



A REPORT
TO THE
ARIZONA LEGISLATURE

Performance Audit Division

Performance Audit and Sunset Review

Arizona Foster Care Review Board

Enhanced Board Member Recruitment, Timely Submission
of All Case Review Reports, Increased Caseworker Participation
at Reviews, and Reporting on Child Welfare System
Recommendations and Program Metrics Needed

September • 2015
Report No. 15-110



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Auditor General

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September 11, 2015

Members of the Arizona Legislature

The Honorable Doug Ducey, Governor

Mr. David Byers, Administrative Director
Administrative Office of the Courts

Transmitted herewith is a report of the Auditor General, *A Performance Audit and Sunset Review of the Arizona Foster Care Review Board*. This report is in response to an October 3, 2013, resolution of the Joint Legislative Audit Committee and was conducted as part of the sunset review process prescribed in Arizona Revised Statutes §41-2951 et seq. I am also transmitting within this report a copy of the Report Highlights for this audit to provide a quick summary for your convenience.

As outlined in its response, the Arizona Foster Care Review Board agrees with all of the findings and plans to implement all of the recommendations.

My staff and I will be pleased to discuss or clarify items in the report.

Sincerely,

Debbie Davenport
Auditor General

Attachment

cc: Caroline Lutt-Owens, Director
Dependent Children's Services Division

REPORT HIGHLIGHTS PERFORMANCE AUDIT

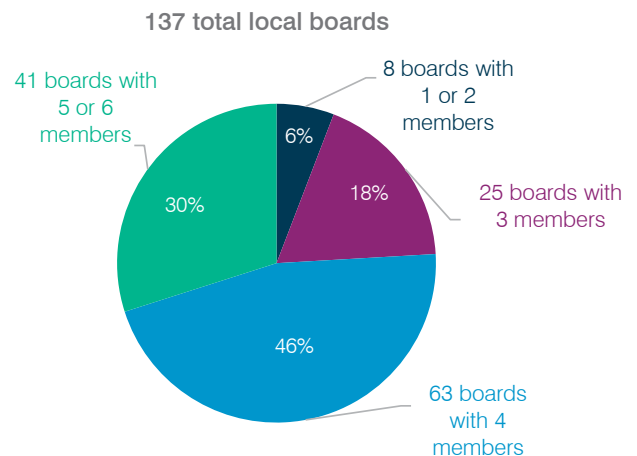
FCRB should evaluate and enhance strategies for board member recruitment

Our Conclusion

The Arizona Foster Care Review Board (FCRB) reviews and coordinates the activities of local foster care review boards (local boards) that advise the juvenile court regarding the permanent placement of children who have been placed in out-of-home care by the Arizona Department of Child Safety (DCS). Because 70 percent of local boards have fewer than the statutorily prescribed five members, the FCRB should evaluate and enhance its strategies for board member recruitment. Further, although 90 percent of the local boards' reports were submitted to the juvenile court in a timely manner for the cases reviewed, the FCRB should ensure that all reports are submitted in a timely manner so as not to negatively impact court hearings. Additionally, the FCRB should continue working with the DCS to increase DCS caseworker attendance at local board hearings. Finally, the FCRB should resume providing recommendations to help improve the child welfare system and reporting key program metrics to stakeholders.

Local board structure and review requirements—There are 137 local boards statewide, and each board is established by the presiding juvenile court judge in each county for every 100 children in out-of-home placements. Statute prescribes that each board have five members. Boards generally meet once a month to receive information from DCS caseworkers and foster and biological parents regarding ten standard areas relating to child safety, necessity and appropriateness of the placement, case plans, the progress toward mitigating the need for foster care, and the potential permanent placement of the child. Statute requires that each case be reviewed at least once every 6 months and that the FCRB submit the local board's findings and recommendations to the juvenile court within 30 days following the review.

Local boards by number of appointed members As of March 2015 (Unaudited)



Majority of local boards lack required number of board members—As of March 2015, 96 of the FCRB's 137 local boards, or 70 percent, had fewer than five appointed board members. Twenty-five of these boards had three appointed members, the minimum number required for a quorum unless an exception has been approved, and eight boards had fewer than three appointed members. This board member shortage could lead to delays in case reviews if at least two board members are not present, although FCRB management reported that this has not happened to its knowledge. Rescheduled case reviews would not delay juvenile court hearings, but the local board's assessment might not be available for the next hearing, which would deprive the court of an independent review of a child's progress toward a permanent placement. Continued growth in the number of children placed in out-of-home care has required the creation of additional local boards and increased the need for board members.

Recommendation

The FCRB should evaluate the adequacy of its recruitment strategies; identify and implement new strategies, as needed; and provide more administrative support for recruitment efforts.



