they had no knowledge of it. More than a third of respondents described themselves as knowledgeable or very knowledgeable of the CAP. Most workers surveyed could determine whether the CAP was having a positive effect on Alameda County's probation placement community; but a greater proportion of those who did make a determination felt the CAP was having a positive effect than those who felt it was not having a positive effect. Finally, less than a quarter of respondents felt that a wider array of services had come available in the County in the six months prior to the survey, and close to 40% felt a wider array of services had not come available.

2.6.2 County Services Component

2.6.2.1 Initiatives

Under the CAP, and in alignment with a general philosophical shift toward family-focused, strengths-based treatment goals, the ACPD sought to reduce the amount of time youth spend in group-home treatment programs. To achieve that end, the department worked with group-home service providers to make available more intensive, less-lengthy treatment programs, reducing the average amount of time from 12 months to four to six months.

The centerpiece of the out-of-home placement process is the *Screening for Out-Of-Home Services Committee meetings*. The meetings arose out of the goal to reduce referrals for out-of-home care, and to act as a mechanism to encourage the exploration of alternatives to placement or camps. DPOs are now required to take part in a Screening for Out-of-Home Services Committee meeting prior to making out-of-home placement recommendations and to have all recommendations to out-of-home placement approved by the Screening for Out-of-Home Services committee. The committee meets twice weekly and is made up of members from Probation, including managers from the Placement Unit, the Investigations Unit, the Family Preservation Unit, Camp Sweeney, and the registered nurse from the Juvenile Hall Medical Clinic. The committee also includes members from other agencies including Alameda County Behavioral Health Care Services, ACDCFS and occasionally from school districts. Probation has amended its dispositional template to include the recommendation of the committee, and apprised the courts of the Screening for Out-of-Home Services Committee meetings and explained their purpose. The meetings began in April 2009.

The ACPD has sought to highlight its *Family Preservation Unit* as the alternative of choice to out-of-home placement. At the same time, the Family Preservation Unit is used as an after-care program to help families with moderate to significant transition needs with the return of a family member from out-of-home care. The emphasis on the Family Preservation Unit is reflected in the shift of seven staff members out of Placement Unity and into the Family Preservation Unit. Family Preservation is a program that provides intensive supervision and offers coordination, management and monitoring of services for youth, along with counseling and other support services provided through community-based vendors. Services specifically for the parents of youth may also be provided. DPOs working in the Family Preservation Unit carry a reduced caseload, which enables them to meet with those under their supervision more regularly, and allows them to explore individualized community-based options according to the specific needs of the minors in their care. According to respondents, a portion of \$1.1 million was used to retain staff in the Family Preservation Unit —staff that would otherwise have been laid off due to budgetary issues.

2.6.2.2 Accessing Services; Case Management; and Service Array, Intensity, and Integration

The ACPD began combining its intake and investigation units into a blended unit. In the past, minors came first into contact with an intake officer who performed an initial case review and determined whether the minor would either be released or remain in custody; the case then

moved to a different officer who investigated and then prepared a full dispositional report. Under the blended unit model, a single officer performs both functions, both intake and investigation. It is the intent of this model to enhance the ability of families to access information more readily, and for deputies to have the opportunity to engage in their cases more fully, leading to enriched relationships among probation, youth, and their families.

The ACPD uses the Youth Level of Service Case Management Inventory assessment tool to assist DPOs in determining the risk levels of each minor at the time each young person enters the system. Administered by DPO investigators, the inventory assists in determining appropriate treatment plans. When an out-of-home placement recommendation is considered, the inventory's outcomes are presented to the Screening for Out-of-Home Services Committee to inform the decision-making process before making a placement recommendation to the court.

The ACPD has traditionally escalated minors through the system in the following manner:

Informal supervision → Formal supervision → Placement → Camps → California Department of Juvenile Justice. In recent years, however, the pattern of escalation has altered in three ways. First, recommendations made by DPOs and Suitable Placement orders made by judges began to shift the traditional pattern of escalation, ordering minors to camp prior to placement, and then escalating them to placement. According to respondents, this change from the traditional pattern of escalation did not serve the needs of youth, and they felt that camp, as a locked facility, should be reserved for the higher levels of offenders. For this reason, there has been an effort within department to return to the traditional model, with placement recommendations coming prior to camp. Second, S.B. 81 reduced the number of cases in which youth may be retained by the CDJJ and increased the number of more serious cases that must be served by the county. The camp operated by the department was viewed as the most appropriate option for these youth. Respondents expected that as higher-level-of-offense youth were ordered to camp, fewer lower-level-of-offense youth would be ordered to camp to avoid commingling the groups.

Since the start of the CAP, the ACPD has instituted an aftercare model that relies on the Family Preservation Unit. A majority of youth transitioning back home after an out-of-home placement receive aftercare supervision, which is provided at two levels. For families with considerable transition needs such as assistance with school re-entry or housing services, aftercare is supervised by the Family Preservation Unit, which collaborates with a network of community organizations offering services. A larger percentage of youth are supported in their transition home by the department's General Supervision. Many minors under General Supervision as aftercare have yet to meet the technical conditions of their probation such as restitution and fines and do so while under supervision.

Respondents reported that the Family Preservation Unit is also used with youth who have successfully completed their treatment program in a group home or who have repeatedly run away from out-of-home care. As an alternative, the unit provides more intensive services and supervision for these youth.

Respondents reported that ACPD works closely with group home providers to change the length of stay in treatment programs. Respondents also described that, in response to this overall change in service provision, some service providers have diversified their service offerings. For example, a new direction in the focus of programming by some service providers is geared towards treating families along with the youth on probation. In some cases, family therapists provide treatment at home in cases where the child is not removed from the home. Respondents describe these programs as very successful although capacity is quite limited. Probation had entered into contracts with providers who offer this type of care, creating identified slots specifically for youth on probation. Respondents claim other service providers are now beginning to adopt this model, and expect to see additional slots in the near future.

The Case Management/Youth Offender Block Grant/Multi-Disciplinary Team Meeting intervention was developed to assist youth who are not successfully completing probation. The ACPD contracted with nine youth service centers across Alameda County for community-based case management, as well as advocacy and assistance in overcoming barriers to probation compliance. Nine community case managers received extensive training on juvenile justice issues and systems, highlighting barriers particular to youth on probation. Psychiatric social workers, provided through a contract with the Alameda County Behavioral Health Care Services, are able to access mental health records and assist the case manager, the DPO, and the youth and family to develop a plan through a Multi-Disciplinary Team Meeting process. The team meetings utilize a strengths-based approach, and focus on family engagement strategies intended to keep youth in the community.

Although the ACPD and bench officers are inclined to keep youth close to home when under a placement order, respondents state that local group homes within Alameda County do not meet the service needs of many minors on probation. This was particularly true for high-need youth and respondents preferred larger, out-of-county programs for those youth, with more staff and that include a greater array of professional services, including on-site schools and intensive counseling. Respondents also identified several areas in which they feel services for youth are either unavailable or deficient, including: group homes for sexually exploited minors; gang-competent group homes; programs for Spanish speakers; locked services for minors who habitually run away from group homes; and transitional services, including transitional housing, for youth 17 and over who are moving into adulthood.

Respondents reported that the ACPD's working relationship with other departments has improved. Representatives from ACDCFS, Alameda County Behavioral Health Care Services, and school districts participated in Screening for Out-of-Home Services Committee meetings. Along with the ACDCFS and the Alameda County Behavioral Health Care Services, the Alameda County Public Health Department collaborates with the department at its juvenile hall facility and a public health nurse is collocated with the department's Placement Unit.

The ACPD collaborates with the Oakland Unified School District and educational coordinators from five community organizations that contract with the City of Oakland/Measure Y. The educational coordinators meet with youth in custody and in out-of-home placements and act to secure their place in school immediately upon their release.

2.6.2.3 Quality Assurance and Data Collection and Management

The ACPD has been hampered by a dearth of information for decision-making and quality control. Respondents anticipate that the new data system will allow them to track a youth's placement history so that the department has a more complete understanding of how well the various service efforts are interacting with each youth and the family. With this information, the department intends to enhance its quality assurance operations.

2.7 Findings: Los Angeles County Department of Children and Family Services

2.7.1 Implementation Component

2.7.1.1 Planning Phase

2.7.1.1.1 The Impetus for Participating in a Waiver Project

By the end of the 1990s, there was agreement among practitioners, researchers, public servants, and the community that the child welfare system in Los Angeles County did not work. The Los Angeles County Department of Children and Family Service's (LACDCFS) policy of detaining children as the primary means of ensuring safety had resulted in over 50,000 children living in foster care in Los Angeles County at one point in the mid-1990s. As the century turned, the department began to make a philosophical shift in policy and practice—helped along by reports, audits, and lawsuits—that still focused on safety but sought to do so in a way that supported families so children could remain at home. The shift is best exemplified in the LACDCFS adoption of the Family-to-Family philosophies developed by the Annie E. Casey Foundation as an organizing rubric for how the department operated.

In 2003, the Los Angeles County Board of Supervisors selected a new director to lead the LACDCFS. The director's two premises were: (a) children in foster care spend too much time in foster care; and (b) the tendency of child-welfare professionals—to focus more on the processes of child welfare (i.e., complying with the various mandates) and less on achieving outcomes as the guiding principle of policy and practice—had damaged the credibility of the professionals with their constituencies. As a result, the LACDCFS began a concerted effort to shift its emphasis from a primary reliance on placement to a strength-based, holistic focus on better outcomes for children and families—specifically, improved safety, decreased timelines to permanency, and reduced reliance on the use of out-of-home care—and to connect policy and resource decisions to those three outcomes.

The LACDCFS also began implementing the Points of Engagement service delivery system as one of its main strategies in systems improvement. Points of Engagement, according to respondents, is characterized by a seamless and timely transfer of responsibility from front-end investigations to service delivery, utilizing a multi-disciplinary approach that includes the input of the family. The intent of the system is to avoid, if possible, the removal of children from their homes.

In addition to an orientation toward outcomes, the director brought with him the experience of a different State system where fiscal flexibility was greater. He brought his chief financial officer from Minnesota where the counties provided the 50% match for Federal IV-E funding and there was no State match. As a result, each county child welfare department could apply any savings in county dollars produced from a reduction in the use of foster care to other parts of its system. The funding streams in California's system, by comparison, are more restricted. While the inclusion of a State 20% match reduced the amount of county dollars (30%) necessary to draw down Federal IV-E dollars for foster care, a smaller amount of savings would be realized if the reliance on foster care were reduced. That is because the State portion would not be available for use as savings. In addition, the Los Angeles County Chief Administrator's Office (now the Chief Executive Office) had not allowed any savings from the county match to be used flexibly. In both cases, any savings were returned to the appropriate agency and could not be reinvested by the LACDCFS.

While efforts were underway in the county to reduce the number of children in foster care, the director felt that the LACDCFS could have an even greater role in reducing the totals. Continuing to conduct business in the traditional fiscal environment raised a number of issues. First, at some point, the department's then current structure of activities would have worked to return home a maximum but not all children and the system would reach equilibrium. Without an infusion of new services, which requires funding, the exit of children from out-of-home care would plateau. Second, any success at reducing the reliance on foster care would be met with a loss in revenue (fewer children in care, fewer placement-related dollars), reducing the department's and the community's ability to provide services.

Local solutions to the dilemma were considered. For example, the LACDCFS could have worked to convince either the Los Angeles County Chief Administrator's Office or the California Legislature to use any savings generated from a reduction of children in foster care to pay for non-foster care services. However, respondents felt the process would be long and necessarily political and, in the end, convincing the legislature to adopt a flexible use of State dollars was far from certain. Instead, the director chose to focus his efforts at securing some kind of fiscal waiver from the DHHS.

The first step was already taking place within the LACDCFS. From the beginning of his tenure, the director sought to align all of the department's policy and program decisions with an emphasis on what the outcomes would be for children. That included how the department was managed; funding; the staffing structure; the services offered; and the department's relationships with the union, the provider community, advocates, and the court. An early decision in support of the new alignment was to redeploy approximately 250 staff from non-direct services positions to direct services positions. Respondents reported that the shift seemed to provide the realignment effort with a degree of credibility given the complexity of reallocating staff. At the same time the realignment of policy and program decisions with outcomes was underway, the director and his staff began formulating a proposal to outline the three primary outcomes, the strategies necessary to achieve those outcomes, and the funding flexibility necessary to implement the strategies.

Securing funding flexibility was the principal component and efforts began in earnest when the director convened a group of individuals from outside of the department with strong connections to philanthropy, Hollywood, and local, State, and national political circles. The intent was to generate sufficient support from outside the organization to increase the political viability of the idea and make use of support within the State and Federal governments. The Los Angeles County Chief Administrator's Office was initially concerned about giving up the security of the Title IV-E entitlement and that there would be little public support for the idea. However, respondents felt that convening the small group of external contacts had generated momentum for the idea of fiscal flexibility with the Los Angeles County Administrators Office and the Board of Supervisors.

The director and his staff stressed the importance of the outcomes while at the same time pointing out that success on two of the three outcomes would mean a loss in revenue for services. This message was communicated to both an internal and external audience, particularly with the county's Children's Commission and advocacy organizations. Over time, there was a sense that people understood the goals of the LACDCFS and the dilemma it faced. Respondents indicated that the discussions about the waiver option began soon afterward. This allowed the waiver option to be presented as a solution and that success in improving outcomes could generate savings that the waiver would permit to be used to support children and families in new ways.

At the same time, the director and his staff made an effort to stay away from discussing a waiver as a policy change that supported the block granting of Title IV-E funds. There is strong resistance in parts of the child welfare community to the notion of a block grant and the director did not want an argument for fiscal flexibility to be lost in a dispute about the appropriateness of block grants. The policy intent was to test a funding option and, if successful, make a case for an increase in the level of fiscal flexibility allowed in child-welfare funding.

Eventually, the small group of stakeholders expanded to a larger group of approximately 15-20 people that included the LACDCFS staff, other public community service providers, advocacy organizations, and union representatives. This group was tasked with developing the initial flexible funding waiver proposal. In February 2004, that proposal was completed and submitted to the CDSS. Two years passed before the terms and conditions between the CDSS and the Children's Bureau were signed.

2.7.1.1.2 What is the CAP?

The Capped Allocation Project (CAP) for the LACDCFS is an opportunity to put in place another component—the important fiscal component—in the alignment to achieving the desired outcomes for children and families. Respondents reported that the philosophical direction of the department, guided by the principles of Family-to-Family was already in place and that participating in the CAP was not intended to promote a change in the system.

2.7.1.1.3 The Planning Process

With the agreement between California and the Federal government in place, the LACDCFS began their planning process in earnest. The department used the established meeting

structure (e.g., unit meetings, regional office meetings, etc.) to provide information about the CAP planning process and solicit input from staff. In addition, information was posted on the LACDCFS website and staff was given the opportunity to provide input electronically.

The department was concerned about the level of buy-in at the community level and decided to use the community advisory structure that had been developed through the Family-to-Family initiative to build support for the Waiver and solicit input on how best to use any reinvestment dollars. The Family-to-Family community advisory structure was organized around the 19 LACDCFS offices, with meetings held on a monthly or bi-monthly and organized by the regional administrators.

The community involvement effort for the CAP was led by an executive level staff person and resulted in roughly 100 community forums held throughout the county in June and July of 2006. The information collected was then analyzed by staff supporting four LACDCFS workgroups (prevention, family reunification, permanency and kinship, and permanency for transitional age youth) co-led by the Children's Commission and borne out of an earlier Board of Supervisors mandate to discuss policy related to the key areas of child welfare. The workgroups were comprised of representatives from the department and the Children's Commission along with representatives from other departments including probation, mental health, and the courts. The results of the analysis were presented at the Learning Organization Group, a meeting of approximately 300 community stakeholders held in August 2006, where further input on the CAP plan was solicited.

The community involvement and staff-related input processes resulted in approximately 250 suggested programmatic activities for the CAP plan. Further analysis of the suggestions was conducted by the LACDCFS executive staff and the list of activities was culled down to approximately 20 potential activities. A number of criteria were used to produce the final list of activities, including which activities could be implemented more quickly, which activities would have the quickest impact on outcomes, and what was the anticipated ratio between expense and results. The list was presented to the executive staff for consideration and inclusion in the LACDCFS CAP plan.

The LACDCFS developed a plan that included sequences of activities for Year 1 and Year 2 of the CAP. Respondents reported that the planning group felt that scheduling activities beyond Year 2 would be impossible because the kinds of activities and the levels of activities would be dependent on the success of efforts in the first two years of the CAP. The approach was to be fiscally prudent and be more conservative in the expenditure of funds in the early stages of the project. In fact, it was anticipated that the Year 2 sequence would likely need to be altered depending on the results of Year 1. Importantly, the LACDCFS viewed the CAP plan as a living document that could be altered as time went on and new situations presented themselves, requiring an alteration in the plan.

Continued planning leading up to implementation in mid-July was overseen by an executive team comprised of the LACDCFS director, senior deputy director (administration), and deputy directors (program), and managed by a CAP coordinator who was a deputy director within the department. The CAP was a standing agenda item for the executive team's weekly

meeting and also a standing item on the agenda for the team's monthly problem-solving retreat. Two senior manager (executive team and regional administrators) level meetings also included the CAP as a standing agenda item. The purpose of the first monthly meeting was primarily information sharing. The second monthly meeting, the Senior Managers Operations Group dealt with issues and solutions at the regional office-level, led by the regional administrators. The executive team set policy and program direction for the LACDCFS regarding the CAP; the SMOG was responsible for putting those policies and programs into operation within the local context of the regional offices.

The planning process faced an initial challenge when the LACDCFS director who had envisioned the idea of a fiscal waiver resigned his position in July 2006, several months after the signing of the terms and conditions between the Children's Bureau and the CDSS. His chief financial officer assumed the role of interim director while a search for a permanent director was undertaken. She also departed from the department once a new director was appointed by the Los Angeles County Board of Supervisors in September 2006. Despite the loss of the primary architects and promoters of the waiver idea, the planning for the CAP moved forward, with staff members stepping forward into leadership roles.

The changing fiscal scene was the biggest challenge to planning. Once the Federal allocation amounts were set in March 2006, it took approximately eight more months until the amount available from the State's general fund was determined. Legislation that was likely to become law proposed an increase in the rate paid to out of home placement providers, an additional cost to be borne in part by the counties. Both examples made it difficult for the LACDCFS to develop CAP plans and, in the case of rate increase, required the department to scale back its plan for programs in the first and second year.

Respondents discussed the difficulty in maintaining a consistent message about a waiver project and the CAP. Confusion early on led to a public misunderstanding about the amount of projected reinvestment funds and it took continued effort and political capital to correct the confusion. In addition, communicating the idea of a fiscal waiver that created a capped allocation that allowed for the use of cost savings for reinvestment into the child welfare system was a challenge. Given its fiscal orientation, the CAP is a project that may not immediately appear relevant to most child-welfare practitioners whose focus is on children and families. Traditionally, new initiatives include new money and there is a tendency to make that assumption. Adding to this challenge was the size of the department. With 18 regional offices, maintaining a consistent and clear message about a challenging project with changing parameters was a challenge in and of itself.

The final challenges in the planning process relate to the department as a large bureaucracy. With multiple layers of administrative hierarchy and with a project that cuts across a variety of departmental areas, the plan and changes to the plan required multiple reviews and approvals. Out of necessity, the process takes time and, respondents reported, at various intervals a kind of inertia developed that threatened the momentum of the project. Like other large bureaucracies, the LACDCFS faced turnover in staff during the planning process, most notably the director who departed shortly after the approval from the Federal government in March 2006.

Departures at all levels, while perhaps inevitable to some degree, required on-going education by the department and added to the complexity of maintaining the message and developing a plan.

According to respondents, a number of factors were helpful in facilitating the planning process. Importantly, as discussed previously, systemic reform efforts were already underway in the LACDCFS, having begun in the early 2000's. The departmental culture shift to aligning activities with outcomes and implementing the Family-to-Family core principles and Points of Engagement were progressing, along with corresponding programmatic changes. Planners were able to build on those efforts as opposed to starting from scratch. Central to receiving input from community stakeholders was the relationships and the structure that had been developed by the regional administrators and their staff through Family-to-Family. Without those two components in place, the department would have faced a much bigger challenge in receiving community input.

The planning effort was viewed as a departmental effort, meaning it cut across all areas of the organization and those areas, led by their deputy directors, participated in the process. In other words, the planning process was not left to one person to organize but instead was a group effort. There was a concerted effort by the executive staff to facilitate the process by conveying a clear and consistent message about the CAP using messages from the director, office visits, department website, and emails to staff. Ultimately, the efforts under the CAP would be carried out in the communities and, as such, the delivery of the message about the CAP was concentrated on the regional offices and their administrators. Respondents reported the department made a concerted effort at open and clear communication internally and with external stakeholders. Executive staff felt it was important that stakeholders understood the department was learning as it went along, that it would make mistakes, and that it would try to acknowledge and learn from those mistakes.

