



Hamilton County Tax Levy Review Committee

Children's Services Levy Review
May 2016

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Executive Summary

The Hamilton County Board of County Commissioners controls the Children's Services Levy that appears on the tax bill for Hamilton County property owners. The Children's Services Levy supports the Hamilton County Job and Family Services (HCJFS) Children's Services Division (CSD). It is the policy of the Hamilton County Commission to create a balance between the needs for funding by levy agencies and the tax burden on the home and business owners. To that end, prior to the placement of this levy on the ballot, and within the context of levy taxation policy, the Board of Commissioners empowers the Tax Levy Review Committee (TLRC) to secure an independent review of the Levy request. Hamilton County Board of Commissioners contracted with Public Consulting Group, Inc. (PCG) to conduct the following assessment of the tax levy:

- Determine compliance with the TLRC's recommendations for the current levy cycle;
- Conduct a comprehensive financial analysis;
- Review the current levy request and prioritize programming at different funding levels;
- Compare HCJFS' operations with peer organizations; and
- Make recommendations for potential tax levy cost savings, revenue enhancements, and organizational or program improvements within HCJFS and CSD- assuming successful passage of the proposed tax levy

In addition, Hamilton County requested PCG evaluate HCJFS' recent history and operations as well as summarize principal observations and recommendations related to CSD.

This report presents an evaluation of the above requirements as well as strengths of the CSD, challenges and threats within the next five years, and program and fiscal recommendations over the next five years based on national best practices. Through this report, PCG strives to empower the Board of Commissioners, the TLRC, and the Hamilton County taxpayers with the information needed to make an informed decision about the levy. Simultaneously, the report provides HCJFS CSD with a framework to address child welfare needs that ensures safety, permanency, and well-being for children and families in Hamilton County.

To inform this evaluation, PCG reviewed data from multiple sources, interviewed CSD staff, and spoke with community partners including the Hamilton County Court, behavioral health providers, child placing agencies, the Hamilton County Prosecutors Office, Court Appointed Special Advocates, the United Way, and other non-profits supporting HCJFS efforts.

In short, PCG found HCJFS CSD to be in compliance with the recommendations and in a stable financial position. Operations are in-line with peer agencies, but short of some federal benchmarks. Below is a summary of principal observations and recommendations outlined in more detail within the report. Within the recommendations, PCG indicates the need for further study, presents options for the County to consider, or provides a direct course of action to fully address the needs of CSD and the community over the next five years.

Child Welfare Performance Measures: To continue to improve federal performance and data measures, HCJFS should consider implementing strategies that focus on predicative data, trend analysis, and specific case intervention information that assists in meeting outcomes, including:

- Engaging key community partners to determine the strengths, gaps, and next steps in improvement of data and outcomes related to safety, permanence, and well-being;
- Enhancing the continuous quality improvement system and its functions;
- Partnering with the Court to improve timeliness to permanence;
- Enhancing the partnership with ACTION 4 Child Protection to further safety focus; and
- Improving data analysis, focusing on increasing capacity to manage daily workload, analyzing outcome trends, and building profiles of successful interventions.

Workforce: Over the last year, HCJFS' CSD experienced a significant increase in direct-practitioner attrition, losing 43% of staff for a variety of reasons, most of which are outside of HCJFS control. Turnover negatively impacts performance measures related to safety, permanence, and well-being of children and families. Caseload analysis suggests, if all positions were staffed, CSD would meet recommended best practices in caseload ratios, a factor

critical to child safety. To address this challenge, a continuum of strategies is needed from hiring to support, including:

- Implementing a proactive hiring system utilizing metrics that develops an ongoing pool of well-qualified candidates that can be quickly hired;
- Developing creative strategies with universities and partners to recruit new staff well-matched for child welfare work;
- Enhancing onboarding for staff;
- Interviewing new staff at 30/60/90 and six-month mark for feedback, to determine needed supports, and offer strategies for retention;
- Implementing a Critical Incident Stress Management model to address secondary trauma following a critical or volatile situation; and
- Implementing secondary trauma interventions through an on-site resource that staff can access on an ad-hoc basis.

Evidence Based Services to Support Outcomes for Children in Foster Care: Hamilton County is delivering its services in a dynamic and complex environment. These issues strains not only HCJFS, but also the Courts, behavioral health providers, and child-placing agencies. In order to reunify children within the context of these complex situations, more robust interventions and services are needed, including:

- Partnering with behavioral health organizations to increase access to Trauma Focused Cognitive Behavioral Therapy (TF-CBT) and Parent Child Interaction Therapy (PCIT) for children in foster care;
- Contracting with a behavioral-health organizations to deliver timely services impacting the needs of the parent population within child welfare;
- Considering evidence-based substance abuse strategies including peer-support and intensive interventions to address the heroin and opiate crisis;
- Working with providers to increase the number of family foster homes within Hamilton County to support children in family settings;
- Developing strategies that support kinship caregivers including through child care, monthly stipends, and other concrete supports; and
- Implementing trauma informed education and training for staff, foster homes, and kinship providers.

Interventions for Most Vulnerable Population (0-5 years): In the last five years, Hamilton County has reported twenty child fatalities because of child abuse or neglect. All were under the age of five and 70% were under the age of two. To confront this issue and prevent fatalities, several strategies should be considered:

- Continue to enhance community engagement through an analysis of strengths and gaps, that focus on this population;
- Consider implementing evidenced-based models such as Nurse Family Partnerships or other evidence based home-visiting programs;
- Train direct practitioners on understanding demographics and considerations associated with fatalities of children 0 – 5 years; and
- Commit funding to implement prevention strategies for the 0-5 population that comes to the attention of CSD through 241-KIDS.

Finances: Fiscally, HCJFS has performed well in the face of uncertainty and volatility. Since 2011, HCJFS has simultaneously provided required services while improving the carryover balance in preparation for an audit judgment. Given the impending resolution to the audit, HCJFS can now focus on leveraging its fiscal position to address three key objectives: determining the most efficient use of freed resources to address community needs; identifying and reducing areas of increasing expenditures out-of-line with projections; and managing impending revenue challenges. These objectives can be addressed by:

- Utilizing PCG recommendations, create a strategic plan identifying short and medium-term priorities and calculating the resources and ROI to the community and agency;
- Evaluating Out-of-Home placement contracts and payment rates and develop caseload projection and

budget forecasting tools that are actively used through the course of the year to compare projected spending in each placement type to actual spending;

- Continue to lead and participate in state-wide workgroups to maintain advance notice of changes in State and federal revenue streams;
- Secure and maintain a sufficient carryover balance to meet recommendations of the forensic auditor and five-year programmatic goals; and
- Consider implementing processes for identifying additional Title IV-E funding and optimizing the eligibility process given the impending conversion from the waiver.

Introduction

The Hamilton County Board of County Commissioners oversees the Hamilton County Department of Job and Family Services (HCJFS) the legally designated agency for children services in the county. The Children Services Levy, a tax collected from property owners in Hamilton County, supports children's services through HCJFS' Children Services Division (CSD). Specifically, the Levy is to support the provision of child services and the care and placement of children.

The Hamilton County Commission is committed to balancing the need for funding to support services to children and families and the tax burden on home and business owners. To that end, prior to the placement of this levy on the ballot, and within the context of levy taxation policy, the Board of Commissioners empowers the Tax Levy Review Committee (TLRC) to secure an independent review of the Levy request.

The Children's Services Levy was first established in 1986 by a 1.42 mill levy with subsequent approvals by voters for consecutive five-year periods. The current Levy stands at 2.77 mills and has not received an increase since 1996. By law, if funds needed to meet legal obligations are not provided by the Levy, they must come from the County's General Fund. Local funds currently generated by the Children's Services Levy are matched with state and federal dollars. These funds are also used to pay third parties to provide contract services in the care of children in Hamilton County.

This project supports the efforts of the TLRC in their scheduled and required review of funds derived from the Children's Services Tax Levy.

Specifically, the TLRC has identified the scope of the review to include five tasks:

TASK 1

Determine if HCJFS is in compliance with the TLRC recommendations of the current levy cycle from the report dated June 24, 2011. Namely:

- A. Spend up to \$750,000 to deploy technology to increase productivity of the Children's Service division;
- B. Consider co-locating the Family Law Division of the Prosecutor's Office within the Children's Service Division;
- C. Assess 241-KIDS for use of best practices and potential improvements; and
- D. Maintain an appropriate reserve of levy funds to address the unresolved audit and adjust the levy as appropriate mid-cycle once resolved

TASK 2

Conduct a comprehensive financial analysis. Capture and analyze internal financial data, historic trends, and make projections for the immediate future.

- A. List the services funded by levy dollars in the current levy period of 2011-2015, including an overview of any services added or removed during the levy period
- B. Conduct a comprehensive financial analysis, including:
 - Financial results of HCJFS operations from 2011-2015,
 - Analysis of material variances from budgets
 - Sources of funding
 - History of property tax revenue adjustments and operational impacts
 - History and spending of other funding received (federal, state or local dollars)
 - Sufficiency of reserves
 - Revenue and expense trends by line-item, and audited statements
- C. Prepare a projected trend analysis of financial capacity for the next five years, based on historic trends, which identify potential future revenues and expenditures.

TASK 3

Review the levy request and determine the prioritization of programs and services at different funding levels.

- A. Prepare a matrix for the levy at different funding levels; and
- B. Provide detail on service and operational impacts for each of these scenarios

TASK 4

Collect and analyze data from HCJFS CSD with Job and Family Service agencies in other counties.

TASK 5

Based on the results of tasks 1 through 4, make recommendations for future HCJFS requirements upon passage of the levy.

TASK 6

Prepare draft and final reports using the following outline as a guideline:

- A. Recent history and overview of HCJFS' CSD operations;
- B. Analysis of compliance with TLRC recommendations;
- C. Financial analysis;
- D. Possible threats or other issues to HCJFS during the next five years;
- E. Comparative data and analysis;
- F. Review of levy request for the next levy cycle at different funding levels;
- G. Summary of principal observations and recommendations; and
- H. Appendices

Recent History and Overview of Hamilton County's Job and Family Services' (HCJFS) Children's Services Division (CSD) Operations

Children's Services Responsibility and Governance

Federal and State law requires the county to provide services to children and families who are affected by abuse or neglect. County Commissioners, under the Section 307.981 of the Ohio Revised Code, are responsible for determining which agency within the county will provide public children services in each County. Hamilton County Children's Services Division (CSD), a division of Hamilton County Job and Family Services (HCJFS), is the local organization legally responsible for taking reports of child abuse and neglect.

Ohio is one of nine state supervised, county administered child welfare systems in the nation and HCJFS is one of the few public human service agencies in Ohio providing multiple services such as public assistance, Children's Services, child support, and workforce development to the community. Statewide, there are 46 counties supported, in part, by voter-approved property tax levies. The remainder of other counties use General County Funds for mandated services. Ohio currently ranks last in the nation for the share of child protection funding paid by state revenues, with federal and local funding making up most of the budget for Children's Services. Across the state, Ohio contributes 9% of the funds spent on child welfare services, while the counties shoulder an average of 52% of costs, with the remainder of the costs are supported by federal funding sources. Hamilton County sees, on average, only 3.5% of its total expenses in support from the State.

CSD is responsible for service delivery in accordance with Ohio Revised Statutory Code (ORC) Chapter 51 & Administrative Code 5101.2, which assesses and addresses child safety, permanence, and well-being for children in the child protective services and foster care system. Child protective services, foster care, and adoption service delivery is guided by federal law and state policy, as directed by the Ohio Department of Job & Family Services (ODJFS). ODJFS provides oversight in the form of training. ODJFS issues to the HCJFS a combination federal and funds to the HCJFS. HCJFS combines the state and federal funds with local levy funds at the County level and administers them to HCJFS to deliver mandated government services for child protection.

HCJFS Organizational Structure

The executive structure of HCJFS starts with the Director who reports directly to the Board of County Commissioners of Hamilton County. The Job & Family Services Planning Committee, which serves as an advisory board gives recommendations and guidance to the Board of Commissioners regarding HCJFS matters. The agency is accredited by the Council on Accreditation (COA), which establishes processes and systems for consumer feedback, quality assurance, and overall operations.

The current HCJFS Director has extensive experience with public child welfare and social services, including direct practitioner experience, and supervisory and managerial experience within the agency. Staff and community members noted the Director is one of the biggest assets to the organization. Interviewees note the Director exemplifies the balance between the fiscal responsibility to taxpayers while ensuring quality service delivery to children and families. The Director has six direct reports. These direct reports include a recently hired Child Welfare Clinical Director who has been an asset to practice enhancement.



FIGURE 1: ORGANIZATIONAL CHART OF THE EXECUTIVE LEADERSHIP TEAM

The HCJFS Executive Team is experienced and knowledgeable and have been with the organization for many years. Each member of the Executive Team has direct reports who supervise managers, supervisors, and staff working directly in specific programmatic areas. The Children's Services Chief Clinical Director has six Section Chief direct reports. Each of the Section Chiefs supervise seven to eight supervisors. 239 full-time direct practitioner positions work directly with children and families in Children's Services, and five positions are partially grant funded. A full organizational chart appears in the appendix of this report.

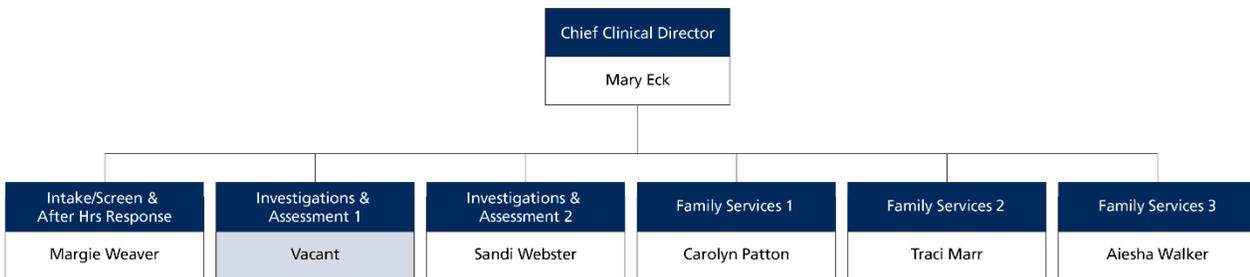


FIGURE 2: ORGANIZATIONAL CHART OF CHILD SERVICES DIVISION

HCJFS also has a public information officer that has improved the relationship with the media in matters of child welfare. The PIO ensures the website is helpful for clients, that media inquiries are responded to quickly, and that stories are done proactively to educate the public. In 2014, HCJFS was awarded a National Association of Counties award for their "Do Ask, Do Tell" campaign related to reporting child abuse and neglect. In 2015, NACO awarded HCJFS with an Innovation Award for their adoption campaign, which included calendars of children waiting to be adopted and coffee sleeves to bring attention to adoption issues.

Program and Services Overview

During the course of the current levy cycle, CSD has implemented service initiatives that advance the safety, permanence, and well-being of children in Hamilton County. Levy funded services not only include the legally mandated child protective services that JFS delivers, but also include services that providers and community-based

organizations deliver to address safety, permanence and well-being. Some of the other organizations that are a critical part of the child welfare system includes behavioral health providers, law enforcement, pediatricians, the County Courts, non-profit organizations, Court Appointed Special Advocates (CASA), the Prosecutors office, and the community at-large. Levy revenue, matched with Federal and State funds, are used to contract with some of these organizations, allowing them to deliver services to mitigate issues related to child safety as well as meet the child's needs for permanence and well-being while in care. During the current levy cycle, an average of \$39.3M per year of property tax levy revenue was spent to provide services to address safety, permanence, and well-being.

HCJFS funds, including state, federal and local funds are used to support mandated child welfare functions including a 24-hour reporting hotline, assessments, ongoing services to families and children, placement of children at risk of further abuse and neglect, adoption services, recruitment and retention of foster homes, and independent living services for older youth in care. In addition to funding mandated services, the Levy funds services through provider agencies in the community that have expertise in addressing the needs of children, parents, and caregivers involved with child protective services and foster care programs. During the last levy cycle, Levy funding supported private and public agencies that provided homes for foster care placement, behavioral health services, domestic violence, kinship supports, foster care supports, supported adoptive family recruitment, emergency housing to address homelessness, independent living, training for staff, and parenting services. In addition, the Children's Services Levy funding supported the maintenance effort for TANF, served as the match for child support programming, and supported the Juvenile Court and Legal Services in the Prosecutors Office.

HCJFS has also purchased tablets for case management staff to better access data related to safety of children in the field. Moreover, these tablets have been designed to integrate with the State of Ohio's SACWIS system, which can access data related to safety and outcome measures, assess workload data, give direct practitioner caseload management tools, and remotely access case files. This was in direct response to the recommendations of the last TLRC report.