2015

FCRB should ensure that all reports are submitted to the juvenile court in a timely manner

The FCRB generally complies with case review time frames but does not always submit reports to the juvenile court in a timely manner. Our analysis of 261 reviews conducted by local boards between January 1, 2012 and December 31, 2014, found that 97 percent were conducted within the 6-month statutory time frame. However, for 10 percent of the reports from these reviews, FCRB staff did not comply with the 30-day statutory time frame for distributing the reports to the juvenile court. Untimely report distribution can negatively impact court hearings. The FCRB's Tucson office has established a method to monitor its report distribution timeliness, and we found no instances of untimely reporting from that office. The FCRB's Phoenix office was responsible for all of the late reports.

Recommendation

To improve report distribution timeliness, the FCRB's Phoenix office should develop and implement a method for tracking its report distribution timeliness, as is done in the Tucson office.

FCRB should continue working with DCS to improve caseworker attendance at board reviews

FCRB reports provide valuable information to juvenile court judges but are less useful when DCS caseworkers do not attend local board reviews. Although DCS policy requires caseworkers to attend board reviews, either in person or by phone, caseworkers attended only about 65 percent of board reviews from November 2014 through May 2015. In January 2015, the FCRB and the DCS established a workgroup to improve caseworker attendance at board reviews but has not yet implemented any strategies to do so.

Recommendation

The FCRB should continue to collaborate with the DCS to improve caseworker attendance at board reviews and, if ineffective, should consider whether to pursue legislation requiring caseworker attendance at board reviews.

FCRB should resume providing child welfare system recommendations and program metrics to stakeholders

The FCRB is in a unique position to provide recommendations to improve Arizona's child welfare system. As an independent reviewer of all cases of children in out-of-home care, the FCRB can provide recommendations and report key program metrics to stakeholders. The FCRB has provided such information in the past, but has not done so since 2003. However, providing recommendations for improving the child welfare system and reporting key program metrics would provide stakeholders with a broad and independent review on the DCS' permanency efforts that is not otherwise available.

Recommendation

The FCRB should develop and implement a process for making recommendations for improving Arizona's child welfare system and reporting key program metrics to stakeholders.

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Introduction

Audit scope and objectives

The Office of the Auditor General has conducted a performance audit and sunset review of the Arizona Foster Care Review Board (FCRB) pursuant to an October 3, 2013, resolution of the Joint Legislative Audit Committee. This audit was conducted as part of the sunset review process prescribed in Arizona Revised Statutes (A.R.S.) §41-2951 et seq. This audit report addresses local foster care review board membership; compliance with case review and reporting timeliness requirements; the adequacy of reports prepared for the juvenile court, including inclusion of caseworker input; and dissemination of child welfare system recommendations and program information to stakeholders. Auditors' findings are presented in a question-and-answer format. The report also includes responses to the statutory sunset factors.

FCRB's role and purpose

The FCRB was established in 1978 to review and coordinate the activities of local foster care review boards (local boards) that advise the juvenile court regarding the progress made toward permanent placement of children who have been placed in out-of-home care by the Arizona Department of Child Safety (DCS). A.R.S. §8-515.03 requires the local boards to review the cases of children placed in out-of-home care within 6 months of placement and at least once every 6 months thereafter, and submit findings and recommendations to the juvenile court within 30 days following the review. In accordance with statute, the local boards must advise the juvenile court of the adequacy of the DCS' efforts toward establishing a permanent placement for each child, encourage and facilitate the return of each child to his/her family whenever possible, and assist in informing parents and others of their rights and responsibilities regarding children in out-of-home care. Local board reviews are intended to assist juvenile court judges in their reviews of these cases. A.R.S. §§8-847 and 8-862 require the juvenile court to conduct periodic review hearings for children in out-of-home care once every 6 months and hold a permanency hearing at 12 months (see textbox).

Periodic review hearings—Periodic review hearings are held by the juvenile court no later than 6 months after the court determines where a child will be placed and at least once every 6 months thereafter. These hearings are focused on assessing whether progress is being made in establishing a permanent placement for the child, with the child's health and safety being of paramount concern.

Permanency hearing—A permanency hearing is held no later than 12 months after a child enters out-of-home care and every 12 months thereafter while the child remains in out-of-home care. These hearings are held every 6 months for children under the age of 3. During these hearings, the juvenile court determines whether terminating parental rights, adoption, permanent guardianship, or some other permanent legal status is the most appropriate plan for the child and orders the plan to be accomplished within a specified time period.

Source: Auditor General staff review of A.R.S. §§8-847 and 8-862.

FCRB addresses federal review requirements

Arizona meets federal review requirements for children placed in out-of-home care through the FCRB and the juvenile court. Specifically, Title IV-E of the Social Security Act requires states to establish a system for reviewing cases of children in out-of-home care at least once every 6 months and making determinations in the following five key areas:

- Safety of the child;
- Necessity and appropriateness of the placement;
- Case plan compliance;
- Progress toward mitigating the need for foster care; and
- A likely date by which the child may be returned home or placed for adoption or legal guardianship.