2.7.1.1.4 Early Changes in the Organization and Implementation Requirements

Respondents reported that communication, both for internal and external audiences, was a key implementation requirement. The initial excitement about the CAP was tempered over time by miscommunications and misunderstandings about the amount of money available for reinvestment into the system and by further reductions in the projected savings brought about by a changing fiscal environment (e.g., rise in foster care rates) beyond the control of the LACDCFS. Both the former and the latter threatened to derail the momentum built for the CAP without a strong effort to communicate to stakeholders the implications of the changes in the projections and that they did not mean an end to the opportunity to improve upon the department's endeavors. There was also a need to continually communicate the key principles of the department's operations—child safety, bring fewer children into care, and children should not grow up in care. Continual communication of the principles served not only to engage staff in the mission of the department but also served as a reminder as to the purpose of participating in the CAP.

Internally, flyers about the CAP were included in pay-stub mailings, a website was developed to provide updated information, emails were used to convey messages, and senior staff visited regional offices to discuss the project with staff. External to the department,

presentations were made by senior staff to the deputies of the Los Angeles County Board of Supervisors, to the Children's Commission, and to the Association of Community Human Services Agencies. The CAP was often an agenda item for each of those organizations. Senior staff also discussed the CAP in radio interviews and through other media outlets. The issue of communication was important enough that the LACDCFS sought the assistance of Casey Family Programs in developing a strategic communications plan.

Crucial to the success of the LACDCFS operating under the CAP are the 18 regional offices. Regional administrators and their assistants are middle managers at LACDCFS and integral to the department's day-to-day operations. They are also the conduit to child welfare workers and their supervisors, and to communities served by their offices. There has been a concerted effort on the part of senior staff to engage the regional administrators in the CAP to develop a critical mass of support for the project. As the operations center of the department, there has been some skepticism expressed by regional administrators about having to implement another project. In response, senior staff has tried to convey a consistent message that the CAP is not another program but a different funding strategy in place to support the department's existing mission guided by Family-to-Family principles and Points of Engagement. It is through the regional administrators and their assistants that this message is conveyed to line workers and supervisors through office meetings, and to community planning groups and to meetings of the service-provision area council.

The size of the county results in a great degree of variability in demographic factors as well as geography. The inner-city office of Compton is different from the rural nature of the Lancaster office, which is different from the suburban sprawl of West San Fernando Valley office. As a result, the regional offices have been allowed a degree of flexibility in their operations to respond to local needs. However, respondents reported a growing concern about the need for greater consistency in operations across the offices; efforts were underway to bring about a better balance between local needs and uniformity in practice. The biggest example of these efforts was the recruitment of a chief deputy director to oversee daily operations. That person is responsible for working with the deputy directors and the regional administrators to create cohesion and consistency in the implementation of activities across the regions.

Respondents reported it will be important for the department to create better links between the CAP executive team (led by the CAP coordinator), the LACDCFS workgroups (prevention, family reunification, permanency and kinship, and permanency for transitional age youth), the Senior Managers Operations Group and the local planning networks of the regional offices. As reported, the regional administrators played an important role in linking the department's planning process to the various communities it represents through the planning councils and furthering those connections will be important throughout the CAP.

Directly related to the desire to create better links between the various groups involved in the CAP is the need for data to inform decision-making. Respondents indicated that there were an array of data available but the issues were accessing the necessary information (e.g., 8-10 indicators of performance) and then learning how to use it in a real-time way, particularly at the regional office level. The concern is that there is plenty of information but less knowledge.

Developing this capacity will allow for the necessary tracking and monitoring but may also allow offices to share information about effective strategies.

Respondents did not expect that a great deal of restructuring or reorganization of the department would necessarily take place because of participation in the CAP. Some reorganizing was required to implement the activities under the first sequence. There was an expressed desire to lower caseloads to provide child welfare workers with more time to concentrate on their cases and perform more social work-type activities. The LACDCFS monitors caseloads generally as do individual offices. The department has attempted to staff offices to distribute the caseload, but union agreements prohibit the department from unilaterally assigning staff to offices. The primary means for staffing less desirable offices (usually offices with higher caseloads) is with newly hired child welfare workers. However, newly hired child welfare workers typically receive a lower caseload initially to assist in their transition and they often transfer to different offices as soon as possible, further affecting caseloads and morale. Various other caseload reduction ideas were pursued such as reducing the duplication of efforts between child welfare workers and social workers from foster family agencies. Additionally, the LACDCFS historically has undergone regular reorganizations of its departments and it was anticipated that that kind of restructuring would continue.

The LACDCFS has a strong union representation and that had been included in the discussions and planning leading up to the start of the CAP. Some respondents reported that they felt the union supported the CAP and efforts to reduce caseloads, lessen workloads, and provide child welfare workers more time to spend with children and families. That support, however, did not erase the natural wariness between union and management and disagreement around the particular strategies for supporting child welfare workers.

Given the capped allocation nature of the project, there was an increase in the interaction between the fiscal department and the programmatic departments within the LACDCFS during the planning phase and respondents expected that to increase over the course of the project. There had not been a formal structure for the two areas to work together in the past but new structures were anticipated, primarily in the area of connecting fiscal data with programmatic data, including outcomes. Similarly, there was an increase in fiscal monitoring between the LACDCFS and Probation, given the partnership forged by the CAP, and that too was anticipated to continue.

2.7.1.1.5 External Organizations

The LACDCFS has a number of important external relationships that it maintains as part of its normal operations. These relationships were equally significant as the department prepared to enter the CAP and respondents discussed them in the context of preparing for the start of the CAP.

CDSS

Respondents reported that the working relationship between the LACDCFS and the CDSS was crucial to the operation of the CAP and that thus far the relationship had been

positive. Both are large organizations with their own institutional interests and it was important for there to be a reciprocal flow of information.

County Government

The Los Angeles County Board of Supervisors voted unanimously to authorize the LACDCFS to participate in the CAP. In addition, the County Administrators Office was supportive of the CAP. Respondents reported that historically the Board of Supervisors had closely monitored the operations of the department, through their children's deputies. Importantly, the director who initiated the CAP and the subsequent director have enjoyed the support of the Board of Supervisors and the County Administrators Office.

Juvenile Court

The Juvenile Court is an important component of the child welfare process given that the Court retains the ultimate responsibility for the child. Respondents reported that the Presiding Judge was supportive of the CAP. The LACDCFS director and presiding judge meet weekly to discuss issues and share information and the Court has been included in the discussions leading up to the CAP. What was less clear was the degree of support that would be afforded by the remaining judges in the system. Historically, the department has had a positive relationship with some judges and a more contentious relationship with others. However, it was not expected that there would be wholesale opposition to the CAP given that the philosophical approach guiding the agency was not changing.

Probation

Meetings between the LACDCFS and the Los Angeles County Probation Department (LACPD) began in late 2003 when the initial waiver proposal was being drafted. The LACPD was explicit that they did not want to be included in the kind of waiver being proposed, their concern focused around the possibility of an increase in the placement population and a corresponding increase in costs. When the waiver was proposed to the Los Angeles County Board of Supervisors and to the CDSS in early 2004, the LACPD was not included.

In February 2006, as negotiations continued between the Children's Bureau and the CDSS, the Children's Bureau added as a condition to California's participation in a waiver demonstration project that probation departments be included in any agreement. In the intervening period, the anticipated increase in the placement population did not materialize. In addition, there was an impetus within the juvenile section of the LACPD to make changes to the system. These two conditions, coupled with the desire not to stand in the way of an opportunity for the LACDCFS, the Chief Probation Officer agreed to participate in the CAP.

Respondents reported that there was a positive relationship between the departments despite the limited history of working together. While the planning for programmatic activities took place independently, crosscutting items such as stakeholder events, fiscal issues, and developing data systems were handled jointly, at least in part.

Service Provider Community

The LACDCFS relationships with the service provider community, primarily with group home providers and foster family agencies, are important to the day-to-day operations of the department. The largest group homes and foster family agencies in Los Angeles County are represented by the Association of Community Human Services Agencies and the director of the LACDCFS and the director of association meet regularly. However, the relationships are contractual and have not been without tension or conflict over the years. The LACDCFS adoption of the Family-to-Family principles and its push to decrease the reliance on group homes by using them less frequently as a placement option and shortening the length of time a child spends in a group home threatens the core livelihood of many service providers. Understandably, the group homes, foster family agencies and their association were concerned.

The CAP is intended to further those goals and as a result, the provider community was wary of the plan being developed. While the LACDCFS expects that some percentage of the children in out-of-home care will need the services provided in a group home, the focus for the future will be on programs such as prevention, family reunification, and after care services. The department has encouraged the provider agencies to alter their service models to fit the emerging need. This is not without concern on the part of the LACDCFS; if too many group homes transition fully to other services and/or enough group homes go out of business, the department will face the issue of having too few group home beds. The department has plans to work with providers and the Association of Community Human Services Agencies to assist in the transition, avoid a capacity problem, and keep the best providers in operation.

The relationship between the organizations during the planning process improved with the appointment of a senior deputy director overseeing the administrative side of the LACDCFS who had developed a positive working relationship with the Association of Community Human Services Agencies director from time spent working for another public agency. Discussions between the LACDCFS senior deputy director and the association director occurred regularly throughout the latter part of the planning process and there were plans to hold monthly meetings to discuss the progress of the CAP specifically. Ultimately, the association supported the LACDCFS plan before the Los Angeles County Board of Supervisors.

2.7.1.1.6 Leadership

Respondents described various characteristics they felt were necessary to lead the LACDCFS in a capped allocation funding environment. Characteristics included being a responsible risk taker: keeping an eye on the bottom line with a willingness to close down programs deemed ineffective, while at the same time thinking creatively about services. Patience was necessary given the incremental nature of the plan. Tied closely to patience was the ability to withstand criticism. Essential was the ability to build consensus and not operate in an authoritarian manner.

Beyond specific characteristics, a number of respondents stressed the need for leadership to occur at all levels of the organization, that it must be a shared responsibility. Importantly, respondents also hoped there would be consistency of leadership at the upper levels of the

organization, not only in policy implementation, but also in individuals staying in their positions throughout the term of the project.

Leadership in the planning phase of the CAP in Los Angeles County was exemplified by the director of LACDCFS from 2003 to 2006. It was his initial vision that drove the idea of a fiscal funding waiver not only in Los Angeles but for the State as well. Without his leadership, it seems unlikely that California would be taking advantage of the opportunity for the Federal demonstration project with a capped allocation.

When the previous director undertook his efforts to secure some kind of fiscal waiver as the head of such a large organization, he stated that he set out to do a number of things. First, he wanted to create a compelling vision focusing on outcomes for children instead of paperwork. Externally, the focus was on acknowledging the department's shortcomings and outlining how things would change (i.e., the outcomes). Second, he wanted to make policy decisions that were consistent with a focus on outcomes and the notion of a fiscal waiver. He cited as an example the decision to reassign staff from administrative positions to direct service positions. He felt the move sent a strong signal about the primacy of achieving outcomes and carried added weight because it did not come because of a crisis. Third, he sought to establish a way of monitoring performance based on outcomes, and make that information available at the office level. Not only would the information be visible internally and externally, but also it could, with proper management, create a climate of competition and cooperation to improve performance.

2.7.1.1.7 Challenges and Attributes at Implementation

The LACDCFS relationship with the Association of Community Human Services Agencies and other providers represented both a challenge and an attribute as the department began implementation of the CAP. Given the nature and the history of the relationship, it was unlikely that it would prove to be free of tension. However, both sides appeared committed to the CAP and to finding new ways of providing services to children and families to improve outcomes in a new fiscal environment.

The size of the LACDCFS presents a challenge to implementation in a variety of ways. Clear and consistent communication becomes all the more crucial in an organization as big as the department in order to keep it operating in line with its principles. While the CAP has been portrayed as a component aligned to improve outcomes for children, its fiscal nature can be confusing. The potential for misunderstandings (e.g., the reinvestment amount) is exacerbated by the number of people involved. The large number makes miscommunications that much harder to rectify.

The size of the department also means that it may have difficulty in responding to changing conditions quickly. For example, existing in a capped allocation environment may require that programs not achieving the desired effects be ended and new ones be started. Programs, however, have vested interests—champions and political connections—internally and externally. With a larger organization, there is greater potential for pushback against changes to existing programs, not to mention the longer timetable necessary for decision-making, limiting flexibility and responsiveness.

Similarly, respondents described the department as generally risk-averse, hoping to avoid controversy and issues that might distract it from its equilibrium as an organization. As such, adopting new philosophies, practices, or projects such as the CAP that increase risk usually face greater hurdles to acceptance and implementation. While this did not seem to be the case in regards to the CAP thus far, the potential still existed for resistance to grow if challenges appeared that seemed insurmountable.

Respondents were concerned about succession planning. While the department weathered the last changeover of director and senior deputy director, a large number of senior staff members are approaching retirement age. This represents a potential loss of history and institutional knowledge. In response, the department—as the CAP was getting underway—created a mentoring program that paired mid-level staff with senior staff who serve as a resource, provide guidance, and access to more structured activities such as Los Angeles County Board of Supervisors meetings. The goal is to create capacity within the organization and extend understanding of the organization.

Like other child welfare departments, the LACDCFS operates in a politicized environment. However, a confluence of factors makes Los Angeles County highly politicized. The county's size and diverse population are certainly factors giving rise to a variety of constituencies and interest groups. It is arguably the media capital of the world having the television and movie industries based in the county along with the corresponding money and media exposure. As a result, events that occur that are under the purview of the LACDCFS (or are assumed to be under the purview of the DCFS) as well as the actions of the department are under a great deal of scrutiny and subject to various interpretations. In addition, political support from various quarters (e.g., the Los Angeles County Board of Supervisors, the Chief Executive Office) may prove tenuous under certain circumstances. This is not without merit; community oversight and political support (or lack thereof) is important to keeping the department responsive to the needs of the community. On the other hand, it can lead to an organization becoming reactionary and defensive and, if caught between two or more political forces, to be stymied into a degree of inaction. The CAP is not without interest groups concerned about the exchange of an entitlement for fiscal flexibility and it will be necessary for the LACDCFS to maintain political support for the CAP in a shifting political environment.

Finally, there are concerns about the unknowns. Internal factors such as a change in leadership or the death of a reunified child, or external factors such as a change in Federal or State legislation, could have a significant impact on the LACDCFS and its ability to operate within the capped allocation, requiring modifications to the plan or an abandonment of the project through the opt-out clause.

A number of attributes stood out for the LACDCFS as the CAP began implementation. First has been leadership. The department has benefited from a strong director bringing his vision to fruition and the successful transition from one administration to the other to bring the CAP to implementation. It seems possible that without that leadership, the idea of a flexible funding waiver would not have become a reality in the county. Second, the LACDCFS appeared well positioned to take on a project like the CAP given their previous work to establish a set of outcomes and then policies and practice philosophies to achieve those outcomes. A capped

allocation project carried too much risk to be used as an impetus to change the child welfare system in the county and instead could be used to support and further the efforts already underway that had showed at least some success at improving outcomes. Finally, respondents felt the degree of planning that had taken place would serve the project well during implementation. The planners had considered a fair number of contingencies and incorporated their possible effects into the CAP plan, most notably the decisions to sequence the interventions and use the available funding conservatively until further savings could be generated.

2.7.1.2 Implementation Phase

2.7.1.2.1 Plan

Respondents were generally happy with the progress of the Capped Allocation Project (CAP) and its first and second sequences. Reinvestment savings were realized in the first two fiscal years of the project. Taking part in the CAP continued the trend toward reducing the total number of children living in out-of-home care, according to respondents who were also impressed with the fiscal stability the CAP provided, particularly in the challenging economic times underway in California and across the nation.

The goals—of safety, reduction in out-of-home care, and permanency—continued to guide the efforts of the Los Angeles County Department of Children and Family Services (LACDCFS) where the executive staff wants the CAP to be understood as a funding mechanism to support programs designed to bring about those ends. Senior staff felt it was important for the agency to have the goals and desired outcomes out front, with everything else operating in support. They also felt that it is important that staff not feel burdened by the notion of implementing yet another initiative. Instead, they hoped the CAP would be viewed as an asset to help staff assist children and families.

There continued to be, however, a split in how the CAP was seen by some staff members. Some viewed the CAP as a funding mechanism while others viewed it as a separate initiative. The confusion is easy given the nature of the project. At the practical level, the CAP is a change in how Title IV-E funds are accessed and used. At the same time, the CAP is a Federal demonstration project with a name (it is also known as the “Waiver”) and characteristics of an initiative. For example, specific service programs are being implemented under the CAP in both Los Angeles and Alameda counties. The CAP is not typically discussed in the purely practical sense; instead, it is usually represented as an initiative if for no other reason than ease of conversation.

The distinction in the departmental observations divided along vertical and horizontal lines. Executive staff (bureau directors and above) viewed the CAP as a funding mechanism while supervisory staff and child welfare workers were more likely to view the CAP as an initiative that needed to be implemented. Staff in the middle—regional administrators, assistant regional administrators, and program managers—seemed to be split in their conceptualization, with regions affected by the CAP understanding it as a funding mechanism and others viewing it as an initiative.

Factors specific to Los Angeles also influenced how the CAP was observed. Early in the project, the executive staff was not clear on the message they wanted to convey and, as a result, the message focused on money and the reinvestment savings. Conversations centered on the kinds of programs that could be developed using reinvestment savings from the CAP and less about using the CAP as a tool to achieve departmental goals.

The LACDCFS has since reframed the message to reflect the CAP as a mechanism for flexible funding strategies to achieve better outcomes both internally and externally. The communication strategy includes newsletters, special bulletins, information on the department's website, presentations by executive staff, and the routine meeting structure established in each of the regions. The department has been assisted in shaping its message by a public relations firm and in disseminating its message through reports prepared by a communications consultant. The Casey Family Programs provided the department with both the consulting firm and the communications consultant.

The LACDCFS has generated reinvestment savings in both fiscal years of the CAP. The department has elected to take a prudent approach in its use of the reinvestment savings, preferring to save a portion to be used in later years and to brace against unexpected events that could affect the department's financial situation. The State and local economy is having an immediate effect and there has been increasing pressure within the county's operation to expand on the definition of child welfare services to include the funding of services currently not funded by the department. Executive staff has worked with the Los Angeles County Board of Supervisors and the Los Angeles County Chief Executive Office to ensure that reinvestment savings continue to support programs under the purview of the department and in line with the Terms and Conditions agreement between the CDSS and the Children's Bureau.

Several closely related initiatives are underway in the county along with the CAP. The Katie A. Settlement Plan, finalized in October 2008, is the result of a class action lawsuit settled by the county in 2003. The plan required the LACDCFS to close the county's shelter home, to develop processes for identifying the mental health needs of children in foster care or at risk of foster care placement, and to provide Wraparound to foster youth with mental health disorders. The Prevention Initiative Demonstration Project was developed separately from the CAP though it will be partially funded by CAP reinvestment savings in the second year and will be fully funded in the third year of the project. Under the Prevention Initiative Demonstration Project, lead agencies were contracted in each of the eight Service Planning Areas to collaborate with the department's regional operations in developing prevention strategies and initiatives. The department has also been working on Residentially-Based Services reform where a set of partners has been developing a plan for changing the way group home services are provided. Finally, the department is required to develop a System Improvement Plan under California's Child and Family Services Review.

The multiple initiatives and processes have led to some degree of confusion about how everything fits together as a cohesive plan to reach the desired outcomes. The decision-making processes regarding planning and implementation have become siloed to some extent though there is a fair degree of overlap between the initiatives and ways in which they can be fitted together. The LACDCFS is in the process of developing a strategic plan that will tie together all

of the pieces into a cohesive whole so that the various initiatives will be seen as less distinct. The CAP and the activities and operations supported by the reinvestment savings now and in the future will be a part of that overall plan.

Respondents indicated that the original CAP plan was written in a way that would allow it to accommodate changes that would occur over the five years of the project. That flexibility would allow the plan to be updated to include new interventions and strategies necessary to respond to current conditions. In addition, the LACDCFS would not know the amount of reinvestment savings available until several months after each fiscal year. This meant that planning for the second sequence of activities did not begin in earnest until the beginning of the second fiscal year of the CAP. The second edition of the department's implementation plan was approved by the Chief Executive Office and the Los Angeles County Board of Supervisors in February 2009.