Children's Services programs are complex and have specific timeframes dictated by federal, state, and local statutes. The following chart depicts how children are served by CSD:

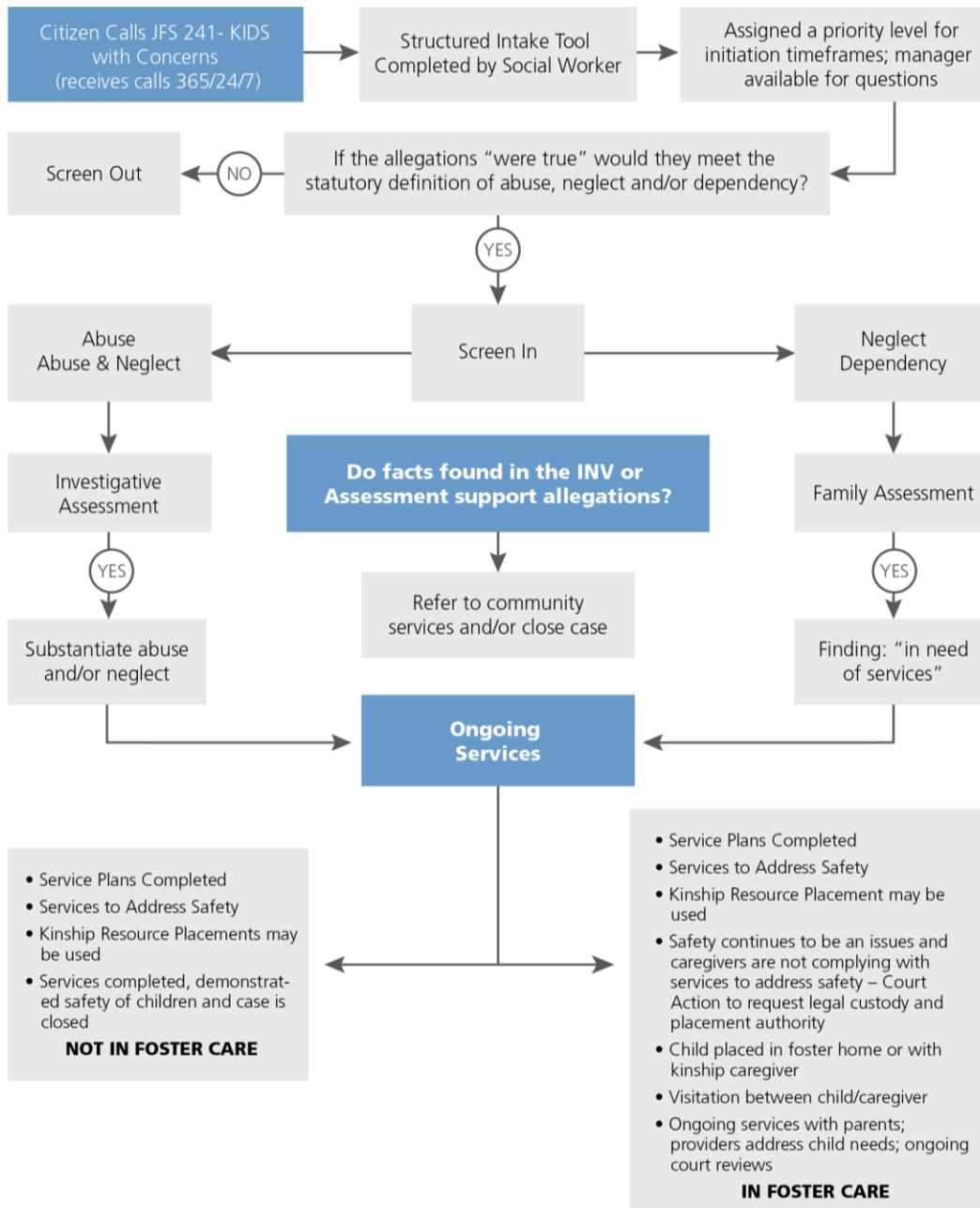


FIGURE 3: FLOWCHART OF SERVICE DELIVERY

HCJFS CSD Service Delivery during Levy Cycle FY 11-16

HCJFS leadership and staff have developed innovative initiatives and strategies addressing children's services needs in Hamilton County. They have done so under intense public scrutiny due to serious child injuries and fatalities and with no increase the millage of the levy since 1996. They continue to work assertively with the media to educate the public about child protection and child welfare, and the result has been an average increase in reports over the last several years.

In addition, the ongoing heroin and opioid epidemic has changed the practice of taking children into care "voluntarily" and resulting in increased petitions through the Court system to address the longer-term issues impacting child

safety. Increasing use of these drugs has led to increasing numbers of children coming into foster care. As an example, an estimated 70% of infants in HCJFS custody come into care because of an issue related to the epidemic.

All the challenges and subsequent initiatives described are directed at positively impacting the safety, permanency and well-being outcomes for children who are involved with Children's Services.

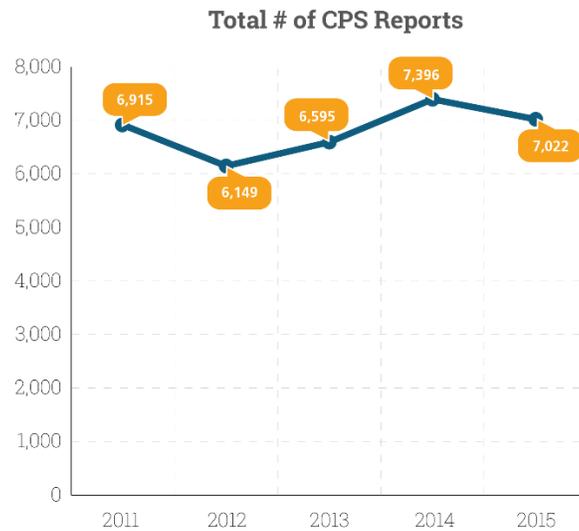


FIGURE 4: TOTAL NUMBER OF CHILD PROTECTIVE SERVICES REPORTS FY 11-15

Evidence-Informed Behavioral Health Services

CSD is transforming their practice to meet the changing and complex needs of children and families through evidence-based, trauma-focused therapy models. These models address the specific trauma faced by children related to domestic violence, caregiver substance abuse, mental health issues, and removal from their families. The families served by HCJFS have an increasing need for interventions that address substance abuse. This increase in need has in turn, caused additional pressures in the agency, and greater safety issues for the children. While there are some providers of these services in Hamilton County, the demand for these services is greater than available supply.

Due to the increase in complexity of issues impacting child safety, such as domestic violence, mental health and substance abuse issues, implementing evidence based interventions and wrap around behavioral health services that maintain children in their own homes is critical. CSD leadership and community partners have worked with the Mental Health Access Point to provide timely assessments for parents involved with the agency. However, after assessment, parents and caretakers often must wait to receive services because there are not enough providers and wraparound services to meet all the needs. HCJFS reports it has attempted to work with mental health providers to implement innovative strategies to keep children in their own homes safely, however, there has not been a specific intervention implemented through a contract to deliver the service. In addition, once children are removed by the Court due to concerns about a child's immediate safety, there are not enough community based, in home behavioral health services to reunify children in a timely manner.

Community members and CSD staff noted that increased services are needed to keep children in their home. The lack of these services is one area that is directly related to the increase in children coming into foster care.

Nationally, the majority of federal funding goes to support children in out-of-home placement. As one example of the economic impact, Casey Family Programs¹ found that for every \$6 spent to maintain children in foster care, only \$1 is available for investment in services to prevent out-of-home placement. CSD should assess the potential for reducing the number of children entering foster care by investing in wrap-around services to support parents and kinship caregivers that may both begin to decrease the numbers of children in foster care and reduce repeat maltreatment.

Child Safety and Social Work Practice

CSD has worked intensely with ACTION 4 Child Protection² to establish protocols around child safety decision making and social work practice, aligned with the ACTION 4 Child Protection structured tools and methodology. ACTION 4 Child Protection is an organization that continued the work of the federal National Resource Center for Child Protective Services began some years ago. ACTION provides a structured, methodical safety assessment of child and adult functioning, parenting beliefs, attitudes, and functioning; and beliefs, attitudes, and methods of discipline. This methodology outlines six questions that assess child vulnerabilities, threats of danger, and caretaker protective capacities. In addition, it allows better assessment of safety, particularly of when to remove children from their homes, and when to return them home with the proper safety networks in place.

Foster Care Increase

The increase in foster care has strained the ability of the community to provide enough foster family and kinship family homes. It has also impacted the ability of the Court system to keep up with the number of children that require the Court's attention. Children in Hamilton County are most frequently placed within family settings; 48% of children reside in family foster homes and 32% reside in kinship care. Kinship care placements have increased over the last five years, with foster family home placements decreasing slightly. Hamilton County has been successful over the current Levy cycle by not placing a large number of children in congregate care- with only 12% of children either residing in group care or residential placement, a better percentage than the national average.

Hamilton County contracts with child placing agencies to recruit, license and retain family foster homes for children in care. Resource parents, whether foster homes or kinship caregivers, need additional tools to learn how to address the behaviors children exhibit in their care resulting from trauma they may have experienced. While some kinship caregivers are licensed, many are not, and could benefit from supports, such as: TANF cash assistance payments, child care, or services that would provide assistance for children in their homes. Visitation services are also strained, as Judges are following best practices of increasing visits between parents/caregivers to multiple visits per week. Both direct practitioners and contract providers offer this service, however, with increased demands, there are not enough human or financial resources to ensure visitation can occur as frequently as needed.

The relationship between the Family Court and HCJFS is strong and collaborative, which allows for dialogue about data, outcomes for children, and how to better the system to achieve goals. Due to the increase in foster care, the Court system is also strained to meet the timelines for adjudication and permanency goals. The Court is extremely open to identifying strategies to address these needs within the community.

Workforce

HCJFS continues to rebuild their staffing and services after a 42% reduction in budget and a 52% reduction in overall staff in 2009. While CSD did not lose any direct practitioner positions, positions such as transportation aides, visitation support and administrative assistants who helped with case notes and other tasks were lost. The result was a decrease in efficiencies and an increase in the workload for each direct practitioner's caseload. Losing these positions also resulted in the direct practitioners spending more time on administrative tasks and less time face to face with children and families.

¹ <http://www.casey.org/media/signature-report-2015.pdf>

² <http://action4cp.org/>

In addition, manager positions that were budgeted were not filled, resulting in an increased ratio of managers to supervisors. CSD has since filled those positions and obtained two other positions after the initial budgeted decrease. Supervisor to direct practitioner ratios have been impacted as well, though at present, it is within ratio for intake at one supervisor to five practitioners.

Recruiting and retaining staff in CSD positions continues to be a challenge and these reasons are discussed within the "threats and challenges" section of this report. Simultaneously, HCJFS saw an upward trend of screened-in reports and placements into foster care. This combination of a reduction in staff and an increase in demand strained the system internally as well as with external service providers.

Workforce staffing was noted as a concern in the last levy cycle and has become increasingly critical in due to the increase in demand for services that impact child safety, permanence and well-being. Hamilton County's turnover rate for direct practitioners has significantly increased over the last few years. In 2011 turnover was 18%. Turnover has grown in 2015 to 43%. This is above the national average for child welfare staff. These reasons included: increased caseloads, significant public scrutiny, impact of secondary trauma on work/life balance, lack of intensive training, and lack of onboarding. Moreover, the turnover increase, coupled with Family Medical and other leave, creates the situation where caseload sizes exceed the recommended size from the Council on Accreditation. However, if fully staffed, CSD would be within the caseload recommendation.

In order to address the needs of new employees, CSD moved resources in-house to address the need of both training and onboarding new staff. In addition, staff that were off-site were realigned although their roles did not change. For example, there continues to be a partnership between Mayerson Center at Cincinnati Children's Hospital and HCJFS related to serving children who have experienced sexual and severe abuse, severe neglect and psychiatric issues. A coordinated interview and response, which is the foundation of an Advocacy Center, continues to be the practice on these types of assessments and cases. While CSD practitioners are no longer embedded on site at the Mayerson Center, the collaborative work has continued and there are systems in place to ensure consistent communication as well as continued coordinated response to children and families in this community.

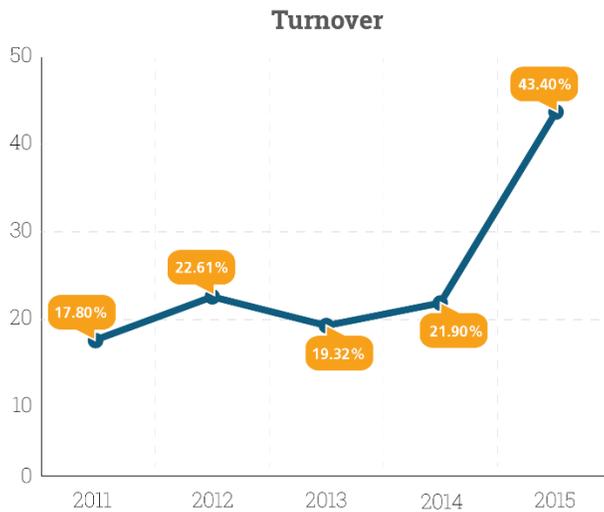


FIGURE 5: DIRECT PRACTITIONER TURNOVER FY11-15

The Governmental Accounting Office completed a study³ that indicates the there is a direct correlation of supervision ratios and support in relation to staff turnover. Hamilton County is currently not within recommended caseload ratios due to many budgeted positions not being filled. However, if all budgeted positions or even 75% of the positions were filled, caseloads would be well within the ratios.

Program Area	Caseload Size Recommendation	Current Caseload Size	Budgeted Caseload Size
Assessment	15	35	5.3
Ongoing (Combined Caseloads of Children Not in Custody and Foster Care)	17	18	9.3

FIGURE 6: CASELOAD SIZE ANALYSIS

CSD management continues to hone hiring process to ensure they hire the most qualified, experienced staff possible. However, the agency loses new staff rapidly due to the intensity of the work, public scrutiny, and the volume of caseloads. According to HCJFS managers, Hamilton County has hired 100 staff in the last several months alone, including filling budgeted manager positions for intake & assessment that had remained vacant due to budget constraints. Across all staff positions, 57% have been with Children's Services for less than five years. In order to meet the needs of new staff, two staff resources were moved to training positions, specifically to assist in onboarding and training new hires.

Below is a caseload data analysis that outlines the projected caseload size based on a percentage of budgeted positions being filled. As you will note, there are sufficient budgeted positions to address both the current and projected growth in caseloads over the next levy cycle. The focus going forward should prioritize a new hiring process, onboarding and training new staff aggressively and retaining staff through a variety of methods. Below, PCG has completed a caseload data analysis, considering caseload growth and based on filling already budgeted positions at different levels of staffing.

³ <http://www.gao.gov/new.items/d03357.pdf>

PROJECTIONS FOR MONTHLY CASELOAD AVERAGES						
Based on Percentage of Positions Filled						
Percentage of Positions Filled & Category	2016 Proj.	2017 Proj.	2018 Proj.	2019 Proj.	2020 Proj.	2021 Proj.
 Assessment 100%	5.45	5.81	5.90	6.00	6.09	6.19
 Ongoing 100%	10.04	10.81	11.65	12.56	13.55	14.62
 Assessment 95%	5.58	5.95	6.05	6.15	6.25	6.35
 Ongoing 95%	10.30	11.09	11.95	12.88	13.90	15.00
 Assessment 90%	5.78	6.11	6.21	6.31	6.41	6.52
 Ongoing 90%	10.57	11.38	12.26	13.22	14.26	15.39
 Assessment 85%	5.89	6.28	6.38	6.48	6.59	6.69
 Ongoing 85%	10.85	11.69	12.59	13.58	14.65	15.81
 Assessment 80%	6.05	6.45	6.56	6.66	6.77	6.88
 Ongoing 80%	11.17	12.01	12.94	13.96	15.05	16.25
 Assessment 75%	6.22	6.64	6.74	6.85	6.96	7.08
 Ongoing 75%	11.47	12.36	13.31	14.35	15.48	16.71

FIGURE 7: CASELOAD TREND ANALYSIS 2016-2021

Continuous Quality Improvement (CQI)

The National Child Welfare Center for Organizational Improvement focuses on the importance of developing an infrastructure and system of CQI for child welfare agencies. CQI is an ongoing process to identify trends related to performance measures, analyze strengths and problems, test ideas to improve through implementation, evaluate and revise solutions that results in bringing the organization closer to meeting child welfare performance measures. Not only does a CQI system assist in improving outcomes, it positively impacts the organizational climate because

direct practitioners are engaged in improvement efforts and there is clarity in what is expected of the work they do with families and children.

HCJFS has a Continuous Quality Improvement (CQI) system in place that includes internal and external stakeholders. The CQI stakeholders ensure that there are systematic reviews of data, Child and Family Services Review (CFSR) results, child fatality reviews, foster and pre-adoptive incident reviews, and case reviews. In addition, the CQI group obtains feedback from their consumers with "town-hall meetings" and through social media.

The Children's Services CQI staff report to the Chief Technology Officer which allows for objectivity in reviewing cases and identifying issues that impact performance measures, as well as tying CQI to data analytics for better information. While there are systems in place to assess performance and provide input and feedback, there is a need for infrastructure to ensure quality. Recently, the HCJFS Director moved staff resources to begin to re-develop quality assurance practices that includes specific in-depth review of cases as well as serious injuries and near fatalities cases. However, challenges remain, and interviews reveal more resources are necessary to develop and implement a continuous quality improvement system that allows the organization to dig deeply into root causes of federal child welfare performance measures for which they are responsible.