The planning process for the second sequence of activities did not include as much outreach and information gathering as the first. Planners received community input from a Learning Organization Group event in July 2008 and a series of five smaller Service Bureau Convenings in May 2009. Input from regional staff was through the internal communications processes, up through the bureau directors. The bulk of the planning process took place with executive staff at meetings and retreats. Proposed programs were subjected to analysis to gauge the fiscal implications. Options were considered based on connection to the department's guiding philosophy, expected outcomes, and cost.

The planning group felt that they could optimize outcomes by maintaining the activities they felt had been successful in the first sequence, taking advantage of program maturity. They wanted to move deliberately and not start investing money in many different things. Additionally, the original model of assessing specific programs and stopping them if they did not meet certain outcome criteria was working as intended. The data structures necessary to make real-time decisions were not in place, but perhaps more importantly, there was not sufficient time within the context of the CAP to allow the programs to mature and then be evaluated. Because the executive staff was pleased with the overall results of the first sequence activities and because they were not able to tease out the individual influence of each, they chose to continue with those activities en masse. As a result, the second sequence of activities maintains and builds upon the first sequence.

2.7.1.2.2 Oversight and Monitoring

Oversight and monitoring of the CAP was carried out through various meetings. The LACDCFS Waiver Team, consisting of the Waiver Coordinator (a bureau director) and two staff members, is responsible for the daily operations of the CAP and meets regularly. The departmental director meets with the Executive Team weekly, including the deputy directors and bureau directors, and this group is responsible for planning and policy development as it relates to the CAP. Workgroups for the various sequence activities also meet on a monthly or bi-weekly basis.

LACDCFS CAP representatives participate in a number of meetings with external partners. The frequency of meetings with probation department representatives has decreased over time. A fiscal workgroup and evaluation workgroup meet on an ad hoc basis. They include representatives from both counties and the CDSS. The Waiver Coordinator also participates in a monthly conference call with representatives from the CDSS and the Waiver Coordinator from Alameda County. Meetings are held with the Los Angeles County Commission for Children and Families, the Los Angeles County Board of Supervisors Children's Deputies, and a monthly County Steering Committee meeting with Chief Executive Office representatives. Separate presentations have been made to these groups.

Data analysis is important to oversight and monitoring at LACDCFS. The department relied on information from the Child Welfare Dynamic Report System produced by UC Berkeley and the CDSS as well as its own internal data production capabilities. The department has been working to develop the Datamart to capture the most relevant information related to the CAP, including program, fiscal, and outcome data. The development of the system has not yet reached its full capacity and the challenges have been in developing the necessary infrastructure of computers and software. There is no dearth of information; in fact, there is a challenge in culling through all that is available for what is most useful.

Respondents reported that it has been easier to track system-wide outcomes such as those in the Child Welfare Dynamic Report System than it has been to track outcomes for individual programs under the CAP. The combination of limited time and limited data structure capacity meant that it has been impossible to parse out the influence of individual programs or assess their general effectiveness. There is the sense from the perceived improvement of the system-wide outcomes that the various programs are working in concert with one another to achieve the desired effects, according to respondents. As a result, there would be a reluctance to terminate specific programs when it is unclear what role they play in the perceived success of the efforts under the CAP. However, efforts continue to improve management information systems in the service of improving oversight and monitoring.

In response to the LACDCFS participation in the CAP, fiscal staff has been setting up enhanced internal tracking and monitoring mechanisms. Fiscal staff has always tracked data but the CAP requires a greater level of detail. According to respondents, the purpose of the enhanced mechanisms is to monitor activities and expenditures related to the CAP and activities and expenditures not related to the CAP in order to operate efficiently within the capped allocation.

2.7.1.2.3 Staffing and Training

The LACDCFS increased staffing in the department for two activities implemented under the CAP. The department added 14 facilitators as part of its expansion of Family Team Decision Making conferences. The department added 8 more Family Team Decision Making facilitators and 1 manager in the second year of the CAP to conduct meetings at the Emergency Response Command Post. The department also added six children's social workers (CSW) and one supervisor at each of the three regional offices implementing Focused Family Finding and Engagement through specialized permanency units.

Respondents reported that the hiring process has been a challenge. This resulted in the slow implementation of sequence activities early in the project and an on-going issue around sufficient staff available to provide oversight and monitoring for the Up-Front Assessments. The regulations of Civil service regulations and the regulations of two human resource agencies (the Chief Executive Office and the LACDCFS) must be met, causing the process to be deliberate and slow. Approval from the Chief Executive Office is also required for certain positions. The process was further slowed by a countywide hiring freeze that began in 2009. Because the staff positions requested by the department were to be funded by reinvestment savings, they were eventually approved. However, the department was required to apply for an exemption for each position, which added to the delay.

Family Team Decision Making and Focused Family Finding staff underwent the necessary training for their respective activities. Respondents reported a desire to enhance the training opportunities available for all staff in the LACDCFS in order to improve general operations as well as the activities undertaken as part of the CAP. An effort is underway to establish a staff development and steering committee to review the current training programs and create a coordinated slate of courses for staff, with a particular interest in developing quality supervision.

2.7.1.2.4 Structure and Operations

In the mid 2000s, the director at LACDCFS redeployed administrative staff to direct service operations providing a greater number of social workers to assist children and families. More recently, respondents within the department have begun to feel that there needs to be greater balance between administration and practice staff and that the redeployment left administrative areas understaffed posing challenges in responding to the workload. Essentially, there is a sense that the department needs to enhance its infrastructure to respond better to the general operating needs of the department and to the CAP particularly in the areas of personnel and fiscal.

As part of this effort, the department is centralizing and enhancing quality control systems in the form of Quality Assurance/Quality Improvement on the practice side and Internal Controls on the administrative sides of the organization. Previously, quality control processes were conducted at the regional level. The primary attribute of this approach was that it allowed for a greater understanding of specific cases in that region. However, the information usually stayed within the region. Respondents reported that centralizing the processes would allow the department to have a better understanding of the whole system and create learning opportunities between regions.

The LACDCFS also made changes to the administrative structure of the organization. In May 2008, the LACDCFS added a new administrative position to the hierarchy. The position of senior deputy director is akin to a chief operating officer, in support of the director's role as chief executive officer. In response to the multiple initiatives and processes underway, the department had begun reorganizing some of its service bureaus to create a Bureau of Strategic Management in order to coordinate management and enhance planning.

Respondents reported that the LACDCFS has made efforts to align the operations of the Command Post more closely with the rest of the organization. The Command Post is the department's point of operations overnight and on weekends. There are traditionally fewer services available at those times that might serve as an alternative to having to remove a child from the family home. In response, the Command Post has been part of the Up-Front Assessments activities and has been using Family Team Decision Making facilitators.

Respondents reported that the department had developed a culture of using data for making decision and evaluating programs beginning in the early 2000's. Data reports are produced centrally within the department by the Bureau of Information Services and distributed to the regional administrators for wider distribution. Different data reports (e.g., LA Kids website, Safe Measures reports) are used by different levels of staff to inform daily practice as well as long-term planning. The data available from California's Dynamic Report System produced by UC Berkeley and the CDSS is also accessed to track the department's performance on the Federal measures.

Respondents indicated that there is an increase in the use of fiscal data for decision-making within the LACDCFS, along with a growing understanding of the connection between programs and funding. Historically, program managers have been responsible for implementing a strategy or program with little to no understanding of the funding source or the connection to fiscal concerns. According to respondents, a shift has taken place for three reasons: (a) the State's fiscal crisis; (b) the department's participation in the CAP; and (c) the increase in fiscal information made available to other sections of the department by the Bureau of Finance and Administration. Members of the department's fiscal team (budget and finance) meet regularly with program managers, particularly at budget time. The program managers receive monthly expenditure reports from the fiscal team. The reports provide the amount of the current allocation, the year-to-date expenditures, and the available funding.

With the increase in the use of data for decision-making, respondents expressed concern about a possible gap in understanding the data. There was a concern about misinterpretation or misunderstanding, in drawing faulty conclusions, and making poor decisions based on those problems. There was an articulated desire for assistance in interpreting the information, particularly as it relates to fiscal information.

The LACDCFS continued to increase the level of accountability in its contracts with provider agencies. Respondents reported that the department had started this effort as part of the more generalized focus on performance monitoring brought about by the development of California's Outcomes and Accountability System in the mid-2000s. The department continued to use scorecards for foster family agencies and group homes as a way to collect information and gain a better understanding of how those organizations function. Respondents indicated that more performance outcomes were included. The contract language defines the goals and deliverables and establishes for what the provider can be held accountable. A future contract is not tied to current performance though there is a formal process and specific consequences for formal process for non-compliance. If major problems persist, a foster family agency or group home can be placed on a "do not refer" list until problems are rectified. Monthly meetings are held between the department and provider organizations to discuss goals, progress, and issues.

Providers have expressed concerns about contracts being linked to outcomes citing factors beyond the control of the provider that have a direct bearing on performance. Respondents indicated that the department would like to use performance-based contracts.

2.7.1.2.5 Leadership

Various leadership characteristics were cited as important by respondents. Leaders need to have a vision of the direction they want the organization to take or what they want the organization to achieve and a set of values and priorities that guide their actions. They must be able to see the necessary implementation components and have the ability to build support among a broad range of stakeholders. Once that vision has been realized and is being implemented, it is important that the leadership stay on message despite inevitable distractions. Importantly, that message should be instilled throughout the organization so leadership comes from all parts of the organization, and becomes institutionalized.

2.7.1.2.6 Courts

According to respondents, the presiding judge, the other judges, and the commissioners are supportive of the CAP. Respondents described a tension between the LACDCFS and the Los Angeles County Juvenile Court that is common to counties nationwide. Some judges and commissioners have a positive relationship with the department and some do not; the same is true for the department staff working most closely with the court system. Concerns arise at the courts over insufficient efforts on the part of the department or poorly presented court reports. The department staff can become frustrated with continuances, or what they perceive as social work from the bench. The department director meets weekly with the presiding judge to address issues.

The LACDCFS and Los Angeles County Juvenile Court are attempting to deal with some of these issues by regionalizing the courts. A judge/commissioner will be assigned to a particular region and work directly with department staff from that region. It is hoped that the judge/commissioner will reach a better understanding of the department's operations and the factors influencing the work of CSWs. Reciprocally, staff from the department will come to have a better understanding of the operations of the court and of the specific judge/commissioner.

2.7.1.2.7 Contextual Factors

Respondents reported that the relationships with the Los Angeles County Board of Supervisors and the Chief Executive Office are positive and both have been supportive of the CAP. Regular meetings are held between representatives from the LACDCFS and the Los Angeles County Board of Supervisors and the Chief Executive Office. The meetings are an opportunity for information gathering and for the Los Angeles County Board of Supervisors and the Chief Executive Office representatives to provide feedback and influence on the CAP plan for new sequences. The Los Angeles County Board of Supervisors must provide authorization for department plans, based on a recommendation from the Chief Executive Office. There has been some tension around the use of the reinvestment savings and the definition of child-welfare services but respondents report that, thus far, the department has been able to define its plan.

Some group-home providers have embraced the change started earlier and reinforced by the LACDCFS's participation in the CAP and have begun to alter their service components by shifting their emphasis away from placement beds to alternative services. There is a concern within the department about the provider community's ability to adjust to the changes particularly when the service model requires a fair degree of flexibility in work hours. The department continues to encourage that shift by seeking to work with agencies willing to evolve in a new service environment.

In general, it appears that there is capacity in the county's communities to provide services. Some Service Provision Areas are more provider-rich than others are but the Prevention Initiative Demonstration Project has been successful at fostering cross-Service Provision Area mentoring and resource development. The Katie A. Settlement Plan has required the department to work with the Los Angeles County Department of Mental Health and its providers, further expanding the department's access to providers.

The LACDCFS has had to respond to a *Los Angeles Times* article publicizing a series of child deaths over a number of years in cases where the department had been involved at some level. The article came about because of a change in the law governing disclosure of child deaths. All of the deaths had previously been reported to the Los Angeles County Board of Supervisors and investigated by the department. In response to the article, some 50 individuals were placed on desk duty while additional investigations were conducted. Such events and publication of those events are a challenge to an organization charged with keeping children safe and at the same time having adopted a philosophy that strives to keep children out of the foster care system. Respondents reported that the department would continue with the same philosophical approach and not revert to a philosophy of removing children from their homes due to the slightest concerns about their safety. Respondents also indicate that, despite the tragedies of the deaths and the impact on the staff involved, the events should not be missed as an opportunity for the department to learn how to work better with children and families.

A contextual factor is the decline in the national and State economy. The California State Budget faced a shortfall of \$26.3 billion at the end of the second fiscal year of the CAP. The impact of the statewide fiscal crisis on the county budget required a seven percent reduction in the LACDCFS operating budget. The department absorbed those reductions by lowering the county's overmatch and by eliminating programs not closely aligned to the department's outcome priorities. The department did not use CAP reinvestment savings to backfill the reductions. In fact, respondents reported that they were quite pleased to be operating in a capped allocation environment despite a reduction in the State general fund portion of the capped amount due to the balanced budget settlement. The guaranteed money provides a degree of fiscal security that would be absent without the CAP. The economic downturn has also had a positive effect on turnover leaving the department with greater stability in its staffing levels.

2.7.1.2.8 Additional Challenges and Facilitators

Perhaps the biggest challenge described by respondents, and one that influences the various aspects of the CAP, is the size of the LACDCFS. Its operations take place over a large geographic area and it serves a large urban and rural populace. It has 8 Service Provision Areas

and 18 regional offices. Given its size, the department is not a nimble organization and its policies and processes, in place to provide stability and smooth operation of a large organization, do not allow for quick responses to changing scenarios. A prime example is the issues around hiring staff. In addition, the overall governance structure of the county is large, including a Chief Executive Office and the Los Angeles County Board of Supervisors, adding to the layers of bureaucratic processes.

Respondents stressed that a number of factors were important facilitators to the implementation process. Importantly, the LACDCFS had undergone a change in the philosophy driving its policies and practices. A large number of children were placed in out-of-home care in the county in the 1990s. A change in administration in 2003 emphasized a change in the approach to child welfare and the belief that foster care was not the answer; instead programs and services needed to strengthen and support families to avoid out-of-home placement. As a result, respondents felt that a culture of program and fiscal innovation had taken hold.

Respondents also stated the importance of having an established philosophical approach in place prior to participating in a CAP-like project. The philosophy served to ground policies, procedures, and practice, which in turn would help keep the department focused on its mission and utilize any reinvestment savings.

Respondents stressed the need to develop momentum as a way to facilitate the implementation process. The LACDCFS Executive Team made a conscious effort to develop momentum through communications strategies stressing the opportunity the CAP presented for children and families and then by reinforcing the momentum by communicating the project's early successes. The team decided to take a conservative approach in its decisions about the use of reinvestment savings in order not to upset the momentum. They chose to focus on outcomes and stick with a conventional plan.

2.7.1.2.9 Worker-Supervisor Survey

The Title IV-E Waiver Capped Allocation Project Evaluation team surveyed DCFS workers in Los Angeles County to assess the knowledge and perceptions of the CAP by employees. The first round of surveys, begun in the spring of 2008, yielded 299 complete responses of 3625 employees invited to take part, or a response rate of 8.2%. For the second round of surveys, in fall 2009, the response rate was more than twice as high, at 16.7%. In 2009, out of the 3776 employees surveyed, 630 responded with completed surveys.

Of the 299 LACDCFS staff members who responded in 2008 (Table 2.17), 71.9% were child welfare workers, and 28.1% were child welfare supervisors. In 2009, these numbers remained fairly consistent, with 71.3% of respondents child welfare workers, and 28.7% child welfare supervisors.

TABLE 2.17 LACDCFS – Job Title					
	Spring 2008		Fall 2009		
	No.	%	No.	%	% change
Child welfare worker	215	71.9	449	71.3	-0.83
Child welfare supervisor	84	28.1	181	28.7	2.14
Total	299	100.0	630	100.0	

Of the LACDCFS survey respondents in 2008 (Table 2.18), 20.4% worked in Emergency Response, 28.5% in Family Maintenance, 13.7% in Family Reunification, 16.7% in Permanency Placement and 20.7% described themselves as working in a category not represented on the survey. These numbers were quite consistent in 2009, aside from a 71.6% drop in workers in Family Maintenance from one year to the next, and the addition of 22.5% of staff members who reported working in more than one job category.

TABLE 2.18 LACDCFS – Job Category					
	Spring 2008		Fall 2009		
	No.	%	No.	%	% change
Emergency response	61	20.4	116	18.4	-9.8
Family maintenance	85	28.5	51	8.1	-71.6
Family reunification	41	13.7	78	12.4	-9.5
Permanency placement	50	16.7	104	16.5	-1.2
Other	62	20.7	139	22.1	6.8
Multiple categories	0	0.0	142	22.5	n/a
Total	299	100.0	630	100.0	

In 2009, the evaluation team included a new item on the survey intended to give information on the length of time respondents had been employed by LACDCFS. As can be seen in Table 2.19, the vast majority of survey respondents have worked for LACDCFS for over three years, with fewer than 25% working for the agency for less than 36 months.

Table 2.19 LACDCFS – Length of Time Employed		
	No.	%
Less than 12 months	40	6.3
13–24 months	66	10.5
25–36 months	50	7.9
More than 36 months	474	75.2
Total	630	100.0

Respondents were asked to rate their knowledge of the CAP in 2008 and then again in 2009 (Table 2.20). Responses indicate that staff knowledge of the CAP remained consistent over the intervening year, with no substantial change. Only a small proportion of staff reported having no knowledge of the CAP, while the majority reported having either a limited knowledge or some knowledge. Over a quarter of respondents felt knowledgeable or very knowledgeable about the CAP.

	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
No knowledge	76	12.4	76	12.1	-2.4
Limited knowledge	80	26.8	127	20.2	-24.6
Some knowledge	100	33.4	241	38.3	14.7
Knowledgeable	75	25.1	162	25.7	2.4
Very knowledgeable	7	2.3	24	3.8	65.2
Total	299	100.0	630	100.0	

According to survey responses, there was a slight increase in the amount of influence child welfare workers and supervisors felt the CAP had on their daily work between 2008 and 2009 (Table 2.21). In 2009, proportionately fewer staff were unable to determine the influence of the CAP than in 2008, and fewer felt the CAP had no influence on their work at all. Additionally, in 2009 a greater number of respondents indicated the CAP had a lot of influence on their day-to-day work than had the year before. These numbers indicate a slight but positive trend in staff perceptions of the amount of influence the CAP is having on their work with children and families.

	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Not able to determine	99	33.1	174	27.6	-16.6
No influence	27	9.0	37	5.9	-34.4
Limited influence	36	12.0	81	12.9	7.5
Some influence	71	23.7	138	21.9	-7.6
Regular influence	47	15.7	141	22.4	42.7
A lot of influence	19	6.4	59	9.4	46.9
Total	299	100.0	630	100.0	

Respondents were asked their opinion on whether the CAP was having a positive effect on the child welfare environment in their county (Table 2.22). In both 2008 and 2009, very few indicated the CAP was not having a positive effect; conversely, between 42.1% in 2008 and 50.6% in 2009 indicated the CAP was, in fact, having a positive effect on child welfare in Los

Angeles County. A large proportion of respondents were unable to determine the effect of the CAP on the child welfare environment.

Table 2.22 LACDCFS – Is the CAP Having a Positive Effect?					
	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Not able to determine	160	53.5	292	46.3	-13.5
No	13	4.4	19	3.0	-31.8
Yes	126	42.1	319	50.6	20.2
Total	299	100.0	630	100.0	

Respondents were asked whether they felt a wider array of services had become available within the six months prior to each survey (Table 2.23). In 2008, the number of employees surveyed who felt that a wider array of services had *not* become available in the last six months (31.1%) was roughly equal to the number of those surveyed who felt a wider array of services *had* become available (29.8%). In 2009, these numbers diverged, with many more respondents perceiving a wider array of services available (53.3%) and fewer perceiving there was not a rise in available services (17.0%).

Table 2.23 LACDCFS – Wider Array of Services Available?					
	Spring 2008		Fall 2009		% change
	No.	%	No.	%	
Not able to determine	117	39.1	187	29.7	-24.0
No	93	31.1	107	17.0	-45.3
Yes	89	29.8	336	53.3	78.9
Total	299	100.0	630	100.0	

Summary

The numbers of LACDCFS staff members who responded to the yearly Worker-Supervisor Survey more than doubled between 2008 and 2009. Knowledge of the CAP by workers remained fairly consistent over the survey period, with slightly more reporting in 2009 that they were knowledgeable or very knowledgeable about the CAP. Similarly, workers indicated that the CAP influenced their day-to-day work slightly more as the CAP continued over time, and most felt the CAP was having a positive effect on the child welfare environment in which they worked. In addition, the numbers of workers who felt a wider array of services had become available in the six months prior to each survey almost doubled between 2008 and 2009.

2.7.2 County Services Component

2.7.2.1 Initiatives

LACDCFS, through its planning processes, identified a number of initiatives it intended to implement under the CAP. The initiatives included the continuation and expansion of existing strategies as well as new programs. The implementation of the first sequence of initiatives began with the start of the CAP in July 2007. The second sequence of initiatives was approved for implementation by the Los Angeles County Board of Supervisors in February 2009.

2.7.2.1.1 First Sequence Initiatives

As a first sequence CAP strategy, LACDCFS expanded its *Family Team Decision Making Conferences* program by adding 14 new Family Team Decision Making facilitators. The facilitators were added to ensure regular conferences for children who had been in group homes or foster care for two years or longer with no identifiable permanency resource. The department added 8 new facilitators and 1 manager in the second year of the CAP to provide meetings at the Emergency Response Command Post. The cost of the expansion of the Family Team Decision Making program in FY 2007-08 was approximately \$1,300,000; in FY 2008-2009 the cost was approximately \$1,900,000.

LACDCFS established specialized *Youth Permanency Units* in two regional offices around the County to perform Focused Family Finding and Engagement and enhance permanency activities. The offices included Metro North and Pomona. These Youth Permanency Units specifically target older, high needs youth who have limited or no family connections. Each regional Youth Permanency Unit is staffed with six children's social workers and one supervisor, all of whom have received special training focused on family finding. Each carries a reduced caseload of fifteen. The two units were partially staffed by the end of the first year of the CAP. By the end of the second year, both units were fully staffed and a third unit had been added at the Santa Clarita office. The cost of the Youth Permanency Units was approximately \$700,000 in FY 2007-08. In 2008-09, the cost of the initiative was approximately \$900,000, plus an additional \$500,000 in staffing expenditures.

In the third initiative of the first sequence, LACDCFS expanded its capacity for *Up-Front Assessments on High-Risk Cases*, specifically targeting hot-line referrals that referenced domestic violence, substance abuse, and mental health issues. The department contracted with community organizations with expertise in these areas to provide immediate, comprehensive assessments that enhance the ability of Emergency Response child-welfare workers to make informed case decisions. Initially, the targeted, up-front assessments served one of the department's regional offices (Compton), and expanded to two more (Metro North, Wateridge) before the end of FY 2007-08. In the first year, up-front assessments were used to a limited degree by the Emergency Response Command Post, which oversees emergency cases of abuse and neglect that occur during nights and weekends. In the second year of the CAP, the department expanded up-front assessments to all 18 regional offices and the Emergency Response Command Post. In FY 2007-08, the cost for the Up-Front Assessments program was

approximately \$300,000. In FY 2008–09, the cost of the initiative was approximately \$2,700,000.

2.7.2.1.2 Second Sequence Initiatives

As part of its second sequence of initiatives, LACDCFS used approximately \$1,000,000 in reinvestment savings to restore Federal cuts made to the *Promoting Safe and Stable Families Programs*. This funding allowed LACDCFS to continue to contract with providers who offer services such as Family Support, Family Preservation, Time-Limited Family Reunification, and Adoption Promotion and Support through FY 2008–09.

Regional Office Community Partnering was established to promote collaboration between the regional offices of LACDCFS and its community partners on key reform issues; the agency has made funding available for events that highlight this work. A Program Manager has been identified to head the initiative. The cost of the initiative in FY 2008–2009 was approximately \$100,000.

The LACDCFS is also developing *countywide prevention efforts, such as differential response* as part of its second sequence of initiatives to begin in FY 2009–2010 with an expected cost of \$6,000,000. The department is extending the Prevention Initiative Demonstration Project with a commitment of \$3,760,000. Differential Response Path One is a second prevention effort with an expected cost of \$1,500,000. Path One will connect families who are evaluated out by the department's emergency response hotline to voluntary services and supports with the goal of reducing re-referrals to the department.

2.7.2.2 Accessing Services; Case Management; and Service Array, Intensity, and Integration

The goals of the LACDCFS, according to respondents, were to try to reduce the number of children entering the child welfare system, reduce the length of time a child spent in the child welfare system, and for those needing long-term foster care, providing that care in the most family-like setting possible. To achieve those ends, the department had been working to create a network of services and the CAP was part of those efforts. Respondents felt the CAP provided the department with an opportunity to focus on developing prevention services and to expand the alternatives to out-of-home placements. This was work the department began prior to the CAP. Simply put, the hope was to alter the way children and families accessed services by creating services at the front-end that would preclude their involvement with the foster care system.

While the general approach to case management had not changed, according to respondents, the LACDCFS sought to expand several of its pre-CAP services to make them available to more children and families in the county. The efforts have been undertaken in conjunction with other initiatives or processes including the Katie A. Settlement Plan, the Prevention Initiative Demonstration Project, and Residentially-Based Services reform. The Katie A. Settlement Plan is implemented in conjunction with the Los Angeles County Department of Mental Health and is focused on providing mental health services for children in the child welfare system in Los Angeles County. Respondents reported their satisfaction with the efforts

of the Prevention Initiative Demonstration Project and the results from an evaluation conducted by researchers at the University of Southern California and Casey Family Programs and have elected to expand on those initial efforts in the development of differential response programs. To augment services for children in out-of-home care, the department has worked to expand the number of Intensive Treatment Foster Care/Multi-dimensional Treatment Foster Care beds for children with severe behavioral and emotional challenges. The department has also been working to improve services for children eligible for high-level group home placement through the Residentially-Based Services reform project.

Participating in the CAP has enabled the working relationship between the LACDCFS and the LACPD to develop. The participation in the Child Welfare and Juvenile Justice Breakthrough Series Collaborative sponsored by Georgetown University and Casey Family Programs has been important for both departments, particularly as they continue to work on issues related to youth involved in both systems. LACDCFS also works closely with the Los Angeles County Department of Mental Health on other efforts, including Wraparound.

2.7.2.3 Quality Assurance and Data Collection and Management

The LACDCFS's efforts to centralize and enhance its Quality Assurance/Quality Improvement system have been discussed in the Implementation section, along with its data collection and data management operations. Respondents reported that data were used at all levels of the organization in decision-making as well as to gauge the performance of the department and to determine how well operations were being conducted. The Quality Assurance/Quality Improvement system was being centralized after some years of operating at the regional level. According to respondents, centralizing the system would allow for a better understanding of the level of quality across the entire department and increase the opportunities for learning across the regions.

2.8 Findings: Los Angeles County Probation Department

2.8.1 Implementation Component

2.8.1.1 Planning Phase

2.8.1.1.1 The Impetus for Participating in a Waiver Project

Early in the process in Los Angeles County, the Probation Department (LACPD) expressed reluctance to being included in the development of a waiver proposal. The department was concerned about the potential for a rise in costs brought on by a growth in the placement population. According to respondents, there was also a tendency in the department, at the time, to downplay the interrelatedness of youth-serving agencies including probation. As a result, the potential benefits of a waiver project were not entirely clear to the department's executive-level staff.

Discussions with the Los Angeles County Department of Children and Family Services (LACDCFS) regarding a waiver project began in earnest in February 2006 when the Children's

Bureau made the participation by probation departments a condition of the waiver project. The Los Angeles County Probation Department (LACPD) had shifted its orientation to such a project in the preceding years. The department had not experienced a growth in their placement population and had not seen a corresponding rise in costs. The department was also undergoing a large-scale reorganization effort that resulted in the juvenile placement section becoming its own bureau within the organization. This increased the standing and infrastructure of juvenile placement.

A shift in practice philosophy was also beginning to take place within the county's juvenile probation operations centered in the new placement bureau. The new focus sought to emphasize family-focused treatment through evidenced-based practices and moving away from the more traditional law enforcement model. This new way of thinking also stresses the interconnectedness with other youth-serving agencies such as child welfare, mental health, public health, and education.

The Federal requirement for probation departments' inclusion in a State's waiver project drove the decision by the LACPD to participate in the venture. The department did not want to impede efforts of the LACDCFS where the idea originated. However, the combination of the reorganization and the nascent shift in practice philosophy put the LACPD in a better position to take advantage of the waiver opportunity than when first approached about it by LACDCFS early in the development of the proposal.

2.8.1.1.2 What is the CAP?

The LACPD wants to use the CAP to further the change in treatment from the more traditional law enforcement model to one that is family-focused and grounded in evidence-based practice. Specifically, the department wants to use the CAP to create a treatment culture within the Placement Services Bureau to help transform the larger juvenile probation environment.

2.8.1.1.3 The Planning Process

The planning process for the LACPD began in earnest in the spring 2006, after the signing of the Terms and Conditions. The bureau chief began her tenure in April 2006. Shortly thereafter, the program director in the Placement Services Bureau responsible for central placement was reassigned to head the Title IV-E Management team, working directly with the Deputy Director of the Juvenile Field Special Services Bureau (the Placement Services Bureau is part of the Juvenile Field Special Services Bureau). A second program director was reassigned to assist in the planning efforts. The deputy director, bureau chief, and the two program directors formed the core-planning group with their efforts coordinated by the program director operating as the Title IV-E Manager—directly responsible for the department's CAP planning efforts.

Planning efforts moved forward at meetings. Internal monthly meetings were held with the Title IV-E Management Team and the department's executive staff. The Title IV-E Management Team and the bureau's program directors met regularly. LACPD representatives took part in the monthly executive team meetings conducted by the LACDCFS.

A number of factors complicated the planning process for the LACPD, requiring attention that distracted from program planning tasks. The LACDP had a limited amount of time to plan adequately for the CAP. Respondents reported feeling a constant scramble to deal with challenges and put the department in the best possible position for successful implementation. The reassignment of staff to conduct the planning process exacerbated the problem, as their responsibilities had to be reassigned to the remaining program directors. The creation of the placement bureau meant new executive level staff needed time to understand the nature of placement work and develop bureau infrastructure to support the work.

During the planning process, the department faced the challenge of limited fiscal expertise necessary for a project like the CAP. The CAP required greater integration between the programmatic and fiscal sides of the department to ensure that the department was maximizing its resources and not spending over the amount of the capped allocation. The CAP required a change in the fiscal arrangement between the LACDCFS and the LACPD from a simple pass-through of funding for placement-related costs to a more complicated arrangement under the capped allocation.

The LACPD had to contend with a dearth of reliable data. Several data systems existed but the resulting information was not integrated in a way that was useful to planners. The planning process revealed data discrepancies between the department's understanding of the number of youth whose Title IV-E eligibility had been determined by the LACDCFS and in the department's understanding of the number of youth in out-of-home placements based on information from Child Welfare Services / Case Management System (CWS/CMS). The discrepancies had to be reconciled. (Note: This did not pertain to specific youth but to a disparity in totals resulting from the processing of paperwork.)

The planning process was oriented around the goal of reducing the number of probation youth in out-of-home placements. The LACPD core-planning group determined that this could be accomplished primarily through reducing the time length of treatment programs provided by group home followed by the implementation of LACPD-administered evidence-based practices to reduce recidivism and encourage successful reunification between youth and their families. As the process moved forward, the planning group held discussions with the Association of Community Human Service Agencies and other group home providers to offer information about the CAP and include them in the planning process. The department sought to communicate to group home providers the desire to reduce a youth's treatment program time in a group home to six to nine months instead of the customary 12 to 18 months. Provided a youth was functioning well after that period, they could be moved home to receive Multi-Systemic Therapy or Functional Family Therapy. In lieu of those programs, youth and their families might receive family preservation or wraparound services.

2.8.1.1.4 Early Changes in the Organization and Implementation Requirements

The reorganization that the LACPD began in 2006 was prompted by an organizational audit that indicated the department could benefit operationally from more structure. In essence, the report argued that the Juvenile Field Services was too flat and too large and that placement operations would benefit from a stronger configuration within Juvenile Field Services. While

reorganization was not prompted by the CAP, respondents believed reorganization was a necessary precursor to participating in the CAP. It was believed that the bureau structure provided cohesiveness to placement activities and without that unification, operating under a capped allocation would be an even greater challenge and limit the kinds of changes that could be attempted.

Acquiring additional staff—deputy probation officers (DPOs) and supervisors in particular—was the most important implementation requirement discussed by respondents. They expressed concerns that there were not enough staff to do the basic job due to high caseloads and that the CAP would place additional strain on the bureau. Placement work was described as challenging and demanding, interacting with youth, families, and service providers, as well as the court system. A significant amount of travel is often required in order to visit youth who are placed out of county or out of State. As a result, other LACPD staff has tended not to transfer into the bureau and those that do often only stay for the required two years before transferring out. New staff have been more successful long-term when given a reduced caseload at the beginning of their tenure and allowed time to acclimate. This, however, leads to slower overall caseload reduction. Higher caseloads in the Placement Services Bureau further exacerbated the problem of the bureau being viewed as an undesirable transfer. Respondents reported that funding for more positions was approved by the Los Angeles County Board of Supervisors but would not be available for several months. Additionally, given human resources protocols, not all of the available positions can be filled at once.

Training is an important component of the Placement Services Bureau due to the more specialized nature of the work. The focus of the bureau training has been on basic Title IV-E requirements, various Federal and State mandates, evidence-based programs, mental health related topics, and working with provider organizations. Respondents indicated a need for the development and training on criteria for imminent risk for DPOs and supervisors as well as for bench officers of the court. Training on the criteria would help both groups make better decisions about suitable placement orders. Respondents also indicated a desire to develop a training curriculum specific to the CAP that would include cross training with LACDCFS, mental health, and group home providers.

A principal implementation requirement, according to respondents, is the need for a better management information system that includes program, fiscal, and outcome information. An improved system is needed for planning and development and for determining whether programs are achieving desirable outcomes. In a capped allocation environment, these are important functions. Discussions continued between the LACPD and the CDSS on the issue of probation department access to the CWS/CMS system. Respondents expressed concern that—while the department assumes responsibility for various mandates related to Title IV-E funding—it is unable to access the system to enter and review data regarding the youth it serves.

Finally, respondents spoke of the need for everyone in the Placement Services Bureau to have a working understanding of the bureau's mission, goals, and desired outcomes. Without that, not only would implementing the initiatives under the CAP be challenging, but the general operation of the bureau less effective. A strong communication structure was necessary, with monthly unit meetings to include time to review outcomes and discuss issues and solutions.

Respondents believe that supervising DPOs are central to efforts under the CAP, given the DPOs bridging status between direct operations and administration. It is important, respondents said, that they be kept well informed about the direction of the bureau.

2.8.1.1.5 External Organizations

Service Provider Community

Respondents reported that the group home provider community understood the changes the LACPD was trying to make, at least on a conceptual level. However, providers were concerned about the effect that fewer youth and shorter lengths of stay in group-home treatment would have on their operations. In response to those concerns, the department shifted meetings with the Association of Community Human Service Agencies from quarterly to monthly; also, the department's liaison to the providers was formerly a group home director who understood the issues from both sides.

Juvenile Court

Representatives from the LACPD worked with the presiding judge of the juvenile court as well as individual bench officers regarding the department's plan under the CAP, particularly in the area of shorter lengths of time in the treatment program of group homes. In addition, meetings were held with the district attorney's office and the office of the public defender to attain their support. Respondents indicated that it was important for the department to be clear in its presentations to the juvenile court about the recommendations for the youth and the rationale for those recommendations. That clarity would help in providing the bench officers with an understanding of how the department was intending to achieve positive outcomes for youth. Of particular importance was the need for placement close to the families of youth to support reunification efforts.

Board of Supervisors

The respondents felt the LACPD had done a good in working with the Children's and Justice Deputies from the Los Angeles County Board of Supervisors and that the deputies had assisted the department's efforts by asking significant questions. They also stressed the importance of maintaining open communication with the board about what is working, what is not working, and plans to keep the department moving towards its goals.

DCFS

There was strong indication from respondents that the LACPD and the LACDCFS had a positive working relationship. Despite the probation department's quick entry into the project, the two organizations worked well together and the probation department was able to utilize the expertise of the children and family services department, particularly around fiscal issues.

2.8.1.1.6 Leadership

Communication skills were the principal leadership characteristics discussed by respondents. Staff working in the Placement Services Bureau dealt with high caseloads given the staffing shortages and they were being asked to assume more work and responsibility with the

implementation of the CAP through the shift to evidence programs and other changes. The rationale and importance of the shifts within the bureau—CAP-related and otherwise—needed to be communicated and explained in an on-going way. Importantly, executive-level administrators needed to keep the various efforts moving forward in a way that provided examples of their commitment to the changes; without that, staff would be less likely to dedicate themselves to making the necessary changes.

2.8.1.1.7 Challenges and Attributes at Implementation

The previously described staffing issues presented perhaps the biggest challenge to the LACPD at the start of the CAP and increasing the number of available staff was a priority. Staff was needed to reduce caseloads to make them more manageable and they were needed in technical areas such as data management and finance. Importantly, the department was able to augment data management expertise with assistance from Casey Family Programs and LACDCFS was able to loan the department an essential staff person to assist with finance-related issues.

The limits regarding data went beyond a question of staff with the relevant expertise. There was a need for the development of an MIS within the LACPD as well as the need for access to CWS/CMS. The lack of such a system and the lack of access presented challenges for the LACPD, particularly for decision-making and understanding effectiveness.

Respondents expressed concerns about whether the organization could be sufficiently flexible in their processes (e.g., decision-making, human resources, contracting) to be receptive to the opportunities presented under the CAP. In other words, the plan might call for X but what is needed is Y, and could the department be responsive enough to get from X to Y in short order.

Finally, going into the implementation of the CAP, respondents expressed concerns that improving some of the outcomes for youth and families might take longer than the term of the CAP. They cited various issues that might slow the impact of the project. The time it took for service providers to develop their programs might take longer than anticipated. Referrals to those programs might lag behind expectations. The community may need more time to develop its capacity for support. The evidence-based practice approach needed to be institutionalized in the organization. These, and other items, could result in a delay in achieving the desired impacts and must be considered as the LACPD moved through its implementation of the CAP.

Despite challenges the department faced, respondents reported a general optimism about shifting the practice philosophy and the opportunity that the CAP presented. The staff works well together and is strongly committed to improving outcomes for youth and their families.

2.8.1.2 Implementation Phase

2.8.1.2.1 Plan

The LACPD's involvement with the CAP is concentrated in one area of its operations. The Placement Services Bureau, housed within the department's Special Services Division,

provides case management and other services to minors who have received Suitable Placement orders. A Suitable Placement minor has been removed from his or her home and placed in an alternative environment (e.g., relative or non-relative care or a group home) to better meet his or her needs.

Respondents from the LACPD participating in the CAP reported they are happy with the progress of the project and their implementation efforts. Reinvestment savings was realized in the first two years of the project allowing the department to continue moving forward with its sequences of initiatives. The goals of the CAP were viewed as an ongoing catalyst for efforts to improve the department's placement operation that began prior to the start of the project. This is despite tensions that sometimes arise internally and with external partners over the cultural shift in service underway. In particular, respondents appreciated how the CAP goals oriented their practice to focus on long-term case planning from the beginning, from the moment a youth is detained all the way through to reunification and after-care, instead of starting when placed in out-of-home care.

The CAP was increasingly viewed within the LACPD as a fiscal model or "way to do business" as opposed to a project. This was the preferred understanding of the CAP within the department. However, because a plan was developed with activities and initiatives and because the professional orientation is usually to projects and programs, there was still some sense that the CAP was something other than a change in the way services and activities are funded. According to respondents, this slight variation in understanding was not an impediment to departmental efforts.

The on-going planning process was the responsibility of the Special Services deputy director and the Placement Services Bureau chief with input from the Waiver Management Team. Proposals for new initiatives were prioritized and brought to the Executive Team where they were selected for presentation to the County Steering Committee before presentation to the justice deputies of the Los Angeles County Board of Supervisors where the initiatives were approved or not.

2.8.1.2.2 Oversight and Monitoring

The LACPD Waiver Management Team oversees the day-to-day implementation of the CAP and monitors related outcomes, including fiscal management. The Management Team consists of the Waiver Coordinator and two program analysts. Respondents indicated that a third analyst would be added to the Management Team to increase the team's oversight and monitoring capacity. An executive team that includes the waiver coordinator, the chief of the Placement Services Bureau, the deputy director of the Special Services Division, the chief deputy probation officer, and the chief probation officer provides general oversight and policy direction for the CAP.