Child Welfare Performance Measures

All child welfare agencies are responsible for working towards achievement of federal child welfare performance measures related to safety, permanence and well-being. Performance on federal data benchmarks and the federal Child & Services Review is similar to other jurisdictions across the country. In some cases, Hamilton County performed lower overall, and in some instances, better. Later in the report, PCG outlines comparison data related to several performance data measures and includes Hamilton County's performance against comparison counties from the most recent data. In addition, there is continuous quality improvement processes that ODJFS conducts every 18 months in an on-site review to assess both the CFSR outcomes and data performance measures.

The CFSR administered in 2010 noted that Hamilton County has varying performance on the majority of the outcomes related to safety, permanence, and well-being. CFSR results indicate that CSD had strengths in preparing older youth in care for adulthood, making diligent efforts to achieve permanence, preserving connections for children their parents and communities, and for implementing a fatherhood initiative. Areas of concern included: timeliness in investigations and assessment, repeat maltreatment, documenting safety and risk assessments, lack of foster homes in which to place siblings together, educational needs, delays in adoption timeframes, engaging absent fathers, lack of involvement of parents and caregivers in case planning, and lack of face-to-face visits between direct practitioners and children and parents in their caseloads.

The length of stay in foster care for children in Hamilton County in 2015 was 660 days, with variance based on age. This is longer than the average length of stay nationally, which is approximately 456 days. Systems issues play a role in the length of stay in foster care including coordinating schedules with the stakeholders of the Court, input from Court Appointed Special Advocates, and delays in accessing mental health services for parents. Permanency outcomes reflect most children are being reunified with a parent or guardian, being granted custody to a kinship provider, or adopted.

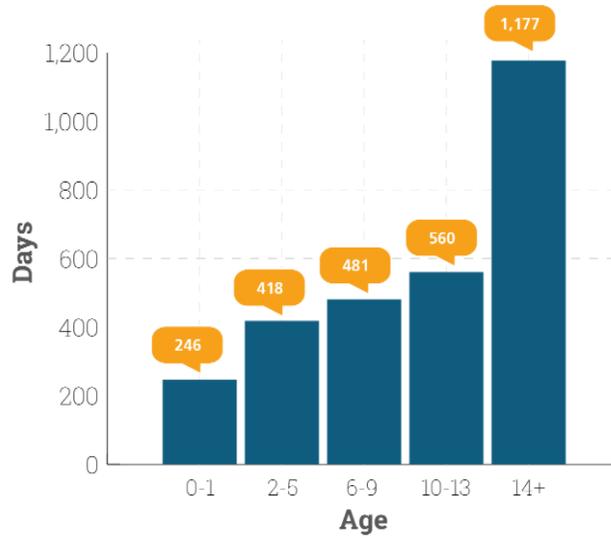


FIGURE 8: AVERAGE LENGTH OF STAY IN FOSTER CARE BY AGE GROUP

CSD has put processes into place to address issues noted in the CFSR report. They are also making changes to improve the federal child welfare performance data measures-the first of which is their CQI process. They also have a developed a strong partnership with Cincinnati City Schools and Legal Aid to ensure educational needs are met for children in foster care. In addition, a community stakeholder group of child welfare leaders is coming together to work with two national facilitators to help the County map and identify system strengths, gaps, and opportunities for improvement. This process will help to create specific steps that moves Hamilton County forward in the face of above-mentioned challenges.

Analysis of Compliance with Tax Levy Review Committee (TLRC) Recommendations

We present our observations of the Departments' implementation of the 2011 recommendations of the Tax Levy Review Committee in the following table:

Prior Recommendations	Status
Spend up to \$750,000 to deploy technology to increase productivity of the CSD	Accomplished. All field staff were outfitted with iPads and data plans. Interviews indicate significant increases in workforce productivity.
Consider Co-Locating the Family Law Division of the Prosecutor's Office within CSD.	This recommendation was not adopted. CSD, the Family Law Division, and Hamilton County Prosecutor's Office believed the move would be detrimental to the ability for them to deliver services efficiently.
Assess 241-KIDS for Use of Best Practices and Potential Improvements	Accomplished. CSD met with the United Way in 2012 and has created a 211 referral line for non-emergency calls.
Maintain an appropriate reserve of levy funds to address the unresolved audit and then adjust the levy as appropriate in mid-cycle once the audit is resolved.	Accomplished. The agency has been maintaining an increasing carryover balance over the previous levy period that has grown 78%.
Create a pool of \$5 to \$10M in levy funds to allow CSD and its contract partners to provide wrap-around services that prevent abuse and neglect that leads to more costly custody of these children.	<p>In progress. The agency has retained a carryover balance in anticipation of paying a settlement for the special audit. With the anticipated settlement in FY2016, and assuming no material changes to the agency's financial position, CSD will have a remaining carryover balance to address this recommendation.</p> <p>In addition, HCJFS has worked with the Mental Health Board to address this need and to attempt to contract for services; however, no model has been presented by provider organizations that would address this recommendation.</p>

Comprehensive Financial Analysis

This section includes a list of services funded by levy dollars between 2011-2015 (inclusive of services added or removed), a comprehensive financial analysis, and finally projects future needs and financial capacity over the next five years based on historic trends and county programmatic needs.

Services Funded by Levy Dollars

In the current 2011-2015 levy cycle, the levy provided an average of \$39.3M dollars, annually, for Federal and State mandated services to children. If the funds needed to meet these obligations were not provided by the Children's Services Levy, they would come from the County's General Fund; presently the County General fund provides no funding for staff or services for CSD. Local funds generated by the Children's Services Levy are matched with state and federal dollars. These funds are also used to pay third parties to provide contract services in the care of children in Hamilton County.

Following investigations of reports of abuse or neglect, the agency acts to protect children. Key services of the CSD are outlined in the table below.

Specific programs the Levy funds are as follows:

Program Area	Function
Intake (241-KIDS)	24-hour hotline which receives child abuse, neglect and dependency reports; utilizes mandated intake tool; screens reports according to statute; determines priority level and face-to-face response time
Assessment	Assessment based on two tracks – investigative or alternative response (for some neglect cases); assess child safety face-to-face; interview child, parents, family members, and professionals and others involved with the family to determine facts related to allegations; refer parents for issues related to child safety; determine if case will be closed, moved to ongoing for work with the family, or if immediate safety issues exist, petition the Court for legal custody.
Ongoing Services – Internal and contracted	<p><u>In Home</u>: Intervention through ongoing services to mitigate safety in families where abuse or neglect is founded; refer to services to address safety; face-to-face visits with children, parents, and kinship providers in the home; safety and services plan development and monitoring; and petitioning the Court for legal custody if safety issues are not mitigated.</p> <p><u>Foster Care</u>: Temporary custody via legal action through the Court system if there are imminent safety issues impacting the child, resulting in foster care or kinship care until a permanent plan (reunification, adoption, guardianship or custody) can be realized; face-to-face monthly visits with children, parents, and foster parents in the home; visitation between parents and children; safety and service plan development and monitoring, to ensure timeframes related to permanency are reached.</p>

Utilization Management	<p>Determines level of care, as well as the step-downs into less restrictive placements. This assists in managing both costs and congregate care numbers. Services include:</p> <p><u>Family Meeting Facilitation</u>: Bringing professionals together to service and safety plan for ongoing cases.</p> <p><u>Non-caregiver investigations</u>: To investigate cases involving professionals related to child safety.</p> <p><u>Semi-annual review process</u>: Including all court-involved cases, statuses of progress, child vulnerabilities, and threats of danger and protective capacities of parents.</p>
Permanency	<p>Ensures adoption timeliness and prepares older youth for independent living.</p>
Other mandated services	<p>Recruitment, licensure, and retention of family foster homes, and support to kinship caregivers.</p>

Financial Analysis

This section of the report includes analysis of the financial operations of the Children's Services Division 2011-2015, and projects future financial needs of the agency based on its goals of addressing CSD needs in the county.

Hamilton County Job and Family Service's Children's Services division has faced an ongoing special audit since 2004 that has materially influenced budget management and expenditures throughout the 2011-2015 levy period.

The audit focuses mainly on the use of federal funds utilized in programs administered by the HCJFS and the relationship of the cost pools that were utilized in administering the programs.

In February 2012, the Office of the Hamilton County Prosecuting Attorney received a copy of the final report from the federal office of Health and Human Services (HHS) which recommended the Ohio Department of Job and Family Services refund approximately \$35M to the federal government for county agency costs inappropriately claimed through the administrative cost pools. This finding was appealed by ODJFS. In September 2015, the County Prosecutor received notification from ODJFS that the decision of HHS had been upheld by the Appeals Board. This had the effect of a finding against ODJFS in the approximate amount of \$35M, plus interest.

Further and ongoing negotiations in 2016 have led to a tentative settlement of \$22.5M dollars due from the HCJFS.

Financial Results of Children's Services Fund from 2011-2015

The table below presents revenue, expenditures, and carryover balance for the Children's Services Fund within the Children Service's Division from 2011-2015 as reported by the agency:

	2011	2012	2013	2014	2015
REVENUES (Total)	\$75,898,171	\$87,074,903	\$86,158,343	\$83,629,397	\$87,316,563
Tax Levy	\$40,851,322	\$39,673,736	\$39,480,968	\$40,060,753	\$36,628,366
Other	\$35,046,849	\$47,401,167	\$46,677,375	\$43,568,644	\$50,688,197
EXPENDITURES (Total)	\$66,123,011	\$68,855,604	\$70,043,116	\$69,403,778	\$78,438,008
Ending Carryover	\$65,782,197	\$84,001,496	\$100,116,723	\$114,342,342	\$123,220,897*

TABLE 1: FINANCIAL RESULTS OF HCJFS CSD 2011-2015. *ENDING CARRYOVER BALANCE INCLUDES RESTRICTED AND UNRESTRICTED FUNDS.

Overall, Hamilton County Job and Family Services Children's Services Division is in a stable financial position. Over the five-year levy period, HCJFS collected more revenue than expenditures- an intentional decision that increased carryover balance due to the audit finding.

Hamilton County Job and Family Services Children's Services Fund Financial Results 2011-2015

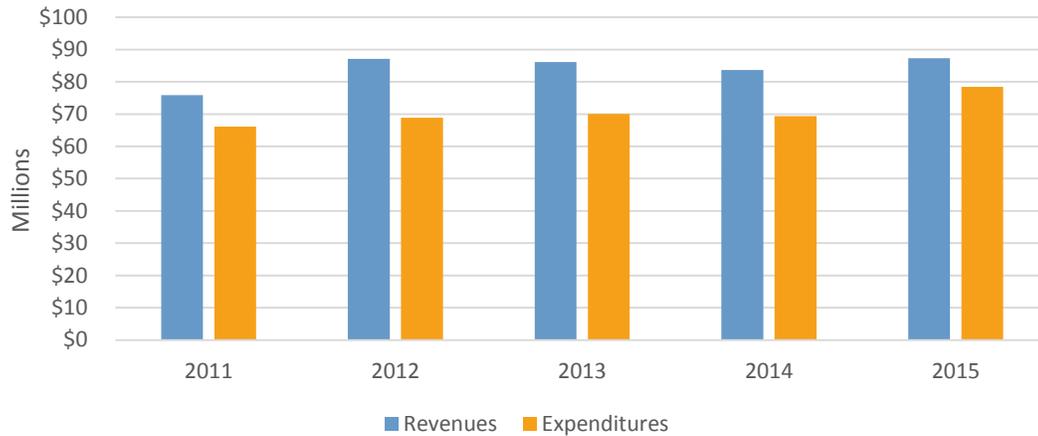


FIGURE 9: CHILDREN'S SERVICES FUND FINANCIAL RESULTS 2011-2015

Between the levy years of 2011 and 2015, the carryover balance increased every year. These repeated years of fiscal restraint have led to a surplus balance of \$123.2M in FY2015.

Revenue

	2011	2012	2013	2014	2015
Revenue	\$75,898,171	\$87,074,903	\$86,158,343	\$83,629,397	\$87,316,563
Tax Levy	\$40,851,322	\$39,673,736	\$39,480,968	\$40,060,753	\$36,628,366
Other	\$35,046,849	\$47,401,167	\$46,677,375	\$43,568,644	\$50,688,197
Yearly Percent Increase in Revenue		14.7%	-1.1%	-2.9%	4.4%
Revenue Growth Rate					3.6%

TABLE 2: CHILDREN'S SERVICES FUND REVENUES 2011-2015

Revenue supporting the CSD comes from a combination of local tax levy funds, as well as state and federal funds. Between 2011 and 2015, the levy contributed to between 41.9% (2015) and 53.8% (2011) of the total revenue collected by the agency. The tax levy is a critical part of funding for CSD services. Levy funds provided an average of 46.8% of total revenue, and serve as matching funds to claim federal and state funding.

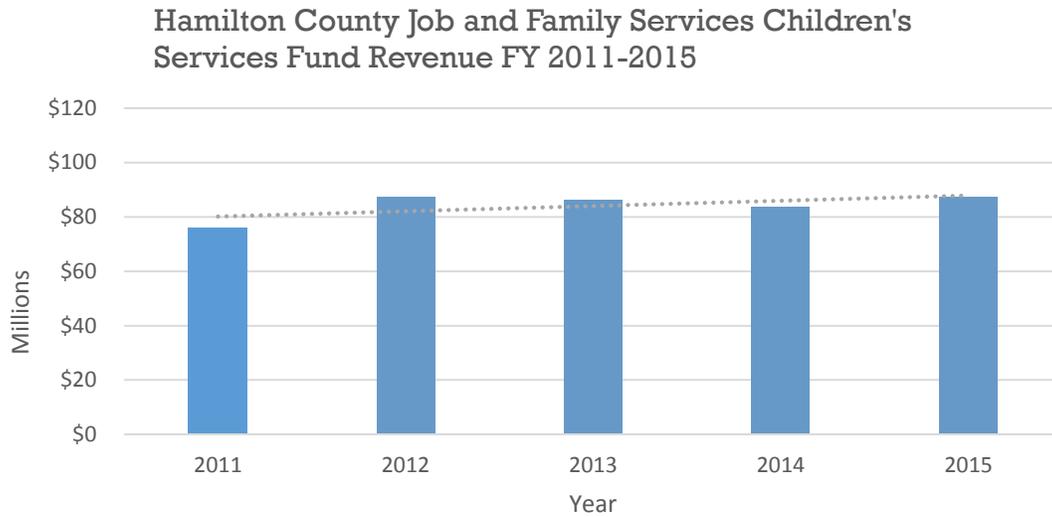


FIGURE 10: CHILDREN'S SERVICES FUND REVENUE 2011-2015

Total revenue to the Children's Services fund saw variability throughout the levy cycle and can be seen through the change in total revenue each year. CSD had positive 14.7% (\$11.2M) growth in revenues between 2011 and 2012, but then fluctuate the following years.

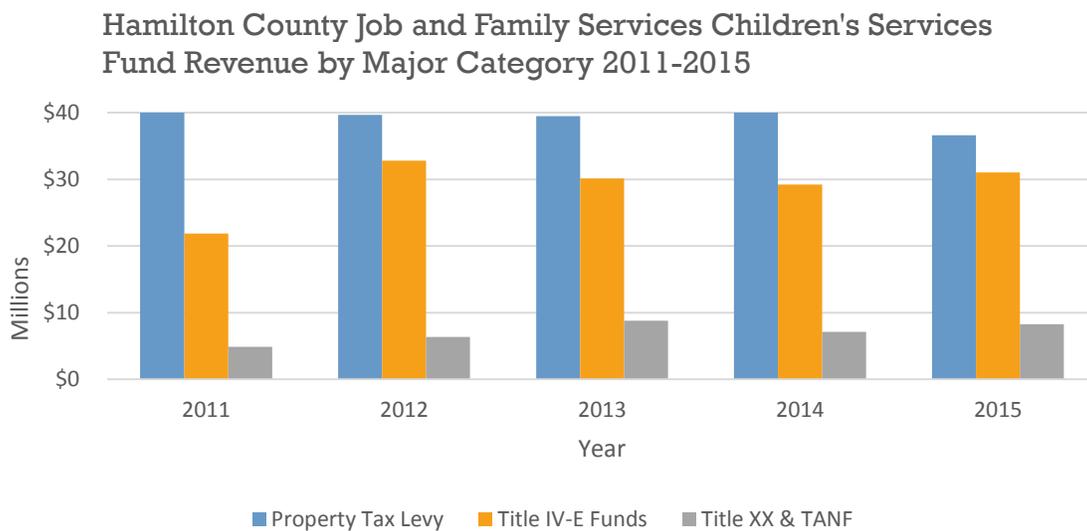


FIGURE 11: CHILDREN'S SERVICES FUND REVENUE BY MAJOR CATEGORY 2011-2015

The fluctuation of revenue is driven by changes in three streams- the Title IV-E Waiver, Title IV-E Administration and Training, and Title XX Social Service Block Grant (SSBG) & TANF funds, shown above. These funds, reimbursed on eligible agency expenditures, are tied to the changes in caseloads over the past levy period. In addition, these funds are Federal matching grants, restricted in their usage. Consequently, while the percentage change in revenue has been positive over levy cycle, it is within the context of increasingly restricted funding- ultimately limiting the agency's ability to respond innovatively to changing community needs. Compared to these

sources of funding, the tax levy is both stable and flexible, generating a reliable income and capable of addressing the developing needs of the community.

Expenses

	2011	2012	2013	2014	2015
Expenses	\$66,123,011	\$68,855,604	\$70,043,116	\$69,403,778	\$78,438,008
Yearly % Change in Expenses		4.1%	1.7%	-0.9%	13.0%
Expenses Growth Rate					4.36%

TABLE 3: CHILDREN'S SERVICES FUND EXPENSES 2011-2015

Overall, Hamilton County Job and Family Services have increased its spending over the past levy cycle. These expenses have been for state and federally mandated services required of the county. The growth in expenditures has been influenced by the variability in expenses between 2011 and 2013, in which the agency steadily increased its spending by \$3.9M then reduced that spending in the subsequent year by \$639k. Since 2014, the agency has seen a large increase in expenditures, growing 13% due to the large increase in caseloads over the same time-period.

Hamilton County Job and Family Services Children's Services Fund Expenditures 2011-2015

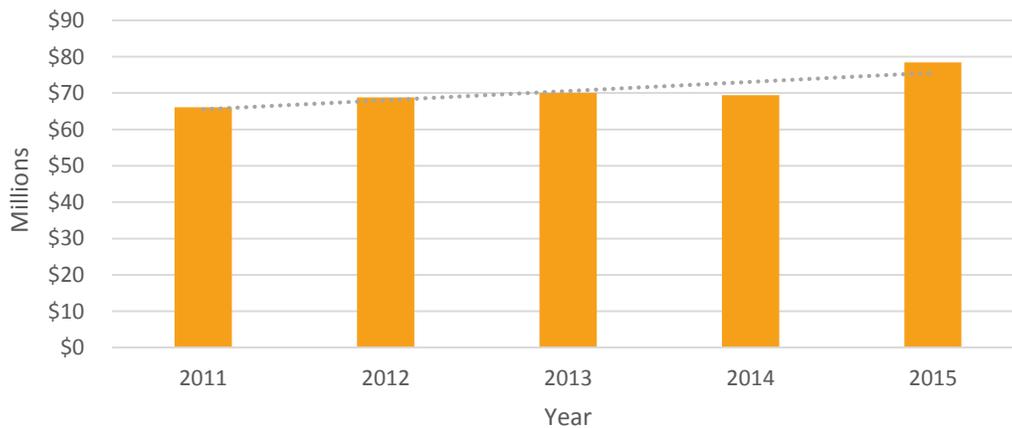


FIGURE 12: CHILDREN'S SERVICES FUND EXPENSES 2011-2015

Since 2011, total expenditures for HCJFS Children's Services have grown \$12.3M at an average rate of 4.36% year-over-year. This growth is driven by the agency expenses of a combination of Out-of-Home Care and Operations and Staffing, which combined equals roughly 70% of the expenditures of the division every year.

Hamilton County Job and Family Services Children's Services Fund Expenditures by Major Category 2011-2015

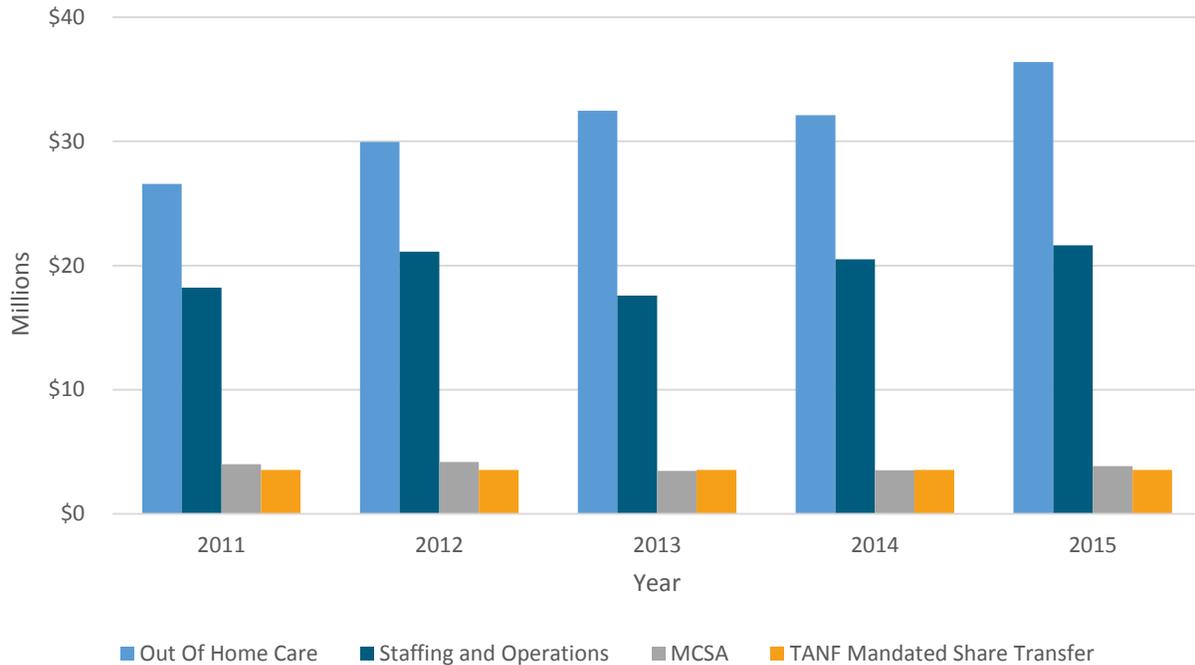


FIGURE 13: CHILDREN'S SERVICES FUND EXPENSES BY MAJOR CATEGORY 2011-2015

Balance Carryover

	2011	2012	2013	2014	2015
Carryover	\$65,782,197	\$84,001,496	\$100,116,723	\$114,342,342	\$123,220,897
Yearly % Change in Carryover Balance		27.70%	19.18%	14.21%	7.76%
Carryover Growth Rate					16.99%

TABLE 4: CHILDREN'S SERVICES BALANCE CARRYOVER 2011-2015

HCJFS CSD has maintained an increasing carryover balance over the entire levy cycle. Since 2011, carryover balance has grown an average 16.99% every year. This increasing balance- directed by the Hamilton County Board Commissioners- was to prepare the county to respond to the potential unknown remittance payment for the special audit originating in 2004.

Presently (2016), the agency has been informed a settlement between the Hamilton County Prosecutor and other parties has resulted in a \$22.5M remittance payment from the fund.

Analysis of Material Variances from Budgets

HCJFS provides budget projections of expenses and revenues every five-year levy cycle. Variances from this budget were compared to actuals during the 2011-2015 levy period. Below are comparisons of these variances as well as line-item analyses of material variances from the proposed budget over the current levy period.

Revenue

	2011	2012	2013	2014	2015
Revenues (Budgeted)	\$88,196,706	\$72,957,719	\$70,777,601	\$70,335,107	\$70,489,144
Revenues (Actual)	\$75,898,171	\$87,074,903	\$86,158,343	\$83,629,397	\$87,316,563
Percent Difference	-13.94%	19.35%	21.73%	18.90%	23.87%
Average 5-Year Variance					13.98%

TABLE 5: REVENUE VARIANCE FROM BUDGET 2011-2015

Revenues projected by HCJFS varied significantly from actuals over the levy period. Since 2012, the agency brought in an average of over 20% more revenue than projected every year. Only in 2011 did the agency miss its revenue projection.

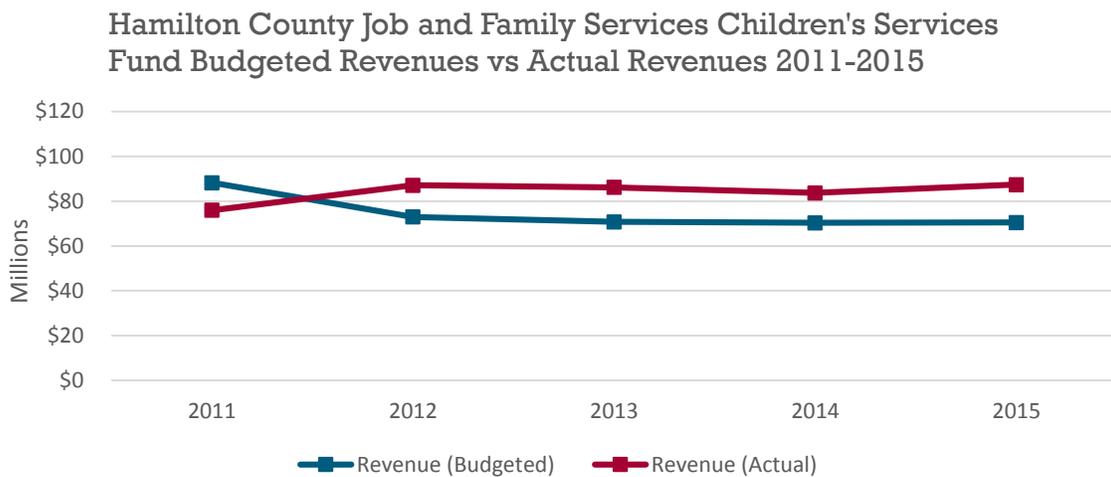


FIGURE 14: REVENUE VARIANCE FROM BUDGET 2011-2015

While the agency exceeded its revenue budget, as noted throughout the report, the largest sources of these deviations are tied to State and Federal entitlement funds, particularly Title IV-E, which, while overall remained relatively stable year-to-year, included variability within the components that led to under projections. Moreover, these funds are prescriptively restrictive, and limit the agency's ability to use them in a manner meeting the needs of the community (e.g. preventative services).

Line-item analysis reveals three revenue sources responsible roughly three-quarters of the difference: Title IV-E Waiver, Title IV-E Foster Care Maintenance Administration, and Title XX & TANF reimbursements. Title IV-E Waiver revenue attributes for the largest portion of the variance from the budget, contributing an average of \$6.2M above projected budget; Title IV-E FCM Administration contributing an average of \$3.5M; and Title XX & TANF contributing \$3.7M.

Expenses

	2011	2012	2013	2014	2015
Expenditures (Budgeted)	\$93,208,126	\$71,139,755	\$71,129,393	\$71,335,555	\$71,337,954
Expenditures (Actual)	\$66,123,011	\$68,855,604	\$70,043,116	\$69,403,778	\$78,438,008
Percent Difference	-29.06%	-3.21%	-1.53%	-2.71%	9.95%
Average 5-Year Variance					-5.31%

TABLE 6: EXPENSE VARIANCE FROM BUDGET 2011-2015

Over the current levy cycle, HCJFS has projected expenses remarkably close to its actuals. However, on a year-to-year basis, and excluding 2011 as an outlier, budget projections of expenses were an average of 8.3% lower than the actual. Taken within the context of the division limiting its extraneous expenses, these variances from the budget are an indicator of increasing workloads and limited preventative investment in services across the agency.

Hamilton County Job and Family Services Children's Services Fund Budgeted Revenues vs Actual Expenditures 2011-2015

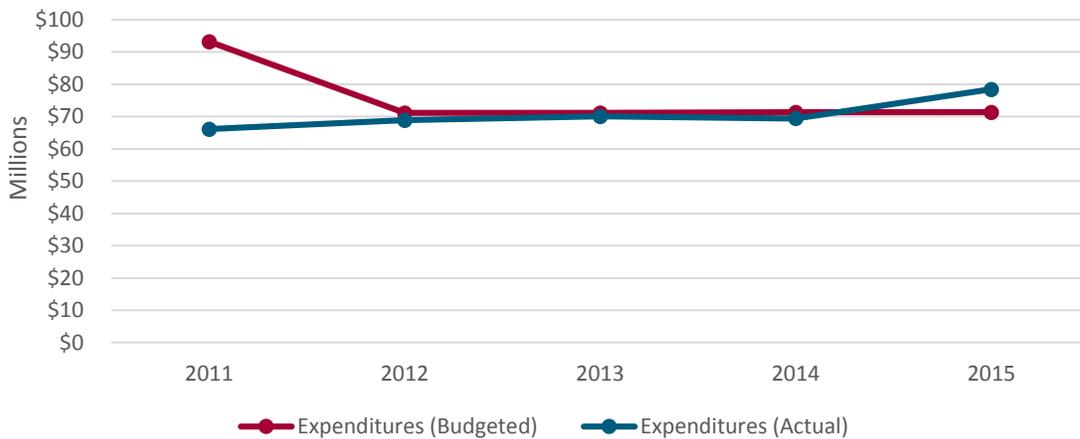


FIGURE 15: EXPENSE VARIANCE FROM BUDGET 2011-2015

Analyzing specific line items reveals a five-year consistency in expenditures; on average, (excluding 2011) HCJFS has projected total expenses with an average variance of less than \$500k. The one line item of note was MCSA expenditures. While within the \$500k band above between 2012-2015, and excluding an outlying 2011, the agency was over-budget by an average \$1.7M dollars, per year, between 2012-2015.

Sources of Funding

Hamilton County Children's Services Division has a diverse revenue stream that includes county, state, and federal grants and funds. Under section 5101.21 of the Ohio Revised Code each county is required to enter into a grant agreement with ODJFS before federal awards are issued to the county. The agreements run on a fiscal biennial period, which is a two-year period beginning on the first day of July of an odd-numbered year and ending on the last day of June of the next odd-numbered year.

State awards are calculated and allocated based on state and federal funding levels as well as formulas set forth in the Ohio Administrative Code (OAC). ODJFS distributes allocations to the counties using the County Finance Information System (CFIS). This tool is a grants management system designed to set allocation budgets and report expenses.

Federal awards are guided by the Office of Management and Budget (OMB) Government wide Guidance for Grants and Agreements (also known as the "Super Circular"). Below is the list of Hamilton County Job and Family Service Children's Services revenue streams:

Hamilton County Children's Services' Property Tax Levy

The Hamilton County Children's Services' Property Tax Levy is a locally sourced revenue from the residents of Hamilton County that provides roughly \$40M dollars every year. In addition, it is used to leverage up to \$40M more in additional federal resources. The Levy is used to support child welfare functions throughout Hamilton County, including a 24-hour reporting hotline, investigations, services to families and children, placement of children at risk of further abuse and neglect, adoption services and independent living support for teens.

	Year	Total Dollar Amount	Percentage of Agency Budget
Revenue Contributions	2011	\$ 40,851,322	53.8%
	2012	\$ 39,673,735	45.6%
	2013	\$ 39,468,148	45.8%
	2014	\$ 40,060,753	47.9%
	2015	\$ 36,628,366	41.9%

Title IV-E Funding

These federal funds are used for administration and training, foster-care maintenance and adoption assistance. The county must provide state-allocated general revenue funds or local funds for the non-federal share. In addition, several eligibility requirements must be met.

1. Administration and Training

1. Funds are for administrative costs to manage the program and for training (case management, transportation to judicial reviews, administration overhead).
2. The results of the SSRMS and the county percentage of Title IV-E eligible children are statistically applied to the county cost pool to derive the allowable claim.
3. Funds are 50% federal for administration and require a 50% local/non-federal match; funds are available at 75% for training.
4. The match is designated through the SSRMS certification process.

2. Foster Care Maintenance

1. Funds are used to cover the costs of a child's daily needs that are incurred by the agency (room/board, clothing, daily supervision, basic living and support, graduation expenses, liability insurance, travel to home visits and school).
2. Reimbursements exist for the following types of care: foster family homes, pre-finalized adoptive homes, group homes, maternity homes, children's residential centers and purchased foster care
3. The federal Department of HHS establishes the FFP maintenance rate each October 1st. FFY 2015 was reimbursed at 62.64%

3. Adoption Assistance (AA)

1. Funds are provided on behalf of special needs children who are in adoptive placement or who are living with parents who have legally adopted them.

2. ODJFS provides the non-federal share up to \$250. The county agency is responsible for any amount in excess of these amounts up to the maximum amount eligible for FFP.
3. ODJFS issues the Federal and State share of the AA payment to the adoptive parent.

4. ProtectOHIO

1. ProtectOHIO is a federal Title IV-E waiver-demonstration project funded by the United States Department of Health and Human Services. It is a research and demonstration project designed to reduce the number of children in foster care, decrease the time children remain in foster care, and promote adoptions. The project began in FFY1997 and has been extended through FFY2015. Hamilton County is one of seventeen ProtectOHIO counties. ProtectOHIO is due to end on September 30th, 2019.
2. ProtectOHIO dollars are received up front rather than through the traditional Title IV-E reimbursement process. The core theory of ProtectOHIO is that the opportunity to use federal child-welfare funds flexibly, combined with targeted intervention strategies, will change purchasing decisions and service-utilization patterns in ways that are favorable and achieve better outcomes for children and families. The core intervention strategies for the waiver demonstration are family team meetings and kinship supports.