The LACPD Waiver Management Team works closely with the LACDCFS Waiver Team to coordinate the efforts of both departments. The LACPD Waiver Management Team attends bi-monthly meetings with Casey Family Programs (CFP) and monthly County Steering Committee meetings with the Los Angeles County Chief Executive Office. The Waiver

Management Team has made numerous presentations to the Los Angeles County Board of Supervisors, Justice Deputies, and the Children's Commission.

The LACPD facilitates internal meetings focused on project priorities. General Placement Services Bureau Management holds weekly meetings specific to a number of initiatives. They occur weekly to discuss implementation issues and progress. Monthly and quarterly meetings are held with representatives from group home providers, as are meetings with Bench Officers to keep the groups informed and solicit feedback. The Waiver Management Team participates in monthly conference calls with the county Chief Executive Office and Los Angeles County Department of Mental Health.

To provide the necessary oversight and monitoring information, data on processes and outcomes are collected by the unit operations managers, including Placement Community Transition Services and Placement Administrative Services. The collections will eventually include data from the new Prospective Authorization and Utilization Review Unit. The Title IV-E Management Team, under the supervision of its coordinator, analyzes the information, notes any barriers or issues needing resolution, and provides recommendations to resolve outstanding issues.

LACPD has taken additional steps to improve its information systems. In the spring of 2009 after several years of development, the department introduced the first phase of its new Probation Case Management System replacing the Juvenile Case Management System. Along with its case management functions, the Probation Case Management System is intended to provide more accurate and complete data collection and reporting. The Probation Case Management System will monitor when minors come into the system, when they leave, what group home they are in and what interventions they are involved in. This will assist the department in monitoring how many youth are in out-of-home care on any given day, how many are involved in other interventions, and the fiscal impact of these services. A second phase will provide detailed information on Title IV-E Waiver information.

The LACPD, with the assistance of the LACDCFS, undertook an interdepartmental data reconciliation effort of information on youth contained in the LACPD data systems with the information on probation youth in the LACDCFS CWS/CMS data system. The department's goal was to reconcile data disparities between the department's systems and CWS/CMS to ensure accurate information for measuring and monitoring outcomes and costs. Respondents reported that the process required a significant amount of staff resources to complete. They also reported that the effort is complicated in that the department lacked an automated system to track placement expenditures, which results in manually tracking individual cases.

A number of oversight and monitoring challenges were cited by respondents, in addition to the issues with the data reconciliation project. These included some inconsistency with data definitions as well as communication issues, primarily related to reporting on findings and recommendations by the Waiver Management Team. To alleviate these issues, the LACPD is working to establish improved internal communication systems.

2.8.1.2.3 Staffing and Training

According to respondents, a sizeable challenge for the LACPD was the ongoing shortfalls in staffing. Over a period of a few years, the number of DPOs in the Placement Service Bureau steadily decreased, leaving the bureau with about 50% of the staff it had when the CAP began. The nature of the bureau's work is challenging and, in some ways, unique within the department. Those factors were barriers to internal transfers into the bureau. In addition, the complex nature of the work presented challenges to retaining staff.

The caseloads left by the vacancies fell to the remaining DPOs, and this, along with a rise in the number of youth coming into Placement, doubled, and sometimes even tripled the number of cases each officer was assigned. When the CAP began, DPOs were often carrying caseloads of 60 and sometimes up to 75 cases at any given time. The large caseloads affected the quality of case management, leaving DPOs with limited time to perform tasks related to family finding, family reunification, and permanency in an adequate manner.

Respondents reported that these conditions improved considerably under the CAP with better education and recruitment efforts. The Placement Services Bureau was close to being fully staffed, and the number of minors coming into Placement receded, leading to a significant drop in caseloads for DPOs. Respondents reported having between 20 and 45 cases at a time, an improvement over the course of two years. DPOs now find they have the time to perform their duties in full, including taking part in treatment meetings, Individualized Education Plan meetings, and writing individual education plans. They are able to spend more time with youth and their families, and are therefore able to better perform the functions related to family reunification.

Respondents indicated that staff had been hired and received the necessary training for the initiatives implemented under the CAP. These included Enhanced Cross-Systems Case Assessment and Case Planning, Expansion of Multi-Systemic Therapy, Expansion of Functional Family Therapy, and Functional Family Probation.

Staffing had also changed at the executive level of the LACPD. In the spring of 2009, the retirement of two of the department's deputy directors prompted reorganization within the department that affected the Placement Services Bureau. As a result, the Special Services Division received a new deputy director; the Placement Services Bureau received a new bureau chief and new program director.

2.8.1.2.4 Structure and Operations

Respondents reported that during the CAP, the Placement Services Bureau underwent organizational change, building on the establishment of the bureau prior to the onset of the CAP. The changes have been both incremental and significant and focused on continually moving the bureau toward a more child and family-centered, outcomes-focused orientation to practices and policies.

Notably, the LACPD has changed where youth with Suitable Placement orders are detained. In the past, youth were detained in one of the three juvenile halls operated by the department. That policy changed in the spring of 2009 so that Suitable Placement youth are now detained in one juvenile hall. This facilitates service delivery by expediting meetings with youth, accessing necessary case records, completing case planning, coordinating placements, and coordinating with external service providers such as group homes, Los Angeles County Department of Mental Health, and Los Angeles County Health Services. In response, the unit of 12 probation staff responsible for cross-systems assessments and youth movement coordination were relocated.

Other changes include the creation of the Placement Community Transition Services unit within the Placement Service Bureau that began operation in June 2007 in response the LACPD's plans under the CAP. Placement Community Transition Services oversees and provides coordination for all evidence-based programming utilized by Placement as aftercare services. Functional Family Therapy, Functional Family Probation, and Wraparound Services are all housed within Placement Community Transition Services.

The restructuring efforts have been supported by three oversight efforts. The Placement Restructuring Steering Committee was charged with determining the necessary systems and administrative infrastructure needs and how best to respond. This committee was placed on hiatus until late 2009 due to executive level staff changes within the Special Services Division and Placement Services Bureau. The Placement Services Bureau Management is charged with strategic planning for delivery of services and resource deployment to accomplish program goals.

CFP has assisted the LACPD's restructuring and services processes by providing the support of consultants. A key component of CFP's support concerned the development and implementation of the department's Placement Practice Model. The model, a day-to-day practice model, was developed through the Breakthrough Series Collaborative Model for System Improvement sponsored by CFP and Georgetown University. According to respondents, the model provides an organizing practice ideology and practice specifics that guides how staff should work with families and other interested parties from case opening to case closure to achieve positive outcomes.

A major operations challenge described by respondents was the structure of the LACPD's budget process. The process presents challenges in program planning and maintaining program continuity under the CAP. In order to determine the amount of funds available for CAP initiatives in any given year, the savings generated through reductions in out-of-home care costs must be calculated. Under the current budget process, this assessment takes place at the conclusion of each fiscal year, and takes 60 to 90 days to perform. The department is reconciling its data on youth in its system to produce information that is more accurate and allow precise calculation of the savings generated by departmental initiatives.

2.8.1.2.5 Courts

As the final arbiter in each juvenile probation case, the court plays an integral role in the successful implementation of the CAP. Respondents report that juvenile court judges were brought into the process later than other groups involved in the planning for the CAP and this initially created a challenge; despite this, however, the LAC Juvenile Court appears to support the project.

Respondents reported seeing a shift in the LAC Juvenile Court, with an increasing numbers of judges making referrals for aftercare services such as Functional Family Therapy, and making those referrals much more frequently than before. Probation officers assert that judges prefer for there to be an aftercare plan in place well before release so that families are not simply referred to services and expected to make contact with them on their own once the child has returned home. The Placement Community Transitions Services Unit addressed this issue by following each case beginning three months prior to release through until termination of probation and respondents reported that judges appeared to feel more comfortable referring aftercare services from the bench with a growing proportion making those recommendations.

In general, respondents felt well supported by the court, stating that the relationship between probation and the courts has improved since the CAP began. Where in the past DPOs were most often called into court to justify their recommendations and actions, respondents reported feeling that they are working in collaboration with the courts, district attorneys, and public defenders, all seeking the best possible outcome for the child involved. Respondents feel increasingly respected by the courts, and feel good about being asked for their knowledge and recommendations.

Respondents reported that they welcome the opportunity to enhance the knowledge base of the court officers regarding the specifics of the CAP, other new programs, and the associated rules and procedures through trainings or other means to provide a more seamless interaction between probation, the courts, and families. This is very important for the evidence-based programs in particular, because families are only eligible according to specific criteria. The court needs to be made aware of these requirements so that they can make decisions in these cases effectively. Respondents indicated that one judge has begun holding meetings for other bench officers intended to alleviate these gaps in knowledge. In addition, probation officers have considered attending monthly bench officers' meetings in order to make judges and court officers more aware of some of these issues.

Respondents would also like to see training provided for court officers on the procedures for filling out minute orders that are consistent with the rules of eligibility and cognizant of probation and foster care timelines, especially regarding funding. Some inconsistencies respondents cite are: (a) court officers will sometimes order funding but funding is based on eligibility criteria set by the Federal government, and although a judge may order funding, a family may not qualify; (b) court officers may mandate mentoring, but mentoring programs must be voluntary and can't be mandated; and (c) court officers may order the child to be placed with relatives before the home is assessed or background checks are performed. This creates the potential for the child to be ultimately removed from the relative's home if they do not qualify.

The court sometimes promises money to relatives right away for the care of the child, but funding can't be provided until after a successful home assessment.

2.8.1.2.6 Contextual Factors

The LACPD has encouraged group home providers to intensify their treatment programs and reduce the program length from an average of 12 months to an average of six months, to better facilitate family reunification and permanency, and to reduce out-of-home care costs. This effort is in some ways at odds with the needs and goals of the group homes themselves, which benefit both programmatically and financially from lengthier stays by youth in their facilities. Respondents report that the change has led to tensions between the department and group home providers, which, in turn, have challenged the department in the successful implementation of its programs under the CAP. To alleviate these tensions, the department phased in new systems that promote the opportunity for greater engagement between the two parties. First, the department has altered the process for its Needs and Services Plan, which is filled in for each case by the group home. With the change, the Needs and Services Plan is required to coincide with the department's case plan and must include the DPOs signature. Second, the department has begun the planning and decision-making process regarding aftercare earlier in the case, and has included group homes in the process. Third, the department is attempting to have its Functional Family Therapy clinicians engage with group home clinicians. This aids in case planning, but also provides a second clinical opinion to be presented in court. Respondents report that these new structures encourage greater engagement between probation officers and service providers, allowing them to work in concert with focused direction, clarity and transparency. Respondents also reported that they are witnessing a shift in attitude from service providers, and that many appear to feel more positive about the changes that have taken place since the CAP began.

Respondents reported tensions between the LACPD and the Association of Community Human Service Agencies, an organization that represents 26% of the group homes that hold contracts to provide group home services for the department. The tension concerned whether the department could monitor group homes for quality assurance using surprise visits. The department believed it had the authority to do so under the county's Master Agreement for Group Home Foster Care Service. However, respondents reported that the Association of Community Human Service Agencies was resistant to the monitoring of group homes for quality assurance purposes as a regular practice, and in particular believed that surprise visits by group home monitors are inappropriate. Respondents indicated that under guidelines set by the Los Angeles County Board of Supervisors, department quality assurance staff are to make an appointment with the group home service provider prior to visiting for inspection or quality assurance purposes.

2.8.1.2.7 Additional Challenges and Facilitators

A major challenge for the LACPD was the department's late addition to the CAP itself. Because Probation was not brought on board until early in the spring of 2006, it was forced to implement plans without an adequate planning period; getting up to speed quickly with the project created many challenges for the department, which took time to recover from. Perhaps most challenging was realizing the large paradigm shift necessary for the implementation of the

department's initiatives; from one focused on public safety and security to one in which family reunification, permanency, and keeping kids in the community is emphasized. Some respondents describe this philosophical shift to be akin to a child welfare model, which respondents generally view as a positive change, but which they also report as creating a steep learning curve for probation officers, who would be supervising their cases in a very new way under the CAP. Providing department staff with the necessary education for the alteration in supervision was quite challenging with the late start of the project and this resulted in some barriers to program implementation. In addition to the shift in paradigm, the late start also meant that the department did not have the time to develop the necessary resources quickly enough to bring its new programs to service capacity in the early stages of the CAP. For instance, because there were not enough service providers in the community to provide treatment for the numbers of youth the department envisioned serving under the CAP, it became necessary to create that capacity internally, which took a substantial amount of time and training. Respondents believed that had they come on board with the CAP earlier, they would have had a greater opportunity to build resources such as these.

Despite the late start, respondents reported that they felt the LACPD was well-positioned to make productive use of the CAP. The department had committed itself to the use of evidence-based practices prior to the CAP and had previously participated in the Breakthrough Series Collaborative at Georgetown University. Importantly, respondents felt the goals of the department were aligned with the goals of the CAP.

2.8.1.2.8 Worker-Supervisor Survey

The Title IV-E Waiver Capped Allocation Project Evaluation team surveyed probation officers in Los Angeles County to assess the knowledge and perceptions of the Capped Allocation Project (CAP) by employees. Of the 542 surveys distributed in the spring of 2008, 406 were returned completed, yielding a response rate of 74.9%.

Of 406 Los Angeles probation officers who responded (Table 2.24), 87.4% were deputy probation officers, and 12.6% were supervising deputy probation officers.

	No.	%
Deputy Probation Officer	355	87.4
Supervising Deputy Probation Officer	51	12.6
Total	406	100.0

More than half (52.7%) of survey respondents (Table 2.25) worked in Field Services, while 27.6% worked in Special Services, 14.0% in Placement Services, and 5.7% described themselves as working in a category not represented on the survey.

	No.	%
Field Services	214	52.7
Special Services	112	27.6
Placement Services	57	14.0
Other	23	5.7
Total	406	100.0

In 2008 (Table 2.26), most probation officers (55.1%) reported having limited or no knowledge of the CAP while 29.3% described themselves as having some knowledge, and 12.5% described themselves as either knowledgeable or very knowledgeable about the CAP.

	No.	%
No knowledge	134	33.0
Limited knowledge	102	25.1
Some knowledge	119	29.3
Knowledgeable	46	11.3
Very knowledgeable	5	1.2
Total	406	100.0

According to survey responses, probation officers and their supervisors perceived the influence of the CAP—on their daily work with children and families—as quite limited when surveyed in 2008 (Table 2.27). Among respondents, 45.3% were unable to determine the influence of the CAP on their work, and 23.2% reported that the CAP had limited or no influence. Very few, just 3.9%, reported the CAP as having a lot of influence on their work, with 10.3% asserting it had a regular influence and 17.2% saying that the CAP had some influence on their work with children and families.

Table 2.27 LACPD – CAP’s Influence on Daily Work		
	No.	%
Not able to determine	184	45.3
No influence	45	11.1
Limited influence	49	12.1
Some influence	70	17.2
Regular influence	42	10.3
A lot of influence	16	3.9
Total	406	100.0

Respondents were asked their opinions on whether the CAP was having a positive effect on the child welfare environment in their county (Table 2.28). In 2008, the majority, 71.4%, could not determine the CAP’s effect. However, when comparing those who could make a determination, a much greater proportion (24.4%) perceived the CAP as having a positive effect than those who felt the CAP was not (4.2%).

Table 2.28 LACPD – Is the CAP Having a Positive Effect?		
	No.	%
Not able to determine	290	71.4
No	17	4.2
Yes	99	24.4
Total	406	100.0

Respondents were asked whether they felt a wider array of services had become available within the six months prior to each survey (Table 2.29). While 53.9% could not determine that, 30.5% said a wider array of services had become available. Among respondents, 15.5% did not perceive a rise in available services.

	No.	%
Not able to determine	219	53.9
No	63	15.5
Yes	124	30.5
Total	406	100.0

Summary

In Los Angeles County, probation officers and their supervisors were surveyed in 2008 when most respondents reported having limited to no knowledge of the CAP, with only about 12% stating they were knowledgeable or very knowledgeable. The majority reported that the CAP had no influence on their daily work, or were unable to determine its effect. Very few workers reported that the CAP was *not* having a positive effect on county welfare. However, close to three quarters of respondents were unable to determine its effect. Interestingly, after working under the CAP for one year, close to one third of respondents perceived that a wider array of services had become available in the six months prior to the survey.

2.8.2 County Services Component

2.8.2.1 Initiatives

The LACPD, through its initial planning process, identified three initiatives to implement in its first sequence. The department's main strategy for the funding of these initiatives was to generate savings by reducing out-of-home care costs, made possible through a reduction in the treatment program timelines for permanency and family reunification. In communications with group home providers, the department sought to refocus the time youth spend out of the family home away from lengthy treatment programs and toward briefer, more intense programs that highlight skills training, education, and stabilization. The department's goal is to work with service providers to reduce the length of its programs from an average of twelve months to an average of six months. The savings generated by the reduction in the time youth spend in out-of-home programs would create a reinvestment fund to pay for CAP initiatives. Two additional initiatives were added in the second year of the CAP to form the second sequence of initiatives.

2.8.2.1.1 First Sequence of Initiatives

The intent of *Cross-Systems Case Assessment and Case Planning* is to ensure that all youth who are ordered into Suitable Placement have a comprehensive assessment done prior to being placed in an out-of-home placement so that the needs of the youth and the family can be well-matched with services. Under the department's plan, cross-systems case assessment will be

performed on all new cases coming in to the Placement Services Bureau for the first time. Youth are to be given a comprehensive psychological screening by Los Angeles County Department of Mental Health staff, have an extensive face-to-face meeting with a DPO and, in some cases, be screened for potential substance abuse. Educational information is also collected and added to the youth's case file.

The expansion of the LACPD's use of *Functional Family Therapy* as a first line treatment option was one of the department's implementation priorities going forward with the CAP. The expansion included increasing referrals for Functional Family Therapy to its two service providers, and training and developing a group of Functional Family Therapy practitioners within the Placement Services Bureau itself. (DPOs were trained and certified in Functional Family Therapy. Youth are generally referred to the Functional Family Therapy program three months after they first enter out-of-home care if the minor and the minor's family will participate. Functional Family Therapy practitioners provide family therapy during weekly home visits for about six months.

Working in conjunction with Functional Family Therapy is *Functional Family Probation/Parole*. Functional Family Probation/Parole is a form of intensive supervision performed by specially trained DPOs often used in conjunction with Functional Family Therapy. Functional Family Probation/Parole is described as a strengths-based, intensive approach to probation supervision that accesses the support of family members and community members to assist the youth. The Functional Family Probation/Parole model is based on the principles of Functional Family Therapy: taking a holistic family approach to dealing with and solving the behavior issues of the youth, and assisting in their transition from an out-of-home placement to the community. Both the Functional Family Therapy and Functional Family Probation/Parole programs are located in the Placement Services Bureau's Placement After-care Community Transition Services.

The LACPD had intended to adopt *Multi-Systemic Therapy*, as a first line treatment to serve youth at risk of removal from their homes, and for youth who are returning from congregate care. However, Multi-Systemic Therapy was used very little in this context. The main service providers used by the department do not offer Multi-Systemic Therapy as a service. In addition, Multi-Systemic Therapy requires an advanced degree for its practitioners, limiting the ability of the department to develop it as an in-house option. Multi-Systemic Therapy is still under consideration as a treatment option and still used on a limited basis.

2.8.2.1.2 Second Sequence Initiatives

Adding to its after-care services, the LACPD expanded its Functional Family Therapy program, adding *Parent Daily Reviews*. Parent Daily Reviews, an element of Multidimensional Treatment Foster Care, are used with youth who have transitioned from group home care to the community. Parent Daily Reviews provide information on the progress of the reunification process with the family during the first two months. The information will assist DPOs in determining the best course of action for assisting in the reunification process. The LACDP has received approval from the Los Angeles County Board of Supervisors to hire staff and has begun the process.

The *Prospective Authorization and Utilization Review Unit* was another second sequence initiative. The unit was planned as an internal tool to help DPOs identify the appropriate intervention for each youth and monitor whether they remain in the appropriate intervention. Each youth entering the jurisdiction of the Placement Services Bureau will be referred to this unit to determine what kinds of services should be utilized after the assessment process. Services are at intervals to ensure the service is still necessary and appropriate and helping the youth and family toward the desired outcomes.

2.8.2.2 Accessing Services; Case Management; and Service Array, Intensity, and Integration

Respondents indicated that youth come into the system much as they have in the past, though the processes for accessing services have been altered to some degree under the CAP. Youth with Suitable Placement orders had been detained in one of the three juvenile halls in Los Angeles County awaiting placement. That policy shifted under the CAP; all youth entering Suitable Placement are now housed in the same facility. This assists the Placement Services Bureau in the Cross-Systems Assessment Process, and enables them to move youth out of detention more quickly. The Cross-Systems Assessment Process was established to better link the needs of youth and families with the necessary services.