	Year	Total Dollar Amount	Percentage of Agency Budget
Revenue Contributions	2011	\$25,126,337	33.1%
	2012	\$32,797,030	37.7%
	2013	\$30,124,224	35.0%
	2014	\$29,215,474	34.9%
	2015	\$31,059,217	35.6%

Title XX & TANF

The Title XX Social Service Block Grants (SSBG) & TANF are State allocations of Federal funds to provide grants to assist needy families with children so that they can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Hamilton County has the flexibility to use the grant funds in any manner that meets the purposes of the program and in ways that States were authorized to use funds received under the predecessor Aid to Families with Dependent Children (AFDC), Job Opportunities and Basic Skills Training (JOBS), and Emergency Assistance (EA) programs.

	Year	Total Dollar Amount	Percentage of Agency Budget
Revenue Contributions	2011	\$4,874,004	6.4%
	2012	\$ 6,347,234	7.3%
	2013	\$ 8,794,099	10.2%
	2014	\$ 7,143,072	8.5%
	2015	\$ 8,267,388	9.5%

State Child Protective Allocation (SCPA)

SCPA is a state allocation used for the purpose of meeting the expenses of the children services program, including costs for the care of a child who resides with a caretaker relative and other services Children's Services considers necessary to protect children from abuse, neglect, or dependency. These funds may be utilized to provide the non-federal match for other funding sources (such as Title IV-E) SCPA funds are very flexible and may be used for direct

services or for administrative purposes. Administrative costs and/or local match requirements can be utilized through the certification of funds process.

	Year	Total Dollar Amount	Percentage of Agency Budget
Revenue Contributions	2011	\$ 3,446,508	4.5%
	2012	\$ 3,075,589	3.5%
	2013	\$ 3,101,133	3.6%
	2014	\$ 3,149,930	3.8%
	2015	\$ 3,137,642	3.6%

Title IV-B Funding

Federal Title IV-B funds are used for expenditures incurred in the delivery of children services to ensure that all children are raised in safe, loving families. Funds are used for the following purposes:

1. Protecting and promoting the welfare of all children;
2. Preventing the abuse, neglect, or exploitation of children;
3. Supporting at-risk families through services that allow children to remain with their families or return to their families in a timely manner;
4. Promoting the safety, permanence, and well-being of children in foster care and adoptive families; and
5. Providing training, professional development, and support to ensure a well-qualified workforce.

The allocation is distributed in two parts: administration and services. HCJFS may request to transfer the administration portion to the direct-services allocation. This allocation is 75% percent federal funds with a 25% match requirement, provided by the state since SFY14. These funds are most generally utilized through the certification of funds process. Title IV-B funds amount for less than 1% of yearly revenue for Children's Services 2012-2015.

Emergency Services Assistance Allocations (ESAA)

The ESAA allocations are federal Title IV-B funds used to prevent the unnecessary separation of children from their families, improve the quality of care and services to children and their families, and ensure permanency for children by reuniting them with their parents, by adoption, or by another permanent living arrangement. The allocation is 75% federal funds with a 25% match requirement, provided by the state since SFY14.

The allocation is split into two parts- preservation and reunification- that are distributed into two additional parts: operating and direct services.

1. ESSA Preservation/ESSA Preservation Operating are used to provide emergency support services for children and/or families in order to preserve the family unit in crisis.
2. ESSA Reunification/ESSA Reunification Operating are used to provide emergency support services assistance for children and/or families in order to facilitate safe and timely family reunification.

The operating allocations reimburse administrative costs and are most generally utilized through the certification of funds process. ESSA revenue accounts for less than 1% of yearly revenue for Children's Services between the years 2012-2015.

Chafee (Independent Living)

The Chafee allocation is used for the delivery of independent living services to eligible youth (youth in custody of an agency or recently emancipated youth). Funds are used to assist youth to make the transition to self-sufficiency, including education and training, mentoring, employment services, housing, and other appropriate support and services. Room and board (for emancipated youth) is limited to 30% of the allocation. The allocation is 80% federal funds and a 20% match requirement, provided by the state since SFY14. These funds are utilized/accessed by contracts and/or direct services. Chafee allocation funds amount for less than 1% of the yearly Children's Services revenue 2012-2015.

History of Property Tax Revenue Adjustments and Operational Impacts

Under state law and Department of Taxation rules, real property in all counties is reappraised every six years and property values are updated in the third year following each sexennial reappraisal. During the current levy period, Hamilton County underwent a real property appraisal in 2011 and a property tax update in 2014.

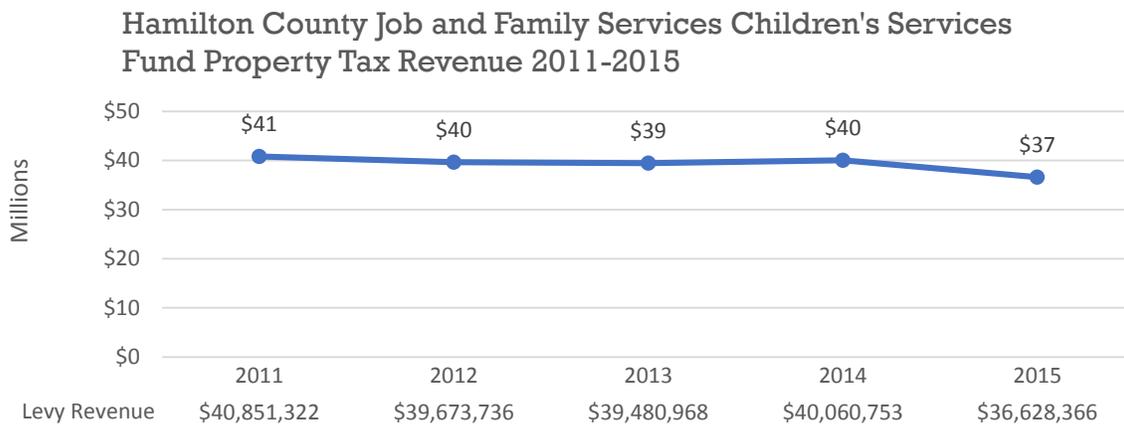


FIGURE 16: PROPERTY TAX REVENUE 2011-2015

State property tax revenue saw a 2.9% decline in 2012 and 8.6% decline in 2015. However, Ohio property tax law uses effective millage rates for its outside levies, so levy collections do not increase or decline as property values change.

Instead, since 2009, decreases were due to phase-outs of state reimbursements, specifically the Tangible Personal Property (TPP) tax. TPP is property that can be touched and moved, such as equipment, furniture, and other possessions. Since 1931, Ohio state law limited the tax to machinery, inventory, furniture, fixtures and other tangible personal property used in the course of conducting business.⁴ In 2005, the state legislature and then-Governor Bob Taft decided to stop collecting tangible personal property taxes in Ohio. To ease the impact on local governments, the state promised to fully reimburse local governments for five years, then phase out reimbursements- eliminating them by 2019.

These phase-outs led to a \$1.1M decrease in 2012, and a \$3.4M decrease in 2015 for HCJFS, from an all-time high of \$6.4M. Currently HCJFS is projecting receipts of \$700k, which will be incrementally reduced over the next three years to zero.

⁴http://www.tax.ohio.gov/portals/0/communications/publications/annual_reports/2010_annual_report/property_tax_tangible_personal_property.pdf

However, during the current levy period, the agency did not see a material operational impact, as can be evidenced in the increasing carryover balance during reappraisal intervals. However, interviews with agency staff indicated these reductions contributed to the culture of financial restraint during the levy cycle.

Sufficiency of Reserves

In 2007, HCJFS management asked Crowe, a forensic auditing firm, to provide input regarding "best practices" or "generally accepted practices" for county departments to determine the appropriate cash balance or cash on hand amount. Crowe, citing the Government Financial Officers Association's (GFOA) report on recommended practices for levels of unreserved fund balances (2002), recommended a "cash balance... of three months (25%) of annual, budgeted operating costs as required for regular operations." Crowe also recommended that HCJFS consider adding to the reserve an amount that can be used to address contingencies, though declined to offer a specific dollar amount.

In anticipation of the resolution of the special audit, CSD was maintaining an increasing carryover balance with the goal to have approximately \$90M in reserves for the unknown judgment. Given the variable nature of the potential judgment (originally \$1.2B) the agency was attempting to conserve as much as possible, while still delivering required state and federally mandated services. An additional reserve carryover balance of \$5 to \$10M dollars was recommended by the 2011 TLRC committee to establish funds that would allow the agency to respond proactively to children in need- by providing wrap-around and preventive services. Throughout the current levy cycle, the agency diligently worked to achieve sufficient reserves. As of December 2015, CSD reached their goal of reserves for operations, as well as for the outstanding audit and preventative services.

Moving forward from the audit, actual average operational expenses over the past levy cycle amount to \$74M dollars. This would indicate a need for an available carryover balance of \$18.6M. However, this projection both relies on the historical restraint by the agency, and ignores variable cash flow needs throughout the year, including reserves to cover the six-month delay on Title IV-E payments from the state.

Utilizing the projected budget for 2017-2012, which includes increased operational expenditures, the average three-month outflows indicates a need for \$23M cash on-hand to comply with the Crowe recommendations on cash balance. However, this \$23M does not take into account Crowe recommendations for an additional reserve to address contingencies like the hard match requirements to be met for Federal funding or potential litigation. Given these contingencies, PCG is recommending the agency maintain at least \$25-\$30M for a sufficient reserve of funds during the upcoming levy period.

Revenue and Expense Trends by Line-Item

HCJFS provided line-item financial information on revenues and expenses for the 2011-2015 levy cycle. To establish trends, PCG assessed both the percent change from 2011-2015, as well as average yearly growth associated with the respective line item. Below are division actuals in Revenue and Expenditures, by line item, for Hamilton County Job and Family Services Children's Services Division, as reported by the agency:

Revenue

	Average Yearly Revenue	Percent Change	Yearly Growth Rate
Property Tax Levy	\$39,339,029	-10.3%	-2.7%
Title IV-E Waiver/ Reimbursements	\$18,776,959	36.7%	8.1%
Title XX & TANF	\$7,085,160	69.6%	14.1%
Title IV-E Admin. & Training	\$6,239,862	-1.4%	-0.4%
Title IV-E FCM Admin	\$3,506,188	-6.8%	-1.7%
State Child Protective Allocation	\$3,182,161	-9.0%	-2.3%
Federal Grants/Allocations	\$1,769,050	45.3%	9.8%
MCSA Revenue	\$1,126,528	-44.7%	-13.8%

TABLE 7: REVENUE LINE ITEM TRENDS 2011-2015

Though there was a larger percent change and growth rate, between 2011 and 2015, the property tax levy was the largest and most stable source of yearly revenue for CSD. At the same time, federal funding sources including Title IV-E Waiver and Title XX & TANF funds have both the largest percent increases as well as largest annualized growth rates. These are the same funds, however, that see major restrictions on their spending, as well as a requirement for matching funds. Moreover, as noted in the sources of revenue section, Title IV-E Waiver funds, the second largest source of revenue growth for the agency, will be eliminated September 2019.

Expense

	Average Yearly Expense	Percent Change	Yearly Average Growth Rate
Out-of-Home Care	\$31,500,045	37.0%	8.2%
Staff and Operations	\$19,808,381	18.8%	4.4%
MCSA	\$3,800,909	-4.0%	-1.0%
TANF Mandated Share Transfer	\$3,531,838	0.0%	0.0%
Post Adoption Services (AA, NRE, and PASSS)	\$2,058,484	7.7%	1.9%
Children Services Legal Services	\$1,842,130	-0.5%	-0.1%
Children with Medical Handicaps	\$1,585,922	6.6%	1.6%
Contribution to Mental Health	\$1,167,266	-28.9%	-8.2%
Dependency	\$966,025	0.0%	0.0%
Kinship Child Care and KPI	\$750,114	-6.8%	-1.8%
CSEA Transfer	\$693,610	57.4%	12.0%
Tax Settlement Fee	\$588,413	-11.7%	-3.1%
Medical, Food, Rent, Utilities, Furniture, Etc. (ESSA Vouchers)	\$486,977	73.8%	14.8%
Independent Living Services	\$179,366	-54.7%	-18.0%

TABLE 8: EXPENSE LINE ITEM TRENDS 2011-2015

Two of the four largest percent increases are also two of the largest four expenses of the organization: Out-of-Home care and Staff and Operations. In context the two other major increases in expense percentages, CESA Transfers and ESSA vouchers, are immaterial compared to the size of the expenses of Out-of-Home services and agency administration. The implications of these two increasing line items are that these expenses could rapidly overwhelm the agency in the medium-term. As an example, should CSD not evaluate and control Out-of-Home Care costs, by 2021, assuming constant case growth, these costs could be over \$55M dollars- an increase of \$18.9M, and over half of the current HCJFS budget.

Areas of investment directed by the TLRC in the past levy cycle saw decreases in expenditure since 2011 due to the audit, and challenges with the Mental Health Board's inability to provide sufficient services for children and families in the system. Specifically, Kinship Child Care and Independent Living Services- practices tied to reductions of costs in Out-of-Home care and positive outcomes to children and families- saw yearly reductions in expenditures of 1.8% and 18%, respectively.

Projected Trend Analysis of Financial Capacity

HCJFS provided PCG with an anticipated budget for the upcoming levy cycle. This report includes a draft of assumptions for revenue and expense over the next Levy cycle by relevant line item, informed, in part, by the agency's initial assumptions.

Subsequent tables in this section include revenue and expenses for the previous five years (for fiscal years ended December 31, 2011 through December 31, 2015) as well as projections for the next five-Levy cycle (FY2017-FY2021). Actual revenue and expense amounts, as well as carryover balances, are based on HCJFS' reported statements through December 31, 2015.

Assumptions used in compiling the trend analysis include:

Assumptions for Revenue:

- The 2017 beginning cash balance contains roughly \$22.5M of restricted ProtectOHIO dollars. The true balance of revenue carryover is less this amount.
- Resolution of the audit will decrease agency carryover balance by \$22.5M in FY2016.
- Title IV-E Revenue:
 - Waiver will be estimated to be \$1.38M per month for 2016. In 2017, major rule changes will result in an estimated \$1.2M for 2017 thru September 30, 2019.
 - Title IV-E Traditional – The waiver ends September 30, 2019. Traditional IV-E revenue remains flat 2019 - 2021. The projected numbers will come from the ODJFS report dated 11/27/15 for FFY2015.
 - Title IV-E Admin. & Training – Assuming staff levels remain constant throughout, this number will be flat.
 - Title IV-E FCM estimates are based on the projection of \$3.37M for 2016. Over the next five years, PCG will conservatively consider \$3M in potential revenue for 2017 - 2021.
 - Title IV-E Contracts will remain flat.
- Title IV-B as this allocation has decreased roughly \$50,000 over the last 5 years we will project that the line item of \$330,000 will remain flat for 2017 – 2021.
- ESSA (Title IV-B) – As the line item has been decreasing since 2012, we anticipate a possible 5% decrease each year.
- State Child Protective Allocation – Average of previous five-year revenue, and flat during the 2017 – 2021 period.
- Chafee (Independent Living) – While experiencing a 25% reduction for 2016, conversations with HCJFS indicate likely flat revenue for 2017 – 2021.
- Other allocation (grant) amounts - These remaining allocations have been flat over an extended period. Future projections will likely see limited change.
- Property Tax Levy – Anticipating flat funding in these projections.
- Miscellaneous revenue projected flat for 2017 – 2021.
- Title XX & TANF- An average of the past five years' revenue and projected flat during the next levy cycle.
- MCSA money from other county departments has remained flat for the previous period. Projecting the same over the next period.

Assumptions for Expenses:

- TANF Mandated Shared Transfer has been the same since 2004. Projecting flat for 2017-2021.
- CSEA Match Transfer will increase as State match is reduced. Projected three percent increase for 2017 – 2021.
- Juvenile Court Dependency will remain flat for 2017-2021
- Children Services Legal Services will remain flat for 2017 - 2021

- Out of Home Care:

Assumptions for Out-of-Home care are made based on trends in increasing caseloads over the past Levy cycle. Given the significant proportion of expenditures directed to Out of Home care, a detailed analysis of the projected growth in this category is reported below. As evidenced in interviews and the caseload data, Hamilton County saw an overall growth of 2.5% in caseloads over the last levy period.

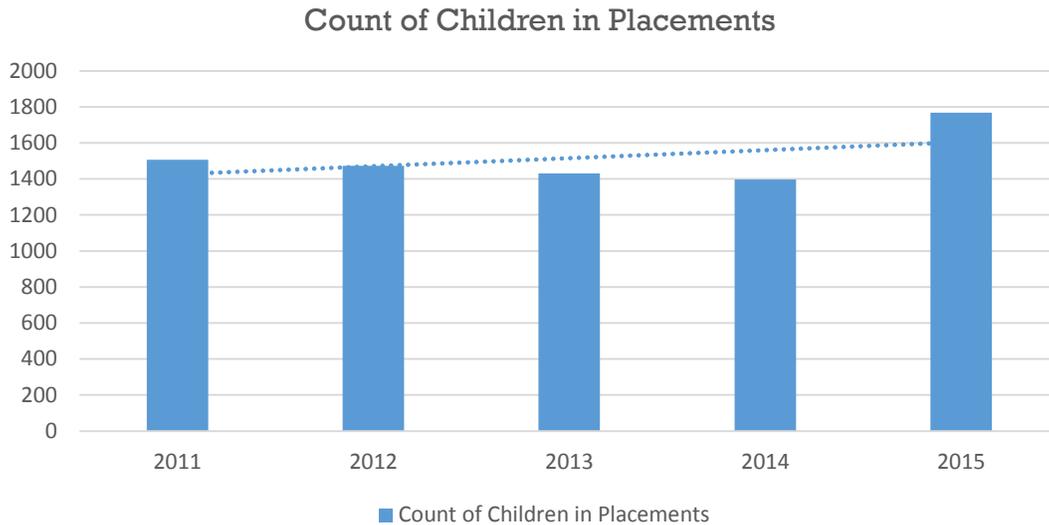


FIGURE 17: COUNT OF CHILDREN IN PLACEMENTS IN HAMILTON COUNTY

The anticipated growth in the total number of cases is calculated against the average anticipated growth in the rates paid to providers of Family Foster Home care in Hamilton County determined to be 1.5% given past historical trends. The table below provides the breakdown of these increases in expenditures to HCJFS:

	2017	2018	2019	2020	2021
Projected Out of Home Care Caseloads	1856	1901	1945	1990	2035
Average Out of Home Care Rate per Child	\$20,856	\$21,169	\$21,593	\$22,024	\$22,465
Total Anticipated Costs	\$38,708,736	\$40,242,269	\$41,998,385	\$43,827,760	\$45,716,275

These anticipated costs are offset by expenses incurred by increases in Kinship payments, which we assume, will be dollar-for-dollar. The projected expenses here are necessarily conservative, as they also do not include potential offsets for decreases in placements and/or average rates due to the success of preventative or wraparound services.

- Kinship Child Care, KPI, and Gas Cards will increase to the recommended \$3.91M then increase proportionally (2.5%) to the projected year-over-year growth of kids in kinship care over the next five-year levy period 2017 - 2021. As Kinship supports increase, expenditures to Out-of-Home costs should decrease. Dollar-for-dollar offsets to Out-of-Home care are assumed in the increase in Kinship payments.
- Post Adoption Services (AA, NRE, and PASSS) will remain flat for 2017- 2021.
- MCSA will remain flat for 2017-2021.
- Independent Living Services will remain flat for 2017 - 2021, as an average of the previous five years.
- Tax Settlement Fee will fluctuate based on the levy dollars collected, but for budgeting purposes will remain flat for 2017 - 2021.
- Mental Health - FAIR Program will remain flat for 2017 - 2021.
- Initial projections from HCJFS on the staffing and operations line item indicate an increase at of 3% each year due to health care, while keeping wages and staff levels steady for 2017 - 2021. Kaiser Family Foundation analysis of the rising costs of health care indicates a minimum projection of 4% nationwide, in line with projections from Ohio indicating a similar 4% increase. These adjustments were made to the corresponding projections. 2017 projected expense based on the increase to 2016 budgeted expenses for 100% staffing levels.
- Adoption Contracts/Services will remain flat for 2017 – 2021, as an average of the previous actual four years, excluding the outlier year of 2011.
- Children with Medical Handicaps line-item will remain flat for 2017 – 2021.
- Medical, Food, Rent, Utilities, Furniture, Etc. (ESSA Vouchers) will follow assumption of funding source and will remain flat for 2017-2021, as an average of the previous five years.
- Return SSI Checks will remain flat for 2017 – 2021.
- Wrap-around and Medical Services will increase by \$500k the first year, including the expected \$300,000 net expense for the recommended Nurse Family Partnership program, and then 2.5% year-over-year for the implementation of behavioral health and wrap-around services recommended. Average percent increase coincides with the projected increase in foster care growth over the next five years.
- Consulting/Safety Assessments, including A4CP, will remain flat 2017 – 2021.

**Hamilton County Job and Family Services Children's Services
Five-Year Agency Revenue Projection**

Revenue:	2011	2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021	
Title IV-E Waiver	\$14,673,485	\$22,887,978	\$17,818,291	\$18,451,727	\$20,053,313	\$16,227,417	\$14,400,000	\$14,400,000	\$10,800,000	\$0	\$0	
Title IV-E Traditional	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,860,280	\$7,441,120	\$7,441,120	
Title IV-E Admin. & Training	\$7,191,130	\$5,179,699	\$8,112,351	\$6,562,317	\$5,105,079	\$8,188,377	\$8,188,000	\$8,188,000	\$8,188,000	\$8,188,000	\$8,188,000	
Title IV-E FCM Admin		\$3,685,666	\$3,446,558	\$3,458,114	\$3,434,414	\$3,371,307	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	
Title IV-E Contracts	\$3,261,722	\$2,296,317	\$2,880,437	\$2,613,175	\$4,286,710	\$3,041,526	\$760,000	\$760,000	\$760,000	\$760,000	\$760,000	
Title IV-B							\$330,000	\$330,000	\$330,000	\$330,000	\$330,000	\$330,000
ESSA							\$412,400	\$391,780	\$372,191	\$353,581	\$335,902	
Other Federal Allocations							\$1,160,000	\$1,160,000	\$1,160,000	\$1,160,000	\$1,160,000	
Chafee (Independent Living)							\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	
State Child Protective Allocation	\$3,446,508	\$3,075,589	\$3,101,133	\$3,149,931	\$3,137,642	\$3,150,284	\$3,182,161	\$3,182,161	\$3,182,161	\$3,182,161	\$3,182,161	
Property Tax Levy	\$40,851,322	\$39,673,736	\$39,480,968	\$40,060,753	\$36,628,366	\$40,088,198	\$40,088,000	\$40,088,000	\$40,088,000	\$40,088,000	\$40,088,000	
Misc. Rev (SSA, VA, Child Support)	\$1,600,000	\$2,145,030	\$1,508,635	\$1,469,875	\$5,417,495	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	
Title XX & TANF	\$4,874,004	\$6,347,234	\$8,794,100	\$7,143,072	\$8,267,389	\$4,459,173	\$7,085,160	\$7,085,160	\$7,085,160	\$7,085,160	\$7,085,160	
MCSA	\$0	\$1,783,654	\$1,015,870	\$720,433	\$986,155	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	
Total	\$75,898,171	\$87,074,903	\$86,158,343	\$83,629,397	\$87,316,563	\$80,476,282	\$81,005,721	\$80,985,101	\$79,225,792	\$73,988,022	\$73,970,343	

TABLE 9: REVENUE PROJECTIONS 2017-2021 *BUDGETED

**Hamilton County Job and Family Services Children's Services
Five-Year Agency Expense Projection**

EXPENSES:	2011	2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021
TANF Mandated Share Transfer	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838	\$3,531,838
CSEA Match Transfer	\$1,347,343	\$0	\$0	\$0	\$2,120,709	\$928,707	\$928,700	\$956,561	\$985,258	\$1,014,816	\$1,045,260
Dependency	\$967,313	\$967,313	\$961,188	\$967,313	\$967,000	\$967,313	\$967,313	\$967,313	\$967,313	\$967,313	\$967,313
Children Services Legal Services	\$1,896,000	\$1,750,070	\$1,779,078	\$1,899,243	\$1,886,257	\$1,896,000	\$1,896,000	\$1,896,000	\$1,896,000	\$1,896,000	\$1,896,000
Out Of Home Care	\$26,564,485	\$29,947,523	\$32,476,303	\$32,116,324	\$36,395,589	\$40,871,508	\$35,648,736	\$37,105,769	\$38,783,473	\$40,532,475	\$42,338,608
Kinship Child Care, KPI and Gas Cards	\$875,000	\$592,741	\$736,291	\$731,442	\$815,094	\$850,000	\$3,910,000	\$4,019,480	\$4,132,025	\$4,247,722	\$4,366,658
Post Adoption Services	\$2,050,000	\$1,943,775	\$1,999,532	\$2,092,053	\$2,207,059	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000
MCSA	\$4,000,000	\$4,181,065	\$3,469,468	\$3,513,800	\$3,840,211	\$3,700,000	\$3,900,000	\$3,900,000	\$3,900,000	\$3,900,000	\$3,900,000
Independent Living Services	\$294,500	\$140,627	\$149,982	\$178,268	\$133,452	\$524,989	\$179,366	\$179,366	\$179,366	\$179,366	\$179,366
Tax Settlement Fee	\$622,543	\$603,917	\$613,836	\$552,227	\$549,541	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Mental Health	\$1,800,000	\$916,489	\$950,755	\$889,539	\$1,279,545	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Staffing and Operations	\$18,210,499	\$21,125,150	\$17,576,057	\$20,502,440	\$21,627,757	\$25,686,882	\$26,714,357	\$27,782,932	\$28,894,249	\$30,050,019	\$31,252,020
Adoption Contracts & Services	\$3,176,600	\$56,973	\$62,171	\$95,637	\$83,409	\$111,500	\$74,548	\$74,548	\$74,548	\$74,548	\$74,548
Children w/ Medical Handicaps		\$1,716,715	\$1,285,213	\$1,511,184	\$1,830,577	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Medical, Food, Rent, Utilities, Furniture, Etc. (ESSA Vouchers)	\$409,640	\$383,759	\$417,961	\$511,692	\$711,832	\$580,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
Return SSI Checks		\$122,663	\$83,144	\$126,223	\$85,799	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Wrap-Around and Medical Services	\$377,250	\$874,986	\$3,950,299	\$184,555	\$372,339	\$1,013,500	\$730,000	\$762,850	\$797,178	\$833,051	\$870,539
Consulting & Safety Assessments							\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Total	\$66,123,011	\$68,855,604	\$70,043,116	\$69,403,778	\$78,438,008	\$87,112,237	\$86,180,858	\$88,876,657	\$91,841,248	\$94,927,148	\$98,122,150

TABLE 10: EXPENSE PROJECTIONS 2017-2021 *BUDGETED

**Hamilton County Job and Family Services Children's Services
 Five-Year Agency Carryover Projection**

	2011	2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021
Beginning Cash Balance	\$56,007,037	\$65,782,197	\$84,001,496	\$100,116,723	\$114,342,342	\$123,220,897	\$94,084,942	\$88,909,805	\$81,018,249	\$68,402,793	\$47,463,667
REVENUE:											
	\$75,898,171	\$87,074,903	\$86,158,343	\$83,629,397	\$87,316,563	\$80,476,282	\$81,005,721	\$80,985,101	\$79,225,792	\$73,988,022	\$73,970,343
EXPENSE:											
	\$66,123,011	\$68,855,604	\$70,043,116	\$69,403,778	\$78,438,008	\$87,112,237	\$86,180,858	\$88,876,657	\$91,841,248	\$94,927,148	\$98,122,150
Total Carryover Balance	\$65,782,197	\$84,001,496	\$100,116,723	\$114,342,342	\$123,220,897	\$94,084,942**	\$88,909,805	\$81,018,249	\$68,402,793	\$47,463,667	\$23,311,860

TABLE 11: CARRYOVER BALANCE PROJECTIONS 2017-2021
 *BUDGETED; **REMOVES \$22.5M FOR AUDIT JUDGMENT

Potential Threats to HCJFS in the Next Five Years

From a programmatic and fiscal perspective, HCJFS will have to address several challenges over the next five years. Many of these are inter-related and the results can be detrimental to children in the community if any or all are not addressed. It should also be noted that most jurisdictions around the country are dealing with the same complexities within child protective services and foster care.

Young Children Most Vulnerable

As is the case nationally, children from 0 – 5 years old are the most vulnerable population that CSD serves. From 2005 to present, there have been 20 child fatalities, all resulting from abuse or neglect of a parent or caregiver. All these children have been between zero and five years old. Both community members and internal staff noted that focusing on this population will be critical to ensuring the safety and improvements within the system. Addressing this need will also decrease Adverse Childhood Experiences (ACES)⁵ that lead to poor health, educational, and behavioral health outcomes for children as adults.

Opioid Addiction Epidemic Impacting Child Safety

HCJFS has seen, and will continue to see, an increase of children coming into the child protective services system and foster care due to their parent's opiate addiction. This will result in a growing challenge in keeping children safe. Currently, an estimated 70% of infants in HCJFS custody have come into care due to this issue. Research indicates that children raised in substance-abuse environments are vulnerable to a toxic stress that culminates in trauma, which impacts long-term health and behavioral health outcomes for children. Issues such as depression, anxiety, PTSD, behavioral and learning difficulties, attachment disorders and diseases such as asthma, diabetes and others are a resulting of multi Adverse Childhood Experiences. The costs of addressing this issue are unknown at this time, but the opiate issue continues to trend up as an issue impacting child safety.

In order to address this national epidemic, there is currently pending legislation "Protecting Families Affected by Substance Abuse Act" that would appropriate \$1.1 billion in new funding to address heroin and opioids addictions. This legislation may provide jurisdictions with some funds to address this issue through early intervention and prevention services; child and family counseling; mental health services; parenting skills training; and replication of successful models of providing family-based, comprehensive long-term substance abuse treatment. The amount of funding for jurisdictions, including Hamilton County, is not known at this time.

Nationally, there is also a proposed \$40M increase in designated substance abuse regional partnerships through the Promoting Safe and Stable Families (PSSF) program when reauthorized later this year, which would increase the funding from \$20M to \$60M a year that would be divided up among all jurisdictions in the US.

Inadequate Trauma Informed Behavioral Health Services

There is a need for increased behavioral health services that address the changing complexity of families who are encountering the child welfare system. While there are some provider resources currently, HCJFS will need to enhance its offerings to address the widening numbers and complexity. According to community members and HCJFS staff, there are waitlists for services already provided. In addition, evidence-based trauma-focused cognitive behavioral therapy (TF-CBT) is critical to address the trauma of children in the child protective services system who have experienced multiple Adverse Childhood Experience as well as for children in foster care who experienced trauma. These services will help children to have less significant behavioral issues, increase their performance in school, and ensure that, as adults, they have less health and behavioral health issues. While there are certified TF-

⁵ <http://www.acestudy.org/>

CBT therapists in Hamilton County, additional resources will be needed in order to meet the increased numbers of children coming into foster care.

Increasing Number of Children in Foster Care

Hamilton County has experienced an upward trend of children coming into foster care. This is a result of many factors, including the opiate issue and behavioral health needs, as well as an increased focus on accurate safety decision making. Hamilton County had 888 children who entered foster care in 2011, when the previous levy cycle began. In 2015, 1,142 entered foster care – a 28.6% increase in five years. Increasing numbers of children entering care demands additional staff to work with children and families to meet both case management needs such as visitation, Court reviews, and face-to-face visits. This will also require work to recruit and retain foster home placements and address the needs related to trauma for children. HCJFS will need to address both internal staff resources and services, as well as external service provisions to ensure the growth of service provisions to the children in foster care, as well as their parents, is maintained.

Family Setting Out-Of-Home Placements for Children

As foster care increases, so does the need for Family Foster Homes. Family Foster Homes allow CSD to place children in the most family-like setting possible. Federal law and best practice dictate that children in foster care be placed in the least restrictive, most family-like environments available capable of meeting their needs. Congregate care has negative effects on children, particularly young children. Hamilton County does well in utilizing family placement settings most frequently.

In order to continue to ensure there are enough family setting placements and behavioral health wrap-around services for children in Hamilton County's custody, an intentional focus on recruitment and retention of resource parents is crucial. In addition, developing formal support for kinship caregivers will help to ensure children stay within their families. These supports could include a stipend, vouchers for clothing and food assistance, as well as childcare. Structured formal and informal supports are needed to ensure safety, permanence, and well-being. In addition, providing these supports are less costly than children going into foster care. Addressing this would align with the pending legislation, "Families First Act", intended to direct investments at keeping children safe and supported at home and in family-like settings

Workforce Stability

While there is stability within executive level leadership, there is little succession planning occurring, due to the need to focus on filling currently vacant positions. In addition, understanding the multiple generational workforce of today is key in ensuring organizations attract new staff and keep experienced, veteran staff.

Hamilton County's direct staff turnover increased significantly over the last year and most staff leave within the first two years. Research indicates that child welfare performance outcomes are significantly impacted by turnover. For example, children in foster care who have one direct practitioner achieves permanency 74.5% of the time. However, if a child has two direct practitioners, their chances of achieving permanency drops to 17.5%. Turnover also impacts timeliness of assessing safety. Child welfare agencies with a turnover rate exceeding 15% had a six-month recurrence rate (an important measure in the federal Child and Family Service Reviews) 125% higher than those with turnover rates below 8.5%. Fiscally, turnover is extremely costly to the organization. Costs to advertise, interview, and hire one position costs between 30% and 70% of the salary of the staff person each time a staff member leaves the organization. Investing up front in onboarding, training and addressing secondary trauma are keys to retaining staff.

Secondly, the agency will need to address secondary trauma within its staff. Much research has been done on the impact of the work child protective services staff do every day and the link to secondary trauma, which impacts the person at work and during their time off. The link has been made that much like EMS and law enforcement, child welfare staff are first responders and need specific debriefing after a critical incident occurs. They are frequently on

the scene with the police when a child is harmed or when a violent situation requires response. Particularly in serious injury or child fatality cases, intervention will be needed to address the trauma the direct practitioner has witnessed. Putting structures into place that address this issue for direct staff results will also assist in increased retention.