Perhaps the largest change in the way youth potentially move through the system has been an alteration in the length of time required to complete most treatment programs provided by group homes. The LACPD encourages service providers to increase the intensity, but reduce the duration of its treatment programs from an average of twelve months to around six months. According to respondents, this reduction in out-of-home program duration has served a dual purpose for the department: it has allowed it to actively pursue its over-riding goal of family reunification, reuniting youth with their families earlier and with more support than ever before; and it has allowed Placement to reduce out-of-home care costs, creating a reserve of savings they are able to reinvest in evidence-based after-care programming to assist youth in the transition from out-of-home care to their families.

The Prospective Authorization and Utilization Review Unit plans to alter initial placement processing in large measure once it reaches the stage of implementation. This unit will enhance the current screening process of youth coming into the system by specifying treatment options at the front end.

There has been an increase in after-care services for youth leaving out-of-home care and returning to their families as a result of the CAP, according to respondents. Service intensity has increased in the group home treatment programs and in the evidence-based programs such as Functional Family Probation/Parole and Functional Family Therapy, which are more intensive in approach. Case management has shifted in a number of ways: focusing on case planning from the point of detention; considering the impact of and the available supports from family members, friends, and community; emphasizing the use of information for decision making; and focusing on the youth's outcomes rather than process of case management as the measures for success.

Respondents reported that Wraparound, which was in place before the beginning of the CAP, was being used in a more limited capacity due to concerns about over-utilization and cost. Wraparound is now used only by court order and only for high need youth.

Respondents also reported that certain categories of services continued to be difficult to find in Los Angeles County. Group homes for pregnant teenagers, special programs for arsonists, and special programs for sex offenders are examples of services that are lacking in the county.

The LACDP collaborates with the Los Angeles County Department of Mental Health in its Cross-Systems Assessment program. As part of this initiative, mental health department performs comprehensive psychological screenings of all new cases coming into Placement for the first time. Respondents also reported that there has been greater collaboration between the LACPD and the LACDCFS on an administrative- and practice-level, a result of both departments participating in the CAP.

2.8.2.3 Quality Assurance and Data Collection and Management

The Placement Permanency and Quality Assurance Unit oversees permanency activities such as adoptions, legal guardianships, and family finding; the unit also performs quality assurance activities for the Placement Services Bureau. Supervising DPOs collect data and statistics on the cases located within their unit, provided by the DPO of record. This data collection serves a dual purpose. First, it provides them with information to effectively manage and plan for the cases in their unit, and second, data collection provides information for quality assurance, ensuring that all of the requirements and mandates associated with the servicing of children under the care of Placement are being met. In this capacity, supervising deputy probation officers are accountable to several different administrative layers, including the Placement Services Bureau itself, the Los Angeles County Board of Supervisors, and State and Federal reporting requirements. The quality of the department's services has been monitored more closely in the past few years as a result of accessing Title IV-E dollars for the costs of placement related to eligible youth, which require State and Federal audits; the Placement Permanency and Quality Assurance Unit was established as a result. Utilizing the information gathered by the Supervising DPOs, the Placement Permanency and Quality Assurance Unit monitors all new cases and resulting foster care case plans in tandem with the outcomes of judicial reviews to ensure that the department's recommendations are supportive of the reports and in compliance with State and Federal mandates. They also review cases in regards to family reunification, paying close attention to the length of time the process is taking. This information is kept in a database and shared monthly with the supervisors of the regional units, who in turn share the information with their DPOs. Supervising probation officers use information from the Placement Permanency and Quality Assurance Unit to improve services, to develop and conduct trainings, and to ensure compliance.

The Placement Permanency and Quality Assurance Unit also includes group home monitors who visit and investigate group homes. Los Angeles County's Master Agreement for Group Home Foster Care Services states that group homes must be monitored regularly to ensure the safety and well-being of youth in their care. Until recently, the Placement Permanency and Quality Assurance Unit had only five group home monitors on staff. With these limited numbers,

group home monitors were only able to focus their efforts on investigations of reports of contractual non-compliance by group homes. Ten more group home monitors have since been added. Through the use of site visits and questionnaires used with group home staff, youth and their parents, group home monitors gather data on outcomes and measure quality of services. These measures aid the department in making more informed placement decisions for each individual minor, and allow them to see more concretely differences in levels of care among group homes. The Placement Services Bureau has set up regular monthly meetings with a subgroup of group home providers to discuss the collected questionnaires and to work with them on improving services and assisting providers on keeping in compliance. ACSHA, the group home advocacy organization, has expressed concerns regarding unannounced site visits to group homes for monitoring purposes.

The criteria used to assess success in group homes are based on the goals of safety, well-being, and permanency. Some of the measures include rates of new arrests; academic performance; school attendance; whether the child has been placed in school within three days of placement; and minor on minor injury and staff-related incidents.

According to respondents, quality assurance and measures of success in probation have been process-focused rather than outcome-focused. However, in the last couple of years the LACPD has moved toward an outcome-based orientation with an emphasis on successful family reunification and permanency. In the past, DPOs focused on a set of steps the officers themselves moved through with a case, and measured success based on their successful movement through these steps; the shift in focus means that success measures are now tied more closely to the youth and their processes, particularly a reduction in the length of time youth spend in out-of-home care, and an increase in levels of support and permanency. Respondents feel that this change has coincided with the CAP and has been influenced by it, but that the shift would have taken place without it, although the CAP sped the process up and reinforced its validity. Respondents characterize the shift in focus as a somewhat slow process. Although this has been a dramatic shift for the department, respondents spoke of it in positive terms, saying it seems to be what the department needs.

2.9 Findings: Casey Family Programs

Respondents identified the role of the Casey Family Programs (CFP) as important in phasing in the CAP. CFP has provided ongoing support to the four departments participating in the CAP since before its inception. CFP is one of the five Casey foundations. It was founded in 1966 with a mission to provide and improve foster care while working to prevent the need. The organization works in the areas of direct services, strategic consulting with child welfare and probation agencies, and research, all of which informs the organization's role as a resource in public policy discussions.

CFP has provided direct services in Alameda County since the 1970s when it established a Foster Family Agency providing foster care and assistance in establishing permanence through reunification, legal guardianship, or adoption, along with case management assistance to youth transitioning to adulthood. CFP began working with transition age youth in Los Angeles County in the late 1990s and works in the county to support kinship families.

In 2005, CFP developed the 2020 Strategy: A Vision for America's Children. The 2020 Strategy has three goals: (a) the safe reduction of the number of children in foster care by 50% by 2020; (b) the reinvestment of the savings from the reductions to strengthen families and improve child welfare systems; and (c) the well-being and self-sufficiency of children in foster care and adults who grew up in foster care. The goals of the 2020 Strategy and the capped allocation project in California made the State a logical choice for the increased involvement of the CFP. California accounts for a large percentage of children in foster care in the United States and Alameda County and Los Angeles County account for approximately one-third of children in foster care in California. The participation of the two counties in the CAP provides the fiscal flexibility and opportunity for reinvestment envisioned by the 2020 Strategy.

Under agreements with both counties, CFP funds positions in each of the departments participating in the CAP. Departmental executive leadership felt it was necessary to have staff dedicated primarily, if not solely, to the implementation of the CAP, and CFP concurred. These are county positions supported by CFP funds. In Los Angeles County, CFP supports a CAP project coordinator (deputy director level) and two staff in LACDCFS and a CAP project coordinator (program manager level) and staff person in LACPD. Early in the CAP, the LACCPD asked that the resources for the third dedicated position be reallocated for a consultant to assist with ongoing planning needs. In a similar fashion, discussions have begun between the LACDCFS and CFP about the department assuming fiscal responsibility for the three positions. The financial commitment from CFP would continue and be used to fund programs. In Alameda County, CFP funds a program manager position in the ACDCFS to allow a deputy director to assume the responsibilities of CAP project coordinator. CFP funds a CAP project coordinator (deputy chief level) in the ACPD.

CFP has also provided each of the counties with a systems' improvement strategy consultant. The consultant's role is to act as a technical assistance coordinator and to support the collaboration between the participating departments in each county. The consultant works with the CAP coordinators and other representatives to identify needs and resources and the linkages between the two through regularly scheduled weekly meetings. The consultants in both counties are part of the executive teams monitoring the phasing in of the CAP. They meet monthly to review issues and design solutions. The consultants also have quarterly meetings with the two DCFS directors and two PD chief probation officers.

In an example of how the CFP coordinator works with the county departments, respondents described a request by the LACDCFS to pilot a promising practice before committing reinvestment savings to expanding the practice. CFP assisted the department in securing two grants over two years from a sister Casey foundation so the department could fund two community-based non-profit organizations to develop the practice on a small scale while working through implementation concerns. This allowed the department to expend reinvestment savings to scale-up a promising practice with greater confidence in achieving the desired outcomes.

According to respondents, CFP has helped the county departments in other ways. As non-county representatives, CFP coordinators have an outsider's perspective on the entire organization helping to identify issues and solutions that might not be readily apparent to

departmental staff and, in some cases, helping the department to move through decision-making gridlock by reframing the debate. CFP coordinators can also identify common issues and solutions across departments and facilitate communications between them. With its research expertise, CFP has made its resources readily available to the county departments both in evaluating technical assistance and in funding to assist in the development of management information systems.

CFP is interested in child-welfare finance reform and the continuation of the fiscal flexibility offered by the CAP. To promote that end, CFP has contracted with a communications consultant to prepare written chronicles of the CAP experience in Los Angeles County. CFP has also contracted with a consulting firm to provide communications expertise to the department in designing its message about the CAP both internally and externally. CFP has provided support to the CAP by offering information and underlining CFP's commitment to the planned initiatives before the Los Angeles County Board of Supervisors. The former director of the LACDFS responsible for the development of the original capped allocation project proposal, along with his chief financial officer and a senior deputy within the department now hold leadership positions with CFP Systems Improvement.

The importance of CFP to the CAP implementation is difficult to assess, though its impact on the process is significant. County respondents expressed appreciation for CFP's fiscal and resource commitment to the efforts of the county departments. While not large in comparison to the departmental budgets, CFP's financial commitment to the CAP by funding the equivalent of eight full-time positions (at significant levels within the respective organizations), two CFP coordinators, various consultants, and other CFP staff time is noteworthy. So too is the ability of CFP to assist the departments in identifying and obtaining other external resources.

Absent CFP, the executive level leadership of the four departments participating in the CAP would likely find other sources of funding and expertise to advance the goals of the departments and further the implementation of the CAP. However, few if any other organizations have the expertise, scope of resources, and history of working in the field that CFP possesses, making CFP an important component in the implementation of the CAP. This raises questions about the replication of the CAP and the degree to which a resource like CFP is necessary. In addition, the scope of the relationship raises for general consideration questions about the role of external organizations and the extent to which they might influence the processes of the departments receiving their support.

Chapter 3: Fiscal Study

3.1 Key Questions

The evaluation question guiding the fiscal study asks: What is the impact of a capped, flexible Title IV-E funding strategy on Child Welfare Services and relevant Probation expenditures in participating counties? A number of specific questions emerged from this general question and from the strategies outlined by Alameda County and Los Angeles County in their Five-Year Plans. First, will the counties reduce their foster care assistance payments from levels preceding the implementation of the CAP? Second, will the counties reduce their foster care administration costs from levels preceding the implementation of the CAP? Finally, will the counties shift their expenditures from foster care services to non-foster care services after the start of the CAP? These three key questions are presented in Table 3.1.

Table 3.1 Fiscal Study Key Questions and Indicators
Question 1: Did the counties reduce their foster care assistance payments from levels preceding the implementation of the CAP?
Indicator 1.1: Gross foster care assistance payments
Indicator 1.2: Two components of foster care assistance payments
1.2.1: Total number of placement days purchased
1.2.2: Average assistance cost of placement days
Question 2: Did the counties reduce their foster care administration costs from levels preceding the implementation of the CAP?
Indicator 2.1: Gross foster care administrative payments
Indicator 2.2: Average administrative cost of placement days
Question 3: Did the counties shift their expenditures from foster care services to non-foster care services after the start of the CAP?
Indicator 3.1: What was the amount of revenue available for flexible spending?
Indicator 3.2: Flexible spending analysis
3.2.1: Non-foster care spending amount
3.2.2: Available flexible spending amount
3.2.3: Remaining flexible spending amount
3.2.4: Non-foster care spending financed by other revenue
3.2.5: Ratio of foster care services expenditures to non-foster care expenditures

3.2 Data Sources, Data Collection, and Data Analysis

Multiple data sources are being used for the fiscal study, including budget and expenditure information from the California Department of Social Services (CDSS) and from the individual counties. Data are aggregated to the county level (i.e., not at the case- or child-level). The primary sources of data are the County Expense Claim (CEC) and CA 800 and the IV-E Waiver Database developed by the CDSS for the CAP. Quantitative fiscal data will be

augmented by interviews with key informants such as finance directors and budget analysts. Those discussions will also assist in the interpretation of State and county information.

Fiscal data come from both State and county sources and include only existing data sources, or sources developed by the State and counties. No additional reporting or tracking requirements will be instituted solely for the purpose of the CAP evaluation. Key informants are selected based on their knowledge of the fiscal activities related to the CAP.

Fiscal information from Fiscal Year (FY) 2007-2008 and FY 2006-2007 has been received from the counties CEC and CA 800. The number of paid placement days in FY 2007-2008 has also been received from the fiscal departments in the counties. The CDSS has provided additional claiming and payment data.

As previously stated, the purpose of the fiscal study is to assess the relationship between the CAP and changes in child welfare and probation expenditures over the five-year span of the demonstration CAP. In order to explore this relationship, comparisons on fiscal indicators will be made between a baseline period (a four-year period before the onset of the CAP) and the five-year period of the CAP. The indicators used in the analyses are presented in Table 3.1. They include foster care assistance and administrative expenditures, the total number of purchased placement days, the average cost of placement days, the amount of revenue available for flexible spending, and how that revenue was spent. Given the small sample size and the types of comparisons being made, non-parametric statistical tests will be used in the appropriate circumstances.

3.3 Findings

The data collected thus far in the evaluation were in the process of being extracted from the various reports and entered into a data management system for analysis. Data were not ready for analysis at the time of the Interim Evaluation Report.

The Alameda County Social Services Agency (ACSSA) and the Los Angeles County Department of Social Services (LACDCFS) prepared summary reports of their revenues, expenditures, and reinvestment savings for FY 2007-2008 and FY 2008-2009, shown in Table 3.2 and Table 3.3. The Reinvestment Savings are calculated by subtracting the Expenditures Total from the Revenues Total. The Annual Cost of Initiatives is the amount the county departments indicated they would spend on their initiatives for a Fiscal Year. The Available Reinvestment Savings is the amount remaining after subtracting the Annual Cost of Initiatives from the Reinvestment Savings.

The ACSSA (Table 3.2) indicated that reinvestment savings of \$9.6 million were realized in FY 2007-2008 by the Alameda County Department of Children and Family Services (ACDCFS), with \$1.8 million spent on the first sequence of initiatives. Reinvestment savings of \$16.7 million were generated in FY 2008-2009. The cost of initiatives for that FY totaled \$4.4 million. At the end of FY 2008-2009, \$20.1 million in reinvestment savings remained available.

Table 3.2 ACDCFS Reinvestment Savings		
(\$ Millions)	FY 07/08	FY 08/09
Revenues		
Federal	53.9	49.8
State Assistance	16.7	16.7
State Administration	17.6	23.6
County	44.8	44.8
Total	133.0	134.9
Expenditures		
Administration	49.7	49.9
Probation Administration	19.0	21.0
Assistance	54.7	47.4
Total	123.4	118.3
Reinvestment Savings	9.6	16.7
Cumulative Reinvestment Savings	9.6	26.3
Annual Cost of Initiatives	1.8	4.4
Cumulative Cost of Initiatives	1.8	6.2
Available Reinvestment Savings	7.8	12.3
Cumulative Available Reinvestment Savings	7.8	20.1

Source: Alameda County Social Services Agency 06.18.09

The LACDCFS (Table 3.3) indicated that reinvestment savings of \$28.9 million were realized in FY 2007-2008, with \$3.1 million spent on the first sequence of initiatives. Reinvestment savings of \$41.7 million were generated in FY 2008-2009. The cost of initiatives for that FY totaled \$8.1 million. At the end of FY 2008-2009, \$59.4 million in reinvestment savings remained available.

Table 3.3 LACDCFS Reinvestment Savings			
	(\$ Millions)	FY 07/08	FY 08/09
Revenues			
Federal		374.4	381.9
State Assistance		122.0	122.0
State Administration		169.2	172.6
County		331.9	331.9
Total		997.5	1,008.4
Expenditures			
Administration		462.9	487.6
Probation Administration		106.4	110.3
Assistance		399.2	368.8
Total		968.5	966.7
Reinvestment Savings		28.9	41.7
Cumulative Reinvestment Savings		28.9	70.6
Annual Cost of Initiatives		3.1	8.1
Cumulative Cost of Initiatives		3.1	11.2
Available Reinvestment Savings		25.8	33.6
Cumulative Available Reinvestment Savings		25.8	59.4

Source: Los Angeles County Department of Children and Family Services 09.28.09

Both departments have indicated that they adopted a conservative approach to the use of their reinvestment savings in the first year of the CAP. This approach was reinforced in the second year of the CAP, as the departments hedged against uncertain economic times created by the economy and the State's budget crisis.

The analysis described in Table 3.1 will be completed for the Final Evaluation Report.

Chapter 4: Outcome Study

4.1 Key Questions

The specific outcome study question asks: What is the impact of a capped, flexible Title IV-E funding strategy on outcomes for children and families in the Child Welfare Services System in participating counties, as compared to outcomes prior to the implementation of the CAP?

In particular, the interim evaluation report outcome study focuses on describing the longitudinal changes in the following outcomes:

- child safety
- exits to permanency
- placement stability
- appropriateness and restrictiveness of new and existing out-of-home placements, and in addition, county participation rates are also described.

The indicators are presented in Table 4.1.

Table 4.1 Outcome Study Outcomes and Indicators	
Child Safety	
S1.1 No Recurrence of Maltreatment:	This safety measure reflects the percentage of children who were victims of a substantiated or indicated child maltreatment allegation within a specified 6-month period for whom there was no additional substantiated maltreatment allegation during the subsequent 6 months.
S2.1 No Maltreatment in Foster Care:	This safety measure reflects the percentage of children who were not victims of a substantiated maltreatment report by a foster parent or facility staff while in out-of-home care.
Recurrence of Allegations:	Children who were not removed from home with a substantiated base disposition who had substantiated allegation within 12 months.
2B Timely Response (Immediate Response Compliance):	This measure computes the percentage of cases in which face-to-face contact with a child occurs, or is attempted, within the regulatory time frames in those situations in which a determination is made that the abuse or neglect allegations indicate significant danger to the child (immediate response).
2B Timely Response (10-Day Response Compliance):	This measure computes the percentage of cases in which face-to-face contact with a child occurs, or is attempted, within the regulatory time frames in those situations in which a determination is made that the abuse or neglect allegations indicate significant danger to the child (10-day response).
2C Timely Social Worker Visit with a Child (1, 2, 3 months):	This measure computes the percentage of children who received a monthly visit, out of all those children for whom a visit was required.
Exits to Permanency	
C1.1 Reunification Within 12 Months (Exit Cohort):	This measure computes the percentage of children discharged to reunification within 12 months of removal.
C1.3 Reunification Within 12 Months (Entry Cohort):	This measure computes the percentage of children reunified within 12 months of removal for a cohort of children first entering foster care.
C1.4 Reentry Following Reunification (Exit Cohort):	This measure computes the percentage of children reentering foster care within 12 months of a reunification discharge.
C2.1 Adoption Within 24 Months (Exit Cohort):	This measure computes the percentage of children

adopted within 24 months of removal.
Placement Stability
C4.1 Placement Stability (8 Days to 12 Months in Care): This measure computes the percentage of children with two or fewer placements who have been in foster care for 8 days or more, but less than 12 months.
C4.2 Placement Stability (12 Days to 24 Months in Care): This measure computes the percentage of children with two or fewer placements who have been in foster care for at least 12 months, but less than 24 months.
C4.3 Placement Stability (At Least 24 Months in Care): This measure computes the percentage of children with two or fewer placements who have been in foster care for 24 months or more.
Appropriateness and Restrictiveness of New and Existing Out-of-Home Placements
4A Siblings (All Siblings): These reports provide point in time counts of sibling groups placed in Child Welfare supervised foster care. Report data are for children placed with all siblings.
4A Siblings (Some or All Siblings): These reports provide point in time counts of sibling groups placed in Child Welfare supervised foster care. Report data are for children who are placed with all or some of their siblings.
4B Least Restrictive (Entries First Placement): This measure is derived from a longitudinal database of all entries to out of home care (in care 8 days or more) during the time period specified and computes the percentage of children who have a first placement of "Relative;" "Foster Home;" "FFA;" "Group/Shelter;" "Other-court specified, guardian, other."
4B Least Restrictive (Entries First Placement): This measure is a point in time count of all children who have an open placement episode of "Relative;" "Foster Home;" "FFA;" "Group/Shelter;" "Other-court specified, guardian, other."
Participation Rates (children per 1000)
Rate of children with maltreatment referrals.
Rate of children with substantiated referrals.
Rate of children with entries to foster care.
Rate of children in foster care.