Finance

HCJFS is aware of a number of revenue sources that will no longer be available to the agency by the end of the next levy period. ProtectOHIO funding is likely to discontinue. ProtectOHIO money is federal Title IV-E Waiver money that provides for flexible spending on children in foster care and is at risk of non-renewal at the federal level. The agency will lose nearly \$10M annually beginning in 2019. An estimated 42% of this revenue will be offset by traditional Title IV-E funds, but will lack the flexibility for the agency to provide innovative prevention services. The use of ProtectOHIO funds has enabled the agency to stretch Levy dollars; because ProtectOHIO funds were more flexible than traditional funds, Levy dollars could be used to address changing needs of the community. With the transition, Levy dollars will now be necessary to meet strict match requirements of traditional Title IV-E dollars, limiting the flexibility of the agency to utilize its funds innovatively. In addition, the Tangible Personal Property Tax will phase out and, assuming the levy millage remains flat, will result in the loss of \$700k by the end of the next levy cycle.

There are also potential changes happening with the Modernize Medicaid reform beginning in 2017 that could financially impact HCJFS. Beginning in 2017, all children in foster care will be enrolled in managed care, resulting in the transition from fee-for-service to a per-member per month (PMPM) payment system. While there are still issues in implementing the new system (such as placing specific providers with specific mental health managed care organizations, and developing billing and cost structures), costs of services could fall back to the County for children in foster care.

As one example, a PMPM system would cap the number of sessions for any given service. HCJFS may then be forced to cover the costs for required sessions not otherwise covered under the new system. One example is, Trauma Focused Cognitive Behavioral Therapy (TF-CBT) when not recommended by mental health providers and ordered by the Court. The typical number of sessions to complete TF-CBT is 26 sessions. If the new system only supports payment for 20 sessions, HCJFS would be forced to pick up the cost of the remaining six.

Another example of potential expenses is related to services in residential treatment settings. In this instance, where providers could pull out specific services to bill to Medicaid for and shift non-Title IV-E costs back to HCJFS. This change would result in increased County costs because of the inability to control Title IV-E expenses. Due to lack of details, PCG could not project a specific dollar amount to be shifted to the County. However, HCJFS finance staff has estimated the potential liability may be as high as \$10.4M, annually.

Hamilton County utilizes foster homes and kinship homes most often and minimizes use of congregate care. Intentional focus on maintaining that strength is critical both for outcomes for children and fiscally. The Families First Act is pending legislation that would reduce the use of congregate care by limited the time they would pay for children to be maintained in that placement type. Focusing on recruitment of foster homes and supports to kinship providers is key to address the needs of children in care. In fact, increasing Out-of-Home care and the uncertainty around Title IV-E traditional funding replacing the waiver contributes to the significant gap between projected revenues and expenses in the upcoming levy cycle.

Finally, both Temporary Assistance for Needy Families (TANF) and Title XX (Social Services Block Grants), both of which fund child welfare, are up for discussion in FFY17. While there are no cuts currently proposed, these two funding streams are often at risk.

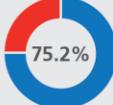
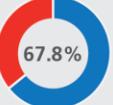
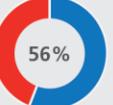
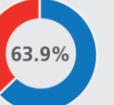
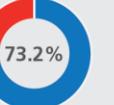
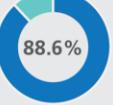
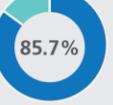
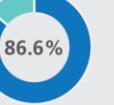
Comparative Data and Analysis

The charts below compare Hamilton County to two similarly sized counties in Ohio.

County	Turnover	Budget	Ongoing Caseload Ratio	Placement Stability
Hamilton	43%	\$87,112,237	18	85.7%
Cuyahoga	16.4%	\$133,402,900*	13	92.2%
Franklin	22%	\$193,302,397	14	86.6%

*2014 data

The chart below compares Hamilton County, Ohio and two similar size counties in Ohio in relation to four federal child welfare performance measures. No one county nor Ohio meets all of the established performance measures. In fact, nationally, there is no organization that meets all of the federal performance measures. Hamilton County has strength in placement stability with adoption within 24 months being an area that warrants further trend analysis by the continuous quality improvement team.

Child Welfare Outcomes	Federal Performance Measure Standard	Ohio	Hamilton	Cuyahoga	Franklin
Safe From Repeat Maltreatment*					
Reunification in 12 months					
Adoption within 24 months					
Placement Stability**					
Median Months of Stay in Foster Care	N/A	11	11	13	9

*for 6 months (of victims 6 months ago)

**2 or fewer placements (of those in care under 12 months)

Summary of Principal Observations and Recommendations

PCG has established five principal observations and recommendations, with strategies outlined for each recommendation, including costs and potential returns on investment. All recommendations and strategies are based on experience in other jurisdictions, research, or national best practice. In addition, strategies are targeted toward improvement of child welfare performance measures, safety, permanence, and wellbeing of children in Hamilton County.

Observation #1: In the last five years, JFS has implemented both infrastructure and social work practice strategies targeted to improve child welfare performance measures. To continue improvement towards meeting these federal measures, improved implementation and additional strategies are needed.

Recommendation #1: Build upon successes from new and implemented strategies that continue to improve federal performance and data measures through the following strategies:

1. Engage key community partners to create a strategic plan that determines the strengths, gaps, and next steps in improvement of data and outcomes related to safety, permanence, and well-being.

Community partners agreed a coordinated community stakeholder planning session is needed in order to both improve outcomes and align priorities with the Children's Services Tax Levy strategies and budget. HCJFS Director Weir has secured facilitators for a planning session. Recommendations outlined in this report should be discussed in the planning session as well as strategies designed to meet the needs of children and families. Issues facing the zero to five population should be a part of the planning process, as well as addressing the Neonatal Abstinence Syndrome, and the general increase in Hamilton County of opiates use and its impact on child safety. In addition, the planning process will assist community partners in shaping their services to meet the evolving safety, permanence, and well-being needs of children and families in the community and should be aimed at improving required federal performance measures. Finally, the planning group should leverage HCJFS and Court data to develop strategies that can improve the timeliness of outcomes. Costs for this recommendation are minimal as outside the costs of the facilitator, additional costs for this strategy are primarily opportunity, as the staff and directors are already absorbed by the agency. The end result of this work should provide a strategic framework for the agency to better meet outcomes and goals.

2. Enhance the existing continuous quality improvement (CQI) system to improve performance measures.

JFS leadership recently dedicated two staff positions to complete basic continuous quality improvement functions and review casework such as child fatalities. However, additional in-depth analysis is needed to identify trends within each outcome area. The National Child Welfare Capacity Building Center for States⁶ outlines best practices and methodologies designed to assist jurisdictions in implementing a CQI system. Within this methodology, there are a number of best practices that would allow HCJFS to choose and implement a framework that best fits their needs. The CQI system must include, at a minimum, data analysis and collection- both retrospectively and proactively- identifying interventions that worked, do not work, and that are proven to work (evidence-based), implements strategies to change case trajectory that meets performance measures, and evaluates interventions. An effective CQI system not only assists in improving outcomes, but impacts the organizational climate in a positive way, through engaging the workforce in the process. Effective CQI allows direct practitioners to change their practice to influence outcomes positively, but creates a transparent and non-blaming learning environment, which is a core reason practitioners stay in organizations. Implementation steps for enhancing the CQI system in Hamilton County includes: 1) Defining baseline performance measures with quantitative or qualitative data that are collected and analyzed using methods that are objective, systematic, and matched to the key performance question; Collecting and analyzing process and quality data used to monitor fidelity during the implementation period

⁶ <https://capacity.childwelfare.gov/states/>

and to address gaps in fidelity throughout the implementation process; 2) Constructing a business process map that diagrams the service delivery process and identifies inefficiencies in process or quality of care that may contribute to the outcome; 3) Collecting and analyzing process and quality data used to monitor fidelity during the implementation period and to address gaps in fidelity throughout the implementation process, and; 4) Conduct a cost-benefit analysis to determine the return on investment in the intervention. Costs for this process include the reallocation of additional positions to CQI staff and potential consultation to implement a robust CQI system as well as potential technology needs related to data access and dashboards. As a Title IV-E and Title IV-B agency, HCJFS may be able to share the costs in implementing and maintaining these systems, specifically:

- HCJFS can claim Title IV-E training funds for short-term training relative to child welfare related CQI and program improvement consistent with a CFPSR or other monitoring activities for costs associated with Title IV-E eligible cases on allowable topics, though the allocation of a CQI system must be included in an approved cost allocation plan. The rate of claiming may vary depending on the training topic, when training is claimed, and the individuals trained.
 - Appropriate costs associated with the planning, designing, developing, implementing, maintaining and operating a SACWIS that incorporates both data and functionality of CQI components are considered necessary for the proper and efficient administration of the Title IV-E State plan. As such, allowable costs can be claimed at SACWIS levels.
 - Title IV-B subpart 1 funds can be used to support a CQI system in child welfare because CQI activities are considered Title IV-B program and not administrative costs.
 - Title IV-B subpart 2 funds can be used to support a CQI system in child welfare because CQI activities are considered Title IV-B program and not administrative costs.
3. Continue to collaborate with ACTION 4 Child Protection to further safety-focus in practice with children and families.

ACTION 4 Child Protection (A4CP) is continuing the work Of the National Resource Center for Child Protective Services. The evidence informed model utilizes implementation science that provides structured decision making regarding child safety. JFS has been contracting with A4CP for four years and are observing positive changes in practice with children and families. Interviews with staff and management indicate staff are better equipped to identify issues that impact child safety, return children when safety has been mitigated, and are improving practice skills. The performance resulting from this contract should be measured through 2 – 3 performance goals that the CQI Team could review and rate. Costs of continued implementation are roughly \$800k per year.

4. Improve data analysis focusing on increasing capacity to manage daily workload, analyzing outcome trends, and building profiles of successful interventions.

While Hamilton County does have a SACWIS system, managers and supervisors do not utilize real-time, day-to-day data to manage caseloads and workloads because it is inefficient. In addition, there is no dashboard or CQI reporting data system that allows direct practitioners, supervisors, managers, CQI staff or the director with real-time access to case files. A document management system- linked with SACWIS that would allow the scanning of all documents as open files- would allow real-time access to information that improves child safety, permanence, and well-being by giving providers access to data when needed. Direct practitioners in the field would then be able to see needed information while with the family or in a team meeting in the community. A tiered approach and that ties the new CWIS requirements would add the benefits of real-time data to upcoming federal requirements for data management systems. Costs for implementation of this recommendation include the scanning all open records that have hard files into a document management system, acquiring a document management system and staff to scan into the document management system and a vendor to implement the plan, along with additional tech updates.

Observation #2: The workforce at HCJFS in CSD has had a significant increase of direct practitioner turnover, losing 43% of their staff over the past year. In addition, 57% of the direct practitioners in the organization have under five years' experience. Not only are these attrition and experience rates highly correlated with negative impact

outcomes for children and families, but typical agencies pay 30-70% of salary when social works leave⁷. Reports from staff and management indicate practitioners feel pressures from media scrutiny, low pay, and high workloads. In one instance, a community partner reported they wait for HCJFS to train staff then target them with higher salaries as an enticement to switch jobs.

Recommendation #2: A continuum of strategies is needed in order to address turnover issues in HCJFS CSD. Research indicates⁸ turnover negatively impacts performance related to safety, permanence, and well-being of children and families.

1. Develop and implement a new, proactive, timely recruitment and hiring system.

If all budgeted positions were staffed consistently, CSD would meet projected recommended caseload ratios over the next five years. However, given Family Medical Leave Act (FMLA), other leave, and the frequency of staff leaving, it is difficult to reach 100% of the budgeted positions full at any time. Implementing a proactive hiring system utilizing metrics that develops an ongoing pool of well-qualified candidates that can be quickly hired is key to proactively managing the hiring process. The National Child Welfare Workforce Institute, along with universities and partners from jurisdictions across the US have established several best practices related to hiring child welfare practitioners.

One best practice would be to utilize a structured interview process. This process consists of a phone pre-interview questionnaire, a realistic job preview video, incorporating a competency-based, scored, three-interviewer structured interview, and a case study that allows the interviewee to demonstrate skills mining information and in writing up a case summary⁹. This allows better matching for positions throughout HCJFS. In addition, having an ongoing pool of interviewees that already interviewed is critical to bringing in staff for open positions quickly. Concurrently, developing relationships with universities and partners to recruit new staff well matched for child welfare work is crucial in both recruitment and establishing partnerships with universities for interns, who may stay within the organization to work after graduation. While some costs associated with more comprehensive hiring practices could be offset through Title IV-E, HCJFS would be able to recoup the majority of the expenses through cost-mitigation from decreasing direct costs of advertising, interviewing time, background screenings and training, as well as through mitigating the indirect costs of low morale and higher caseloads.

2. Enhance onboarding for new staff- focusing on the first two years- with a structured onboarding and training plan.

HCJFS recently reallocated two positions for the purpose of addressing training and onboarding of new staff. However, given the numbers of staff recently hired, two positions are not sufficient to meet the needs of the agency. PCG recommends moving at least two additional positions to train and onboard new staff. This will allow training on the A4CP safety model, allow them to learn about JFS and Ohio CSD policies and procedures, obtain real-time feedback on their performance and interactions with families, and have a "mentor" that supports their development along with their supervisor. In addition, utilizing the structure of "stay interviews" at the 30/60/90-day mark, that has been supported by the Society for Human Resource Management, that provides human resources supports both nationally and abroad, assists with understanding what will keep a direct practitioner within the organization.

3. Implement a Critical Incident Stress Management model to address secondary trauma following a critical or volatile situation.

The Peer Support Network through The Southwest Ohio Critical Incident Stress Management Team, Inc. was established in 1986 and serves several counties, including Hamilton County. The network provides an

⁷ http://www.gao.gov/new_items/d03357.pdf

⁸ https://ncwwi.org/files/Job_Analysis_Position_Requirements/Agency_workforce_estimation.pdf;

http://www.cpsr.us/workforceplanning/documents/06.02_Relation_Staff.pdf; http://www.cpsr.us/workforceplanning/documents/06.02_Relation_Staff.pdf

⁹ http://ncwwi.org/files/Competency-based_recruitment_1-pager.pdf

organized system of crisis intervention to assist helper provider professionals reduce secondary or cumulative trauma and continue to do their work. PCG recommends that HCJFS become a part of the Peer Support Network, which consists of allowing staff and supervisors to be trained in the CISM model. In addition, PCG recommends the agency consider a contract with a person outside of the organization who could serve as a Resiliency Specialist, who would lead JFS engagement in the Peer Support Network. The Resiliency Specialist would be on-site allowing direct practitioners to access them to address ad-hoc secondary trauma with specific parameters around confidentiality. Costs for implementation of these recommendations include opportunity costs for staff to be trained in CISM and a roughly \$75,000 expense for contracting a Resiliency Specialist.

Observation #3: Over the last year, Hamilton County has seen a 17.1% increase in children coming into foster care; seventy-percent of infants coming into foster care do so because of a heroin-related incident. These factors strains HCJFS, as well as the Courts, behavioral health providers, and child-placing agencies. Most children in foster care have experienced one or more traumatic Adverse Childhood Experiences, and the needs of their parents and caregivers are complex- many times encompassing not only substance abuse, but untreated mental health needs.

Recommendation #3: Implement additional evidence-based or evidence-informed services to support positive outcomes for children in foster care. The below recommendations will allow JFS to prevent foster care entries, support timely reunification of children, and implement more robust interventions to address needs specific to child protective services consumers.

1. Establish performance-based contractual relationships with behavioral health organizations to increase access to Trauma Focused Cognitive Behavioral Therapy (TF-CBT) for children in foster care. Hamilton County should also consider Parent Child Interaction Therapy, another evidence-based visitation model.

Although Medicaid pays a portion of the cost for children to access TF-CBT, there are a limited number of certified providers- delaying children in care from having access to needed services. By establishing a contractual relationship with a provider or multiple providers and paying a supplement to allow for quicker access, children in care would have quicker access to services addressing their adverse childhood experiences. This strategy would not only address the needs of the children, but would begin to address behaviors they exhibit in foster or kinship homes as well. Further, addressing the root cause of trauma can prevent children from being on psychotropic medications, a focus of the Administration of Children & Families. Finally, this intervention can decrease the use of more restrictive placements, such as congregate care, reducing the cost of placement for children in care.

The Parent Child Interaction Therapy (PCIT)¹⁰ is an evidence based, trauma focused visitation model that works with the parent and coaching them during visits with their child and places emphasis on improving the quality of the parent child relationship. This service could be contracted to a behavioral health provider with a licensed clinician who has been certified in delivery of this model.

2. Establish performance-based contractual relationships with behavioral-health organizations to deliver timely services impacting the needs of the parent population within child welfare.

Addressing parental or caretaker's behavioral health needs is equally important as addressing the needs of the children in foster care. In order to achieve timely permanence, it is critical that parents have timely access to services that accurately assess their needs and make recommendations to address the issues. Once recommendations are made, quick engagement is key to ensuring parents and caregivers begin their services. If there are delays in receiving and accessing ongoing services, there are subsequently delays in achieving reunification in a timely way. By collaborating with one or more behavioral health organizations for quick access for service provision, JFS will begin to move closer to meeting the federally established reunification outcome or will be able to find an alternate permanent plan for the child.