* The indicator definitions come directly from the "Measure Methods" tab from the CWS Outcomes System Summary Files Q2 09.

4.2 Data Sources

The primary data sources for the outcome study are the summary spreadsheets that contain the data that are included in the California Child Welfare Outcomes and Accountability System quarterly reports. The publicly available reports are part of the Child Welfare Dynamic Report System, located at the Child Welfare Research Center, the Center for Social Services Research, at the University of California at Berkeley (UCB). The system is a collaboration between the California Department of Social Services (CDSS) and the UCB. The report preparation conducted by the UCB researchers is wholly separate from the CAP evaluation. The case-level source data are drawn from the State's automated case management data system (CWS/CMS) and aggregated to the county level. Generally, summary tables are then made available on a quarterly basis (calendar year) at the following website: http://cssr.berkeley.edu/ucb_childwelfare/Ccfsr.aspx.

4.3 Data Collection

The summary spreadsheet for each county was accessed in January 2010 and included the data extract Quarter 2 (June 30), 2009. The trend-line that will constitute the CAP's comparison period will include data from July 1, 2003, through June 30, 2007, just prior to the onset of the

CAP on July 1, 2007. The CAP trend-line will include data from the onset of the CAP through June 30, 2009 unless otherwise indicated.

4.4 Data Analysis

As previously stated, the purpose of the outcome study is to assess the impact of the CAP on child welfare and probation outcomes over the five-year span of the demonstration project, as compared to outcomes prior to the implementation of the CAP. In order to explore this possible relationship, descriptive comparisons on outcome indicators are made between the comparison period and the period of the CAP. The outcomes are viewed as existing within an interrelated cycle of measures, analyzed over time, and considered within the operational contexts of the two departments. The indicators used in the analyses are presented in Table 4.1.

4.5 Data Issues and Limitations

The nature of the outcome analysis is descriptive, given the structure of the evaluation design. As previously stated, it cannot be said that changes observed in the patterns of outcomes of the participating counties post-CAP as compared to their pre-CAP pattern of outcomes were caused by the CAP. It is impossible to attribute changes to participating in the CAP, absent comparison counties undergoing the same scope of data collecting activities as the participating counties.

Adding to the interpretation challenge is the fact that the participating county child welfare departments are not using the CAP opportunity to dramatically reform their philosophies or practice operations. Instead, they are adding initiatives to further a core set of goals guided by established philosophies and in-line with current practice. As a result, it can be reasonably anticipated that any changes in the CAP period would be incremental and harder to observe.

Child well-being indicators were not included in the interim report analysis. Data for the time period preceding the CAP were not readily available so pre and post CAP comparisons could not be made. Locating alternative sources of information could not be completed in the time frame for the completion of the interim evaluation report.

As previously discussed, the Alameda County Probation Department (ACPD) and the Los Angeles County Probation Department (LACPD) information is not included in the outcome study portion of the evaluation. Both counties have been participating in a review of their data processes and it is expected that the departments will have access to the CWS/CMS allowing their information to be structured in the manner necessary for the summary reports used in the outcome study. Appendix H contains the charts for the Alameda County Department of Children and Family Services (ACDCFS) outcomes and indicators. Appendix I contains the charts for the Los Angeles County Department of Children and Family Services (LACDCFS) outcomes and indicators.

4.6 Findings: Alameda County Department of Children and Family Services

4.6.1 Participation Rates

During the comparison period from 2003 to 2007, the rate of children with maltreatment referrals fluctuated between a high of 39.3 children per 1000 in 2005 and 36.1 children per 1000 in 2007. In the first year of the CAP in 2008, the rate dropped slightly to 35.9 children per 1000. The rate of children with substantiate referrals was in decline during the comparison period beginning at 5.9 children per 1000 in 2003 to 5.0 children per 1000 in 2007. The rate stayed the same in 2008, the first year of the CAP. The rate of children with entries into foster care was also in decline during the comparison period. In 2003, the rate was 3.6 children per 1000 and in 2007 the rate was 3.0 children per 1000. The downward trend continued in 2008, dropping to 2.6 children per 1000. The rate of children in foster care declined in the comparison period between 2003 and 2007, from 9.6 children per 1000 to 6.5 children per 1000 for a reduction of 32%. In the first 2 years of the CAP, the rate dropped to 6.2 children per 1000 in 2008 and 5.3 children per 1000 in 2009, an 18% change from the start of the CAP.

4.6.2 Child Safety

In the first child safety indicator, “no recurrence of maltreatment during the subsequent six month period,” the national goal is $\geq 94.6\%$. The trend-line fluctuated in the five years of the comparison period starting at 92.5% in 2002 and rising to 93.6% in 2003 before dropping to 89.8% in 2005 and 2006. At the first six month point of the CAP, the percentage had risen to 92.4%. It continued to rise to 93.7% 18 months into the CAP period, to a point just below the national goal.

The second child safety indicator, “no maltreatment in foster care,” was at 100.00% at the start of the comparison period in 2003 and above the national goal of $\geq 99.68\%$. The percentage dropped to 99.87% in 2006 but rose again to 100.00% in 2007. There was a slight dip in 2008 to 99.97% before a return to 100.00% in 2009.

The third child safety indicator concerns the recurrence of a substantiated allegation within 12 months for children who had not been removed from home after a previous substantiated allegation. In the periods between 2002 and 2007, the percentages fluctuated but maintained a general upward trend beginning at 9.6% in the six month period between July and December 2002 and ending at 14.9% in the six months prior to that start of the CAP. The highest point was 17.5% in the six month period between July and December in 2005. In the first six months of the CAP in 2007 the percentage rose to 18.9%; it then dropped to 12.7% in the six month period between January and June 2008.

Two child safety indicators are more process oriented and are concerned with the timeliness of a child welfare department’s interaction with children and families. The first indicator looks at two aspects of timely response: immediate response compliance of child welfare workers and 10-day response compliance. The immediate response compliance trend-line was relatively stable during the comparison period, from a low of 91.0% in 2003 to a high of 94.9% in 2005 and down to 92.8% in 2007. This trend continued in the CAP period with a slight rise to 93.5% in 2008 and then down again to 92.1% in 2009. The 10-day response compliance

trend-line had greater variability from 95.4% in 2003 to 82.7% in 2005. The trend to higher percentages begun in 2006 continued in the CAP period in 2008 (92.7%) and 2009 (94.2%).

The second process oriented indicator is “timely social worker visits with child.” This indicator looks at child visits at one month, two months, and three months. Compliance at one, two, and three months ranged from the mid-50% at the start of the comparison period in 2003 to the low-80% at the start of the CAP in 2007. The positive trend slowed somewhat in the first part of the CAP but then continued in the latter part of the CAP with compliance at between 85% and 87% in the first, second, and third month.

In summary, the trend-lines for the child safety indicators appeared to be moving in the desired direction in the CAP period. In the first, the CAP period trend reversed the direction set in the comparison period and moved closer to the national goal. In the second indicator, the percentages in the CAP period hovered around 100%, above the national goal. In the third indicator, while the percentage rose in an undesirable direction in the first part of the CAP, it dropped to mid-point of the percentages in the comparison period. The two process-oriented child safety indicators addressing the timely response of child welfare workers have also continued to improve since the beginning of the CAP in 2007.

4.6.3 Exits to Permanency

The first two exits to permanency indicators are concerned with reunification within 12 months. The first indicator uses an exit cohort and the second indicator uses an entry cohort. While below the national goal of $\geq 75.2\%$, the trend moved in that direction during the comparison period: from a low of 61.3% in 2003 to a high of 68.9% in 2005, then to 66.4% at the start of the CAP. In 2008 the percentage rose to 71.7% before dipping to 67.9% in 2009.

The entry cohort percentages were stable in the first two years of the comparison with greater fluctuation in the last three years. From the low-40% in 2003 and 2004, the percentage rose to 47.2% in 2005, dipped to 38.6% in 2006, and then just surpassing the national goal of $\geq 48.4\%$ in 2007. In the first year of the CAP, however, the percentage dropped to 34.6%, the lowest point in the study time period.

The third exit to permanency indicator is “adoption within 24 months.” At the start of the comparison period in 2003, the percentage of 18.2% was below the national goal of $\geq 36.6\%$. However, the trend rose steadily to a high point of 35.9%, just below the national goal, at the start of the CAP in 2007. After a slight dip to 34.5%, during the CAP in 2008 the percentage reversed again climbing above the national goal to 39.6%.

The final exit to permanency indicator is “reentry following reunification.” Here the national goal is to limit reentry to $\leq 9.9\%$. During the five years of the comparison period the percentages hovered just below 19% with a low of 16.4% in 2004 and a high of 20.9% in 2006. In the first year of the CAP the percentage rose to 20.0% up from 18.9% at the start of the project.

To review, four indicators are used for the exit to permanency outcome. In the first indicator, the trend in the CAP period mirrors the trend in the comparison period. In the second indicator, the trend in the CAP seems to follow the fluctuating trend in the comparison period and moves away from the national goal. The third indicator is more positive, continuing with the improvement established in the comparison period and surpassing the national goal in the CAP period. Of particular concern was the trend of the indicator reentry following reunification. The trend-line in the comparison period was above the national goal (which aimed to limit reentry following reunification) and continued in that direction in the first 12 months of the CAP.

4.6.4 Placement Stability

The three placement stability indicators are concerned with the percentage of children in care with two or fewer placements. The first indicator looks at children in care between 8 days and 12 months. The national goal for this indicator is $\geq 86\%$. The trend-line rose consistently over the years in the comparison period from a low of 80.4% in 2003 to a height of 86.6% in 2007, a percentage higher than the national goal. The upward trend continued in the first year of the CAP with a slight dip from 87.5% to 87.2% from 2008 to 2009.

A similar trend took place with the second placement stability indicator looking at children in care between 12 and 24 months. The percentages began below the national goal of $\geq 65.4\%$ at 53.2% in 2003. They rose over the course of the comparison period to a point just below the national goal, at 64.3% in 2007. In 2008, the percentage rose to 68.6%. In 2009, it rose to 71.3%.

The third placement stability indicator looks at children in care for at least 24 months. Here the percentages started below the national goal of $\geq 41.8\%$, at 35.9% in 2003, and dropped steadily to just above 26.4% in 2007. There was a slight increase in 2008 to 27.6% and 2009 to 29.5% but both increases were well below the national goal.

To summarize, in two of the three placement stability indicators (in care 8 days to 12 months, and in care 12 to 24 months), the percentage of children with two or fewer placements increased in the first two years of the CAP, continuing a trend established in the comparison period, and growing beyond the national goals set for the indicators. In the third indicator (in care at least 24 months), the downward trend experienced during the comparison period was reversed after the start of the CAP and a larger percentage of children had two or fewer placements, though the percentages were below the national goal.

4.6.5 Appropriateness and Restrictiveness of New and Existing Out-of-Home Placements

The first indicator looks at the percent of children placed with all of their siblings and the percent of children placed with some or all of their siblings. In both cases, the percentages rose in each year of the comparison period. A lower percentage were “placed with all siblings” but that aspect of the indicator rose more steadily than “placed with some or all siblings.” At the start of the CAP, 43.0% of children had been placed with all their siblings and 60.1% had been placed with at least some of their siblings. The upward trend continued in 2008 and by 2009, 50.3% of

children had been placed with all their siblings and 63.0% had been placed with at least some of their siblings.

The second indicator looks at the first placement when a child enters out-of-home care. During the comparison period from 2003 to 2007, Foster Family Agencies made up the greatest percentage of first placement locations, increasing between 2003 and 2004 and then holding at the mid-50% range up until the start of the CAP. The use of relative homes was on the rise while the use of foster homes, group homes, and other placement types were on the decline. After the start of the CAP and into 2008, those trends reversed to some degree. The use of Foster Family Agencies became a smaller percentage of first placements while there was an increase in the use of relative homes and foster homes. One year into the CAP, the use of Foster Family Agencies was reduced to 40.6%, down from 54.1% at the start of the CAP. By the second year of the CAP, the use of Foster Family Agencies increased slightly again to make up 42.8% of all first placements. Relative homes made up 24.5% of all placements up from 14.4% at the start of the CAP. Foster homes made up a slightly smaller overall percentage in 2009 at 22.2% down from 23.2% in 2008.

The third indicator looks at point-in-time placements. For this indicator, relative homes made up the largest percentage of placements during the comparison period along with the 24 months of the CAP, followed by Foster Family Agencies, other placements, group homes, and foster homes. The trend-lines for Foster Family Agencies, other placements, and group homes remained relatively stable in the comparison period with slight increases in 2005. Correspondingly, there was a slight decline in relative placements and a more general decline in foster home placements. In the CAP period, the share of relative home placements increased somewhat to 37.5% in 2008 and 36.3% in 2009. The share of Foster Family Agencies dropped in 2008 to 24.8% but then increased in 2009 to 27.7%. Other placements increased in both 2008 and 2009 to 18.8% and 20.3% respectively. Group home placements dropped to 9.9% in 2009, while foster homes increased in share slightly to 6.4% in 2008 and 5.8% in 2009.

In review, for the first of the three placement appropriateness and restrictiveness indicators, a growing percentage of children were placed with at least some of their siblings, both during the comparison period and during the CAP. The second indicator, focusing on first-placements in out-of-home care, showed the share of less restrictive placements (relative homes, foster homes, court appointed/guardianship homes) increased while the share of more restrictive placements (Foster Family Agencies and group homes) decreased during the first two year of the CAP. In the same time period, the point-in-time placement indicator showed less restrictive placements (relative homes, foster homes, court appointed/guardianship homes) increasing in share while there was a decrease in the share of more restrictive placements (Foster Family Agencies and group homes).

4.6.6 Analysis

As reported in the Process Study section of this report, the ACDCFS had begun a process of refocusing the organization in the early 2000's, prompted by the threat of a State take-over. Led by the department director who went on to become the director of the ACSSA, the organization defined its goals and narrowed the scope of initiatives underway in the department.

Importantly, the department had adopted the Family-to-Family philosophies and was committed to the goals of reducing the number of children in foster care and for those in care providing the most family-like setting possible. The CAP was viewed as an opportunity to expand and build upon the activities already underway in the comparison period to achieve these goals.

The ACDCFS is working to safely reduce the number of children entering foster care as well as reduce the number of children in foster care. When foster care is a necessity for children, the department is working to reduce the time children spend in foster care and provide them with the most stable and family-like setting possible. In reviewing the outcomes at the interim point of the CAP, a number of findings are important. Entry rates and in-foster care rates were trending downward during the comparison period and the CAP period, as intended by the department. Importantly, the majority of child safety indicators were moving in the direction desired by the department, particularly the “no recurrence of maltreatment” indicator which was moving up towards the national goal in the first 18 months of the CAP.

The exits to permanency indicators were mixed. The adoption indicator was moving in the direction desired by the ACDCFS surpassing the national goal in 2009 for the first time. However, with the exception of one point at the start of the CAP, the percentages reunified within 12 months—in either the exit or entry cohort analysis—have been below the national goals. Perhaps most importantly, 20% of children who had been reunified reentered foster care within 12 months.

The placement stability outcome appeared to be improving during the CAP. The trends in two of the three placement stability indicators were showing higher percentages of children experiencing two or fewer placements than during the comparison period and were above the national goal. In the third indicator, the downward trend in the comparison period reversed during the CAP period and the percentage of children experiencing two or fewer placements was increasing.

In the CAP period, less-restrictive placements were making up a growing percentage of first placements, accelerating the trend for both relative and foster home placement seen in the latter part of the comparison period. The changes in the point-in-time indicator were less clear, though the upward tick in Foster Family Agency placements is important to monitor given the cost of Foster Family Agency placements. The decline in the proportion of group home placements is important from the standpoint of less-restrictive placements but also from the standpoint of reducing costs.

4.7 Findings: Los Angeles County Department of Children and Family Services

4.7.1 Participation Rates

In 2003 and 2004 of the comparison period, the rate of children with maltreatment referrals trended downward in Los Angeles County from 44.6 to 42.6 children per 1,000. The trend shifted back upward in 2006 to 44.6 and to 45.8 in the first year of the CAP in 2007. The trend continued with a slight increase in 2008 (46.1). The rate of children with substantiated referrals did not follow the same pattern, remaining fairly consistent between 2003 and 2008 and

trending downward from a high of 10.1 to a low of 9.5 children per 1000. However, the rate of entries into foster care, after first trending downward, began to rise from a low in 2003 of 2.9 to a high of 3.9 children per 1000 in 2007. After the start of the CAP in 2007, the rate dropped to 3.6 children per 1000 in 2008. The rate of children in foster care had the largest decline going from a high of 10.6 in 2003 to 8.2 children per 1000 in at the start of the CAP, a change of 23%. The decline continued to 6.7 children per 1000 in 2009, a change of 18% from the start of the CAP.

4.7.2 Child Safety

In the first child safety indicator, “no recurrence of maltreatment during the subsequent six month period,” the national goal is $\geq 94.6\%$. In the five years preceding the CAP, the trend was towards the goal, rising from a low of 90.8% to 93.4%. Over the first 18 months of the CAP, however, the trend leveled off at 93.5%.

The second child safety indicator, “no maltreatment in foster care,” was at 99.99% at the start of the comparison period in 2003 and above the national goal of $\geq 99.68\%$. From that point until the start of the CAP in 2007, the trend dropped but remained above the national goal. In the first year of the CAP, the percentage of children not maltreated in foster care dropped to 99.58% where it leveled off into the second year of the CAP.

The third child safety indicator concerns the recurrence of a substantiated allegation within 12 months for children who had not been removed from home after a previous substantiated allegation. In the periods between 2002 and 2007, the percentage fluctuated from a high of 11.9% in the six-month period from July 2002 to December 2002, to a low of 9.6% in the six-month period from January 2007 to the start of the CAP in July 2007. In the period of the first six months of the CAP the percent of children with a recurrence of a substantiated allegation increased to 10.5%. The percentage increased again to 11.4% in the second six month period after the start of the CAP. The overall increase from the start of the CAP was about 19%.

The two remaining child safety indicators concern the timeliness of a child welfare department’s interaction with children and families. The first indicator looks at two aspects of timely response: immediate response compliance of child welfare workers and 10-day response compliance. In both cases, compliance was at its lowest point at the start of the comparison period in 2003 at approximately 95%. Timely response improved in each subsequent year reaching just below 98% at that start of the CAP. For the first two years of the CAP timely response continued to improve slightly with 98% compliance in 2009.

The same general trend occurred in the second indicator, timely social worker visits. Compliance at one, two, and three months ranged from the upper-70% at the start of the comparison period in 2003 to the low-90% at the start of the CAP in 2007. The positive trend continued into the first 22 months of the CAP with compliance at approximately 95.5% in the first, second, and third month.

In review, the two process oriented child safety indicators addressing child welfare worker timely response have continued to improve since the inception of the CAP in 2007. The three remaining indicators, which focused on the maltreatment of children fared less well. In

one, the trend leveled off in the first 18 months of the CAP after a gradual improvement in the years of the comparison period. In another, the trend line underwent its largest drop in the first year of the CAP, falling below the national goal for the first time before leveling off in the next 12 months. Lastly, in the first twelve months of the CAP an improvement in the trend line begun in the comparison period was reversed although the results were within the range of results found during the comparison period.

4.7.3 Exits to Permanency

The first two exits to permanency indicators are concerned with reunification within 12 months. The first indicator uses an exit cohort and the second indicator uses an entry cohort. With the exit cohort indicator, the percentages reunified within 12 months began to move towards the national goal of $\geq 75.2\%$ in the last three years of the comparison period. The trend moved from a low of 43.5% in 2004 to 61.2% in 2007. The trend continued to improve after the start of the CAP, reaching 63.9% in 2009.

The entry cohort percentages followed a similar trend, rising towards the nation goal of $\geq 48.4\%$ from a low of 28.5% in 2003 to a comparison period high of 44.8% at the start of the CAP in 2007. The positive trend continued in the first 12 months of the CAP, surpassing the national goal at 48.5%.

The third exit to permanency indicator is “adoption within 24 months.” At the start of the comparison period in 2003, the percentage of 9.5% was well below the national goal of $\geq 36.6\%$. However, the trend rose steadily to a high point of 24.6% at the start of the CAP in 2007. The percentages reversed somewhat in the first 24 months of the CAP, trending away from the national goal to 23.1% at 12 months and 22.8% at 24 months.

The final exit to permanency indicator is “reentry following reunification.” Here the national goal is to limit reentry following reunification $\leq 9.9\%$. During the first three years of the comparison period the percentages hovered between 4.7% and 5.6%. In 2006, the percentages jumped to 10.7% and stayed there at the start of the CAP, and into the first 12 months of the project.

In summary, four indicators are used for the exit to permanency outcome. The two indicators focusing on reunification both continued to trend in a positive direction after the onset of the CAP. The trend in the adoptions indicator was less positive during the CAP period than the trend line during the comparison period. Of particular concern was the trend of the indicator “reentry following reunification.” While the percentage of children reentering the system following reunification grew 5.1 percentage points between 2005 and 2006, prior to the start of the CAP, it did not reverse and remained above the national goal in the first 12 months of the CAP.

4.7.4 Placement Stability

The three placement stability indicators are concerned with the percentage of children in care with two or fewer placements. The first indicator looks at children in care between 8 days and 12 months. The national goal for this indicator is $\geq 86\%$. During the comparison period, the

percentage rose from 85% in 2003 to a high of 88.5% in 2005. Over the next two years the trend headed downward back towards the national goal. The downward trend continued in the first two years of the CAP falling below the national goal to 85.7% in 2009.

A similar trend took place with the second placement stability indicator looking at children in care between 12 and 24 months, though the percentages were always above the national goal of $\geq 65.4\%$. After starting from 68.9% in 2003, the percentages rose to a high of 72.5% in 2005. From the start of the CAP in 2007, the percentage dropped from 72.2% to 69% in 2009.

The third placement stability indicator looks at children in care for at least 24 months. Here the percentages dropped steadily after having been above the national goal of $\geq 41.8\%$ at the start of the comparison period in 2003 at 44.2%. By 2005, the percentage was below the national goal and fell to a low of 38.4% in 2006. The percentage rose slightly to 39.0% in 2007 and stayed beneath the national goal in 2008 (39.7%) and 2009 (39.8%).

To review, in two of the three placement stability indicators (in care 8 days to 12 months, and in care 12 to 24 months), the percentage of children with two or fewer placements declined in the first two years of the CAP; however, the percentages stayed above the national goal in the latter indicator. The third indicator (in care at least 24 months) stabilized just below the national goal in the first two years of the CAP after a steady decline in the percentage during the comparison period.

4.7.5 Appropriateness and Restrictiveness of New and Existing Out-of-Home Placements

The first indicator looks at the percent of children placed with all of their siblings and the percent of children placed with some or all of their siblings. In both cases, the percentages rose in each year of the comparison period so that by the start of the CAP, 47.3% of children had been placed with all their siblings and 70.3% had been placed with at least some of their siblings. The upward trend continued in 2008 and by 2009, 52% of children had been placed with all their siblings and 72.8% had been placed with at least some of their siblings.

The second indicator looks at the first placement when a child enters out-of-home care. During the comparison period from 2003 to 2007, Foster Family Agencies made up the greatest percentage of first placement locations. The use of relative homes was on the rise while the use of Foster Family Agencies, foster homes, group homes, and other placement types were on the decline. After the start of the CAP in 2007, those trends reversed to some degree. Foster Family Agencies became a greater percentage of first placements while there was a decline in the use of relative homes. By 2009, Foster Family Agencies made up 61.7% of all first placements, up from 47.9% at the start of the CAP. Relative homes made up 26.1% of all placements, down from 36.5% at the start of the CAP.

The third indicator looks at point-in-time placements. For this indicator, relative homes made up the largest percentage of placements during the comparison period along with the 24 months of the CAP. However, after a slow increase during the comparison period, the share of

relative home placements dropped somewhat from 38.6% at the start of the CAP to 36.5% in 2009. The trends for other placements, group homes, and foster homes were also in decline leading into the CAP and those trends continued. Foster Family Agencies, similar to the trend in the preceding indicator, increased their share of placements in the last two years of the comparison period and during the first years of the CAP. By 2009, Foster Family Agencies made up 27.7% of placements, up from a high of 23.7% at the start of the CAP.

In the first of the three placement appropriateness and restrictiveness indicators, a growing percentage of children were placed with at least some of their siblings, both during the comparison period and during the CAP. In the remaining indicators regarding placement type, relative homes and Foster Family Agencies reversed their trends established in the comparison period. Foster Family Agencies had the greatest share of first placements during the comparison period and increased that share during the CAP, while the share for relative homes decreased. Relative homes had the greatest share of point-in-time placements during the comparison period but that share decreased during the CAP while the share for Foster Family Agencies increased.

4.7.6 Analysis

As reported in the Process Study section of this report, the LACDCFS was undergoing a period of change at the start of the comparison period in 2003. The department had already adopted the Family-to-Family philosophies as the organizing structure for the functioning of the department and efforts were underway to reduce the number of children in foster care. The LACBOS hired a new department director who operated under the two premises that children were spending too much time in foster care, and there was a tendency for child welfare professionals to focus on process as opposed to achieving outcomes. Child safety, reduction in the reliance on foster care, and less time to permanency became the focus of the efforts of the department. The start of the CAP marked not a change in philosophy or department direction, but a change in the funding of activities and the expansion of activities to achieve those goals.

The LACDCFS is working to safely reduce the number of children in foster care as well as reduce the number of children entering foster care. For those children in foster care, the department is working to reduce the time children spend in foster care and provide them with the most stable and family-like setting possible. In reviewing the outcomes at the interim point of the CAP, a number of findings are important. The decline in the rate of children in foster care evident in the comparison period continued in the CAP period, though the rate of entries into foster care stayed fairly constant through both periods of time. Reunification efforts continued to go well for the department, as did placing children with their siblings and social worker efforts. And although the adoptions indicator showed a reverse in the upward trend towards the national goal, the slight decline in the CAP period did not fall below any of the percentages in the comparison period.

The trend lines of the three safety indicators present a concern for the LACDCFS as does the exits to permanency indicator “reentry following reunification.” The improvement in the “no recurrence of maltreatment” indicator seen in the comparison period appears to have stalled during the CAP and the “no maltreatment in foster care” indicator dipped below the national goal for the first time since the comparison period. While the increase in the “recurrence of

substantiated allegations” indicator during the CAP did not rise above the high-point in the comparison period, its reversal from the positive downward trend just preceding the CAP is important to note. Lastly, the jump above the national goal for “reentry following reunification” in the year preceding the start of the CAP did not change in the first year of the project. The findings thus far for these indicators are especially pertinent given the department’s focus on reducing the number of children in foster care through reunification efforts and prevention. In fact, a major second sequence initiative for the department is the development of countywide prevention efforts such as differential response.

Placement stability and restrictiveness indicator trends are also important to note. A smaller proportion of children in out-of-home care for up to 24 months were experiencing two or fewer placements, meaning more children were moving between several placements. However, the placement stability percentages remained close to or better than the national goal. In both first placements and point-in-time placements there appeared to be an increased reliance on Foster Family Agencies and less of a reliance on relative placements. The latter two trends shift the placement emphasis slightly away from the most family-like setting possible and also present a possible fiscal issue due the cost of Foster Family Agency placements.

Chapter 5: Summary, Lessons Learned, and Epilogue

5.1 Summary

Counties in California participating in the CAP were required to accept a predetermined limit on their allocation of Title IV-E dollars, traditionally an entitlement program, in exchange for the flexibility to use the money for all child welfare services, including child welfare services normally outside the scope of traditional Title IV-E funding. Such a proposition was not without financial risk for participating counties. To exist within a capped allocation environment—meaning, to not overspend the capped amount of money—counties would need to alter their operations to lower the number of youth entering their systems, reduce the length of time youth had contact with the system, and reduce the per-case cost of operating the system.

Perhaps the key initial question to consider when reviewing the first two years of the CAP is what were the key organizational characteristics of the two departments of children and family services participating in the project? As described in the Planning Phase section of this report, both departments had undergone systemic changes in the early to mid-2000's, developing and defining departmental goals and adopting the Family-to-Family philosophy as the organizing rubric for their policies and practices. Following these organizational changes, the departments had experienced some success in reducing the number of children in out-of-home care. Both departments were guided by what respondents described as “visionary” leaders. In fact, it was the Director of the Los Angeles County Department of Children and Family Services (LACDCFS) that originally proposed the idea of a flexible funding/capped allocation project in California.

These internal characteristics are important to note though, without comparison counties, it is impossible to ascertain whether the characteristics are necessary. Respondents from both departments of children and family services were adamant that a system defined by its goals for children and families and grounded in a policy and practice philosophy to achieve those goals were necessary precursors to a flexible funding/capped allocation project; fiscal flexibility in a capped allocation environment doesn't drive a systems-change effort, it supports it. The incorporation of the components of Family-to-Family were cited as laying the groundwork for taking advantage of the CAP: the focus on goals and outcomes; the orientation to best-practices; the use of data in decision-making; the team decision-making approach; and the importance of developing community partnerships and supports. Evidence of some success in achieving the goals of the departments (e.g., reducing caseloads) reinforced the notion that they were on the right track.

The importance of leadership was two-fold. First, leadership helped ensure that the departments had established goals for children and families, and the policies and practices in place to achieve those goals. Second, leadership was necessary to take advantage of the opportunity presented by the CAP. Gaining fiscal flexibility in exchange for accepting a capped amount of money entails risk. The departments have an opt-out clause under the CAP that

mitigates the risk of over-expending the capped allocation. However, opting out could leave departments with services in place that they could no longer support with a return to the traditional funding model and a loss of fiscal flexibility. Leadership was necessary to convince important stakeholders that the trade-off was worth the risk and that the CAP was an opportunity to improve outcomes for children and families.

The counties also benefited from a growing Federal- and State-wide orientation to planning and outcomes. The mandated planning processes of the Peer Quality Case Review, Program Improvement Plan, and System Improvement Plan that links practice to outcomes, along with California's Child Welfare Outcomes and Accountability System which focuses on the use of data for monitoring and decision-making, created a supportive environment for continual systems improvement and achieving the conditions necessary for operating in a capped allocation environment.

Possibly the most important factors influencing whether a county elected to participate in the CAP were the methodology and the data used for determining the federal base allocation for the project. A cost look-back model—calculating the average of expenditures—was selected and assistance and administration expenditure data from three Federal fiscal years were used as a base. The model and the data used appeared to influence which county departments elected to participate in the CAP, or at least they did in the cases of Alameda County and Los Angeles County. For both counties, it meant they were going to receive more money under the CAP than they would if they chose not to participate in the project. In essence, they would have access to funds to invest in services that would not otherwise be available to them. However, if a county had already experienced a sizeable reduction in their expenditures due to a drop in caseload (children in out-of-home care) preceding the selected base years, and didn't anticipate a sizeable drop in the future, then the CAP did not look all that inviting. For those counties, it appeared the margin of benefit was too small for the assumption of risk.

For the counties that did decide to participate in the CAP, there was, again, a supposition that to stay fiscally sound within a capped allocation environment, departments of children and family services would need to do three things: alter their operations to (a) lower the number of children entering their systems, (b) reduce the length of time children had contact with the system, and (c) reduce the per-case cost of operating the system. The supposition formed the basis of the evaluation plan, specifically the process study portion of the evaluation, and data collection through interviews and focus group was designed to capture whether or not operations were put in place to achieve the three goals. What became evident after the first set of site visits was that the two departments of children and family services were already oriented to those ends. The Family-to-Family program, though not focused on fiscal concerns, had placed the departments in an advantageous position because the goals the program sought to achieve through its focus on practice and outcomes were the same ones necessary for remaining fiscally sound in a capped allocation environment.

The primary goal of the Alameda County Department of Children and Family Services (ACDCFS) and the LACDCFS since the mid-2000's has been to keep children out of the foster care system. The CAP has provided the departments with an opportunity to increase those efforts and they have elected to expand activities already underway before the onset of the CAP in July 2007. In other words, they have chosen to enhance their services instead of choosing to dramatically change their systems. A number of reasons emerged for why this kind of project does not work as a systems change effort. The degree of financial risk is too great for an organization not already defined by a set of goals and a philosophy to attain them; lacking that kind of infrastructure, the organization risks squandering its capped allocation while going through a change-process. Or, the organization risks a degree of paralysis as it struggles to determine how best to utilize funds that are unrestricted in how they can be used. Factored into this was the notion of momentum. There was the sense that with a set of goals and a policy and practice philosophy adopted by a critical mass of the organization, early successes (e.g., improvement in outcomes) can build important momentum and allow the organization to assume a greater degree of financial risk with a greater sense of confidence. Finally, there was an expressed concern that an organization should be defined by its vision and goals and not by how it is funded; instead, funding should play a supportive role and not drive the agenda of the organization.

The departments struggled to some degree with defining the CAP: is it a funding mechanism for a broad range of child welfare services, or a program unto itself? The CAP is the former, but the natural inclination of most professionals is to think in terms of the latter. There seems to be a basic understanding of what the CAP "is"; that it's not a program, but a funding mechanism, or a change in a funding mechanism, and this understanding has increased over time. The distinction is important because it is not a funding mechanism that operates in the background in the same way that the traditional model did for most department staff; instead, it is a model that requires a change in individual and institutional behavior to stay within a defined dollar amount. There appears to be a growing understanding within the departments of the connection between practice and funding, and that lowering the number of children entering the system, reducing the amount of time children stay in the system, and lowering the intensity level of care for children makes fiscal sense as well as good sense for children. The model was not without tension however, with concerns expressed that maybe the funding model—or the desire for reinvestment savings—was driving policy and practice decisions in ways that were not always in the best interest of children.

The two probation departments stand in contrast to the two departments of children and family services. The CAP affects only the juvenile section of each probation department and each department was late to the planning process, a result of their late addition by the Children's Bureau as a requirement for California's participation in the project. The Chief Probation Officers of both departments viewed the CAP as an opportunity, but also agreed to participate in the project in the spirit of partnership with their counterparts at the department of children and family services.

The Alameda County Probation Department (ACPD), while having begun a process of reducing the number of youth in out-of-home placements, entered into the CAP pleased that they would be able to stabilize an important funding source for a period of time, hedging against what they viewed as decreasing access to Title IV-E funding. The ACPD did not have plans to use the CAP to change their system in any profound way. Over time, that intention seemed to shift to some degree and new strategies to improve operations were proposed. However, the department's progress seemed to stall with concerns about the State's budget crisis and with the departure of the senior staff person most responsible for setting the department's agenda with regard to the CAP.

The Los Angeles County Probation Department (LACPD), despite their late start, embraced the CAP as an opportunity to help change the way they work with youth and families. They had begun that effort prior to the CAP, led by a division director who felt a youth and family-focused social work model would be more successful with placement youth than the traditional punitive, juvenile justice model. The CAP could be used to help further the philosophical shift in the department through a focus on improving outcomes for youth, as well as provide the funding for the evidence-based practices that staff felt could be successful with out-of-home placement youth.

All four departments reported being pleased with their participation in the CAP. The departments reported that they had successfully generated reinvestment savings over the first two years of the CAP and were conservatively using the money to implement their initiatives. They were appreciative of the funding stability that the CAP provides, at least for the Federal portion of the capped allocation amount. They were concerned about possible reductions in the State's contribution to the capped allocation amount as the State sought to balance its budget and how the loss of revenue would influence the plans and initiatives they were committed to implementing. They also felt that the State reductions would represent a change in the terms of the agreements governing the CAP. Long-term budgeting and planning would be particularly challenging if the terms of the agreements were not binding over the term of the CAP. Despite these concerns, there was general agreement amongst representatives that the departments were better off for having participated in the CAP.

The status of how the departments were doing in achieving better outcomes for children was more difficult to discern; with additional data points over time, the trends will be easier to identify. The design of the evaluation makes it impossible to attribute changes in outcome trend lines to a department's participation in the CAP. Comparing the trend lines during the CAP to trend lines preceding the CAP is hindered by a limited number of observation points in the CAP period. In addition, data were not available for the two probation departments. With these analytical challenges in mind, in-foster care rates were trending in the downward direction desired by both county departments of children and family services during the CAP period. For the ACDCFS, exits to permanency indicator trends were mixed as were the indicator trends for the appropriateness and restrictiveness of placements. Entry rates and child safety and placement stability indicator trends appeared to be improving, though the percentage of children reentering

foster care continued to be a concern. For the LACDCFS, reunification indicator trends were positive as were the department's efforts at placing children with their siblings. The trend lines for the three child safety indicators present a concern for the department, as does the trend line for the reentry following reunification indicator.

Casey Family Programs has been assisting both counties in their efforts to improve their outcomes by providing a variety of resources. The financial commitment to funding positions in each of the departments is not insignificant. Nor are its technical assistance expertise and the access the program can provide to other Casey-related foundations and external organizations. In all likelihood the leadership of the departments would seek out these same kinds of resources from other organizations, but Casey Family Programs provides the departments the advantage of multiple resources from a single-source.

5.2 Lessons Learned

The following section presents important lessons that emerged from the evaluation analysis or were highlighted by respondents.

- The departments need to stay focused on their message about outcomes and their philosophy to achieve those outcomes. There will always be issues and politics to contend with, but a focus on outcomes and philosophy will assist in working through those concerns. The message needs to be instilled throughout the organization.
- The juvenile court and the service provider community, particularly group home providers, are important partners with the departments. Open and continued communication between the departments and their partners is necessary.
- There are many competing values in child welfare, even when a department of children and family services has adopted a particular philosophical orientation. There is a risk that a capped allocation project can expose rifts within the organization because staff may view policy and practice decisions as being driven solely by money and not outcomes or best practices.
- Participating in the CAP has meant greater interaction between the program- and fiscal-sides of the department. This has necessitated the development of internal structures to encourage information sharing and opportunities for learning about other operations. Understanding about the connections between programs and funding sources has reportedly increased due to the CAP and the State's budget crisis.
- The CAP posed significant challenges for the fiscal areas—budgeting, allocations, and accounting—at the State and county level. There is a general need for an increase in the level of sophistication in the areas of budgeting, revenue enhancement, and cost benefit/cost effectiveness analysis of proposed initiatives. The need for increased fiscal sophistication was most acute in the probation departments. At the California Department of Social Services (CDSS), there was the need to develop and implement two systems for allocations and claiming, one for CAP counties and another for non-CAP counties. As the CAP was implemented, there were many details to be worked through (e.g., finalizing the

general fund methodology, establishing claiming codes, developing new sharing ratios, and creating a new waiver payment system) and issues were dealt with as they arose. This kind of project had not been done before. As a result, the process was described as incremental and evolving.

- The CAP meant that departments were now operating with a five-year budget as opposed to an annual budget. New thinking and new mechanisms were needed to support operating in a new environment.
- In California, the department of children and family services usually exist within a larger social services agency. Because of the way dollars are budgeted and allocated in the State, the fiscal impact of a budget reduction (e.g., due to a State budget crisis) on a separate social services agency department can have a detrimental effect on the department of children and family services. This occurs because a greater share of social service agency overhead/administration responsibility is shifted from the program undergoing the reduction to other departments such as children and family services, possibly reducing the amount of reinvestment savings.
- Under the CAP, the use of reinvestment savings is limited to funding child welfare services and services to serve the out-of-home placement population in probation. Having clearly articulated Memorandums of Understanding and Terms and Conditions has been crucial in challenging economic times where there might be attempts to expand the definition of “child welfare.” If conditions were not clear, it would be harder to defend reinvestment savings from encroachment. In addition, having a clear vision and priorities has served to maintain focus and define the uses for the reinvestment savings.
- Data and data management structures are crucial to operating in a capped allocation environment. There is a need to track fiscal data and services data and link them to outcomes data.
- The departments had planned to employ a model of implementing various programs, use real-time information to assess performance, and then terminate any program that wasn't having the intended impact. The departments have determined that this model will not work. There is not enough time in the five years allotted to allow a program to mature, be evaluated, ended if necessary, and then to develop a replacement program. This is especially true for programs that require additional staffing (a lengthy process), or contracting with community based organizations (a long process that may be politically problematic should a contract be ended).

5.3 Epilogue

The county departments, the CDSS, and the evaluation team have learned a great deal in the first two years of the CAP. The remaining years of the project will provide participants with an opportunity to apply that knowledge and the evaluation team will continue its efforts to capture, describe, and understand the proceedings.

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