¹⁰ <http://www.pcit.org/>

3. Consider implementation of evidence-based substance abuse strategies including peer-support and intensive interventions that address the heroin and opiate crisis.

Hamilton County currently has a group called the Hamilton County Heroin Coalition focused on addressing this issue and identifying resources to tackle this topic. While the task force has been ongoing, it has not been focused on addressing the specific needs of parents who have come to the attention of child protection. PCG recommends that the Task Force include the HCJFS Director, in order to develop strategies specific to the child welfare parent population. This is needed because both prescription and illegal opiates, such as heroin, are impacting the number of children entering foster care, as well as the number of families with whom child protective services works. This issue requires an aggressive, multi-disciplinary approach and innovative strategies between child welfare, Courts, behavioral health and partnerships with hospitals and health care professionals to address due to the number of babies born experiencing Neonatal Abstinence Syndrome (NAS). Fortunately, Hamilton County already has a model Drug Court, which will support and further the strategies implemented within the community.

Many times, before being able to address any other issues related to child safety, parents must enter an inpatient or intensive outpatient substance abuse treatment program and parents may also require ongoing medication treatment for their addiction. HCJFS should explore how to ensure quick access to these services for parents and caregivers who are motivated to change, because of the limited window of opportunity.

There are several creative strategies that the Hamilton County community should explore, related to this issue. According to the California Evidence Based Clearinghouse for Child Welfare, there are several models supported by evidence worthy of further study and consideration by Hamilton County, HCJFS and behavioral health providers.

- **Adult-Focused Family Behavioral Therapy**¹¹: This model includes a continuum of treatment strategies aimed at decreasing alcohol and drug use, decreasing safety risks to children and motivating parents to continue in recovery. The intervention takes place in a variety of locations, but mostly the home of the family.
- **Seeking Safety**¹² is a present-focused, coping skills therapy to help people attain safety from trauma and/or substance abuse. Primary goals include decreasing trauma of the parent, addressing the substance abuse and recovery and changing behavior. This intervention is conducted in group or individual format and in a variety of settings, including the home.
- **Helping Women Recover & Beyond Trauma**¹³: This intervention integrates three theories: a theory of addiction, a theory of women's psychological development, and a theory of trauma to decrease substance abuse and stabilize recovery.
- **Sobriety Treatment and Recovery Teams (START)**¹⁴: This model is an intensive child welfare program for families with co-occurring substance use and child maltreatment delivered that focused on child safety, addressing addiction and offering peer support. This model aligns with child welfare through using a system-of-care and team decision-making approach with families, treatment providers, and the drug and juvenile courts.

While there is no one strategy that will address this issue for every family, a continuum of services should be considered by the Task Force to address as many as possible. In addition, federal legislation, the called the Family First Act would allocate funding to states to address parental substance use- before children face serious safety threats- to prevent children from entering the child welfare system. This would allow further study into evidence based or informed and promising practices to address the opiate issue within child welfare. Recommended next steps include soliciting outside expertise to convene a task force to help develop a plan to pick interventions best meeting Hamilton County needs and determine the Return on

¹¹ <http://www.cebc4cw.org/program/adult-focused-family-behavior-therapy/>

¹² <http://www.cebc4cw.org/program/seeking-safety-for-adults/>

¹³ <http://www.cebc4cw.org/program/helping-women-recover-beyond-trauma-hwr-bt/>

¹⁴ <http://www.cebc4cw.org/program/sobriety-treatment-and-recovery-teams/detailed>

Investment for HCJFS.

4. Increase the number of family foster homes through contracts with child placing agencies, within Hamilton County, to support children in family foster care settings.

In order to increase family foster homes within Hamilton County, JFS should establish recruitment performance metrics within their contracts with child placing agencies responsible for their recruitment and licensure. The metrics should include a specific number of family foster homes, in specific areas of the county that should be developed for Hamilton County JFS. Incentives for meeting and/or exceeding the metrics for recruitment and licensure should be established and offered in order to address the need. A marking plan developed in conjunction with HCJFS PIO that includes demographics of children in foster care, including large sibling groups, opiate addicted children and older youth, should be developed and disseminated within the community.

5. Developing strategies that support kinship caregivers including through child care, stipends, and other concrete supports

The most desirable family setting placement for children is with their own kin or people whom they know. In Hamilton County, 32% of children in foster care reside in kinship care, a best practice in child welfare. Some kinship providers have the ability to obtain licensure that allows them to receive a monthly board payment – and many do not meet the criteria. For those who could be licensed, HCJFS should consider either group training or one-on-one licensure training to best fit the needs of the families.

For those who do not meet criteria, they can access a monthly TANF payment for children in their care. However, kinship providers struggle with meeting basic necessities such as clothing, gas, and child care, and do not receive a monthly stipend equal to the board payment foster parents receive. To support kinship providers there are several options that Hamilton County could consider:

- If kinship providers are TANF eligible, providing a monthly stipend that combines TANF payments with county funds that equal a board payment for the child;
- Explore making county-based payments that would have been received if they were a licensed foster parent;
- Funds via gift cards to assist with clothing, school supplies, gas, and other basic needs;
- Contract with a provider be a Kinship Navigator liaison between kinship caregivers and HCJFS, including establishing a support group, and linking caregivers to support in their community. Ideally, the Navigator would partner with veteran kinship caregivers that could share their experiences and expertise with current kinship providers; and
- Allocate a specific amount of child care funding to support children in kinship placements

A kinship family may not need all of the services listed above, however, if there were options from which direct practitioners could choose depending on the situation, it would better support children in kinship placements, stabilize children and lead to better outcomes. The projected cost of an additional monthly stipend for kinship providers to match the current board payment for a child is \$2,150,000 annually. In addition, providing funds to assist with clothing and incidentals for kinship providers is projected to be an annual cost of \$1,692,000.¹⁵ Finally, the cost of hiring a Kinship Navigator to provide increased communication between caregivers and HCJFS is anticipated to be \$70,000 per year for a total cost of all kinship services to equal \$3.91M.

6. Implement trauma informed education and training for staff, foster homes, and kinship providers.

Many times children in foster care and kinship care exhibit behaviors related to the trauma experienced as a result of abuse or neglect, as well as removal from their families. In order to assist professionals and

¹⁵ <http://www.childtrends.org/wp-content/uploads/2013/05/2013-19FosterCareReimbursement3.pdf>

caregivers in addressing behaviors of children in foster care related to trauma, concrete skill building through training is needed. There are several best practice models that Hamilton County can explore for implementation including: Attachment, Regulation and Competency (ARC)¹⁶, NCTSN, and the Resource Parent Curriculum (RPC)¹⁷ all of which have significant success in other jurisdictions helping foster parents and kinship caregivers:

- Understand how trauma affects children who in their emotions and behaviors, and how placement disruptions further that trauma;
- Teach concrete skills that parents can use in their homes when there are behavior issues related to trauma;
- Demonstrate the link between trauma the child has experienced and the behavior parents are seeing in their homes; and
- Educating foster parents about evidence-based trauma focused treatment and advocacy for needs of children in their homes.

PCG recommends this training be completed for existing foster parents and kinship caregivers through a schedule of classes throughout the year that would meet annual training requirements or that would offer incentives for kinship caregivers. For new foster parents, integrating the trauma modules into the existing licensure curriculum would be effective. In addition, there should be a two-day training for all child welfare staff to ensure they understand the impact of trauma, as well as to understand what foster parents and kinship caregivers are learning. HCJFS could choose to require training for existing contract staff who licensure foster homes, train staff who work with kinship providers or contract with trainers to deliver the training locally. The expenditures associate with implementing trauma informed education for staff and caregivers would include the cost of a mental health care professional as well as foster parent as cofacilitators for the Resource Parent Curriculum.

Observation #4: In the last five years, Hamilton County has had twenty child fatalities. All were under the age of five and 18 were under the age of two. New approaches and partnerships are needed to address the most vulnerable population served by HCJFS.

Recommendation #4: Consider directing resources and engaging in partnerships that begin to address the needs of children ages zero to five in Hamilton County.

1. Consider expanding evidenced-based models such as Nurse Family Partnership¹⁸ or other home-visiting programs in partnership with Cincinnati Children's Hospital.

Nurse Family Partnership is an evidence based home visiting model that has over 30 years of research supporting it that is touted to reduce child abuse and neglect and injury outcomes for children. Research indicates a 56% reduction in emergency department encounters for injuries and ingestions during the children's second year of life, a 28% reduction in all types of health care encounters for injuries and ingestions, and a 79% reduction in the number of days' children were hospitalized with injuries and ingestions during children's first two years. Increasing the number of families with whom NFP works will decrease the number of children coming to the attention of the agency. The establishment of a program with Nurse Family Partnership would cost \$1,000,000 annually for an eight person nursing team equipped to serve 200 mothers at a given time. However, this cost could save the county over \$700,000 for every 100 expecting mothers participating in NFP through reductions in pre-term births.¹⁹

2. Train direct practitioners on understanding demographics and considerations associated with fatalities of children 0 – 5 years.

¹⁶ <http://www.traumacenter.org/research/ascot.php>

¹⁷ <http://nctsn.org/products/caring-for-children-who-have-experienced-trauma>

¹⁸ <http://www.nursefamilypartnership.org/>

¹⁹ Ohio Better Birth Outcomes. (2009). Healthy beginnings: Collaborating to change the numbers on central Ohio preterm births: Ohio Better Birth Outcomes 2009 Report. Columbus, OH

There are specific national demographics related to children under six who have died from abuse or neglect, that when brought to the attention of direct practitioners, help them better assess safety²⁰. Training all child welfare staff, from direct practitioners to administrators to identify these “red flags” can help to better address the most vulnerable population. PCG recommends a training strategy that trains all current staff, and then includes the training in onboarding for new staff. In addition, holding community-training sessions with partners, provider organizations and advocates can help better inform the community around these demographics and prevent tragedies from occurring. Media campaigns focusing on a specific demographic, such as having unrelated caretakers in the home, could also help the community and encourage them to intervene if they have concerns for children. In order to best train the direct practitioners to fully understand these considerations, there will be cost associated with employing either a full time professional within the department or hiring an outside consulting firm to perform the trainings on a regular basis.

3. Consider funding to implement prevention strategies for the 0-5 population that comes to the attention of CSD through 241-KIDS.

There are a number of evidenced based and informed models, as well as promising practices that can impact the most vulnerable young population of children in communities. Some best practices call for the decision to respond to all reports they received regarding a child zero to five in some way. When the report does not meet the statutory definition of abuse/neglect and does not require an assessment, a report goes to a prevention practitioner, who understands the safety issues for the population. While this would be a voluntary service for families, it can help to link families to services and prevent safety issues for children five and under. Two jurisdictions that have implemented this strategy with success are Allegheny County²¹, PA and Buncombe County²², NC.

There are evidence-based models that also address the safety issues of children five and under. NFP mentioned above and other home visiting programs such as Safe Care²³, an in-home parenting program that targets risk factors for child neglect and physical abuse in which parents are taught specific ways to interact with their children, recognize and respond to symptoms of illness and injury and other concrete strategies to keep their children safe. Circle of Home Visiting²⁴ is another strategy that targets children under six and their families that provides caregivers with the skills to understand their children's behavior, and the skills to understand and regulate their own cognitive, affective, and behavioral responses to their children.

In addition, there are a number of strategies outlined in the federal Commission to Eliminate Child Abuse and Neglect Fatalities²⁵ for addressing the most vulnerable population of children zero to five, some of which have been discussed above. PCG recommends that the coordinated community stakeholder planning team consider these best recommendations in their discussions related to community needs. The three main areas that encompass recommendations include:

- Leadership and Accountability: Strong leaders at every level are needed to work across systems and forge a path to a new child welfare system;
- Decisions Grounded in Data and Research: Current data barely begin to give us the information needed to build a better system. More accurate data, and sharing and analysis of those data, are required; and
- Multidisciplinary Support for Families: Cross-system prevention and earlier intervention are critical to building and sustaining healthier families and communities.

Observation #5: Fiscally, JFS has performed well in the face of uncertainty and volatility. Since 2011, HCJFS has

²⁰ <http://www.acf.hhs.gov/programs/cb/resource/child-maltreatment-2014>

²¹ http://stewardsofchange.com/learningcenter/documents/CASE_STUDIES/AlleghenyCaseStudy.pdf (p 23)

²² <https://www.buncombeservicefoundation.org/Projects/ChildAbusePrevention.aspx>

²³ <http://www.cebc4cw.org/program/safecare/>

²⁴ <http://www.cebc4cw.org/program/circle-of-security-home-visiting-4/>

²⁵ <https://eliminatechildabusefatalities.sites.usa.gov/>

simultaneously provided required services while improving its carryover balance year-over-year in preparation for a multi-million-dollar audit judgment. In addition, the Children's Services Levy has remained flat over the past twenty years.

Recommendation #5: Given the impending resolution to the audit, HCJFS has a tremendous opportunity to focus on leveraging its fiscal position to address three key objectives: 1) Determining the most efficient use of freed resources to address community needs; 2) Identifying and reducing areas of increasing expenditures out-of-line with projections, and; 3) Managing impending revenue challenges. These objectives can be addressed by:

1. Utilizing PCG recommendations that once the coordinated community stakeholder planning team (recommendation #1) has outlined planning and short and medium and long-term priorities, JFS should calculate cost of resources as well as establish the ROI to the community and agency
2. Continue to evaluate out of home placement costs and controlling average increases in growth rates to align with placement and utilization rates to ensure all revenue that can be generated is being collected. In addition, continue to develop strategies to contain these costs through setting an objective to limit annualized cost increases proportional to the increases of children in care.
3. Continue to lead and participate in statewide workgroups to maintain advance notice of changes in State and federal revenue streams, specifically, the Medicaid Modernization care coordination model for children in foster care that could impact the JFS budget by \$10.4 M.
4. With the impending conversion to traditional Title IV-E revenue, consider implementing processes for identifying if additional funding can be drawn down and optimizing the collection process such as a Title IV-E revenue maximization review.

Appendix: Community Members Interview List

Date	Interview List	Start Time	End Time	Location
3/15/16	Arrival	9:00a		6SE701
	Tim McCartney, Brian Gregg, Mark Miller- Executive Team Members	10:30a	10:45a	Children's Services Offices
	Interview: Moira Weir	11:15a	12:00p	6SE701
	Interview: Margaret Hulbert, United Way	12:45	1:45p	6SE701
	Interview: Neil Tilow, Talbert House Executive Director, 751-7747	1:45p	2:45p	6SE701
	Interview: Melissa Saladonis, Children's Hospital Medical Center	2:45p	3:45p	6SE701
	Interview: Moira Weir, Mary Eck	3:45p	4:30p	6SE701
3/16/16	Arrival	8:30a		
	Interview: Judy Harmony, JFSPC Member	9:00a	9:30a	6SE701
	Interview: Traci Marr, Margie Weaver, Children's Services Section Chiefs	9:00a	9:30a	6SE701
	Interview: Tracy Cook, ProKids	9:45a	10:30a	6SE701
	Interview: Elaine Fink, Legal Aid	11:15a	11:45a	6SE701
	Interview: Jane Herms, Jill Gay, Family Nurturing Center	11:45a	12:15p	6SE701
	Lunch	12:15p	1:00p	
	Interview: Kim Helfrich, GAL	1:00	2:00p	6SE701
	Interview: Juvenile Court Judge John Williams, Carla Guenther, Hamilton County Court	2:00p	3:00p	6SE701
	Interview: Jim Mason, Beechacres	3:00p	4:00p	6SE701
	Interview: Nidal Bou Ajram, Amy Story, Information Systems and Transportation	4:00p	4:45p	6SE701

Projected Budget Without Program Improvements or Recommendations

**Hamilton County Job and Family Services Children's Services
 Five-Year Balance Projection without Improvements**

	2011	2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021
Beginning Cash Balance	\$56,007,037	\$65,782,197	\$84,001,496	\$100,116,723	\$114,342,342	\$123,220,897	\$94,084,942	\$90,351,135	\$83,807,241	\$72,573,775	\$53,052,512
REVENUE:											
	\$75,898,171	\$87,074,903	\$86,158,343	\$83,629,397	\$87,316,563	\$80,476,282	\$81,005,721	\$80,985,101	\$79,225,792	\$73,988,022	\$73,970,343
EXPENSE:											
	\$66,123,011	\$68,855,604	\$70,043,116	\$69,403,778	\$78,438,008	\$87,112,237	\$84,866,046	\$87,528,995	\$90,459,258	\$93,509,285	\$96,666,799
Total Carryover Balance	\$65,782,197	\$84,001,496	\$100,116,723	\$114,342,342	\$123,220,897	\$94,084,942**	\$90,224,617	\$83,807,241	\$72,573,775	\$53,052,512	\$30,356,056

TABLE 12: BUDGET PROJECTION WITHOUT IMPROVEMENTS *BUDGETED; **REMOVES \$22.5M FOR AUDIT JUDGMENT

Organizational Chart (as of March 10, 2016)