According to federal law, the 6-month reviews must be held by a court or a panel of appropriate persons, at least one of whom is not responsible for the case management of or the delivery of services to either the child or the parents who are the subject of the review. Additionally, states must hold permanency hearings no later than 12 months after the date the child entered out-of-home care and at least every 12 months thereafter while the child is in out-of-home care. The permanency hearings must be held by a court or court-appointed body. States use three primary options to comply with these requirements:

- **Administrative reviews**—These types of reviews are conducted by staff of the agency responsible for the child's placement and care.
- **Judicial reviews**—These types of reviews are conducted by the court.
- **Citizen reviews**—These types of reviews are conducted by boards made up entirely of volunteers, such as Arizona's local boards.

According to information published in 2007 by the National Foster Care Review Coalition on how all 50 states meet the federal 6-month review requirement, 25 states used administrative reviews, 5 states used judicial reviews only, and 20 states, including Arizona, used citizen review boards.

FCRB review process

Local boards review cases and make recommendations to the juvenile court. The boards typically meet once per month, although some boards in small counties meet less frequently. According to FCRB management, local boards in larger counties typically meet for 8 hours and review approximately 10 to 12 cases during a meeting, but may review up to 15 cases; there

are an average of 1.75 children per case. Prior to the meeting, board members review the children's case plans and other available documentation, such as case progress reports and court documents. FCRB management indicated that board members typically spend approximately 6 to 8 hours reviewing case documentation per meeting in preparation for case reviews. During their meetings, board members take statements from any available interested parties, which may include a child's DCS caseworker, biological parents, foster parents, attorney, and others involved in the child's case. For each review, board members make determinations in ten standardized areas (see textbox). The FCRB developed these ten standardized areas to address the five key areas that federal law dictates must be addressed. FCRB staff then compile the findings and recommendations regarding the DCS' efforts and progress toward achieving the goals outlined in the child's case plan, along with recommendations regarding the child's treatment and care, including whether additional services are needed, into a report for the juvenile court. As mentioned previously, the FCRB is required to submit its reports to the court within 30 days of the review meeting.

FCRB's standard review areas

During case reviews, local boards make determinations in the following ten standardized areas:

1. Whether reasonable efforts were made to prevent the child's removal from home and that remaining at home would be contrary to the child's welfare.
2. Whether the child's remaining in out-of-home care placement is necessary.
3. Whether the child's placement is safe, appropriate, and the least restrictive.
4. Whether there is an appropriate case plan that outlines tasks for each case participant.
5. Whether each case participant is following the tasks outlined in the case plan.
6. Whether progress is being made toward a permanent placement for the child.
7. Whether a realistic target date for the completion of the child's permanency goal is established.
8. Whether a judge should determine that reasonable efforts are being made by the DCS to implement the child's case plan.
9. Whether the child's education is being implemented successfully.
10. Whether there are significant service gaps or system problems in the child's case.

Source: Auditor General staff analysis of *The Arizona Foster Care Review Board Findings and Determinations Guidebook for Volunteer Board Members and FCRB Staff*.

Organization and staffing

The FCRB is part of the Dependent Children's Services Division (Division) of the Arizona Supreme Court, Administrative Office of the Courts.¹ The FCRB's organizational structure has the following three main components:

- **Staff**—As of July 2015, the FCRB had 44.9 full-time equivalent (FTE) positions of which 1 was vacant. FCRB staff include a division director, who also oversees the CASA program (0.6 FTE); the director's assistant; a program manager; a regional manager (in Tucson); 4 program supervisors; 24.7 program specialist IIIs (1 vacant), who schedule and facilitate case reviews and write the corresponding reports; 5 program specialist Is, who split their time between

¹ In addition to the FCRB, the Division administers the Court Appointed Special Advocate (CASA) program, which is a volunteer advocacy program for abused and neglected children in the juvenile court system, and the Court Improvement Program, which was established in 1998 to evaluate and improve dependency case processing in the juvenile court.

program specialist and administrative secretary responsibilities; and 7.6 administrative secretaries, who have various duties, including sending case review notices, compiling and providing packets of information to board members in advance of case reviews, and mailing completed case review reports to the juvenile court and other interested parties. FCRB staff are divided between its Phoenix office, which had 26.9 filled FTE positions, and its Tucson office, which had 17 filled FTE positions.

- **Local boards**—Statute requires the presiding juvenile court judge in each county to establish one local board for every 100 children in out-of-home care; however, the court may decide not to create an additional board until the number of children exceeds 150. As of March 2015, there were 137 local boards state-wide, with at least 1 local board in every county. Statute requires that each local board have at least five members, and the FCRB’s Rules of Procedure require three members be present to hold a review, or two members with approval from the FCRB program manager and the board chairperson (see Finding 1, pages 7 through 10, for more information about local board membership). Board members are appointed to a local board by the presiding juvenile court judge and serve a 3-year term. Board members serve on a volunteer basis and receive no compensation for participation in board meetings; however, pursuant to A.R.S. §§8-515.04(F) and 38-624, board members are eligible for mileage and lodging reimbursement for expenses incurred while traveling on authorized FCRB business.¹ According to FCRB data, there were 486 volunteer board members serving on local boards as of March 2015, with 70 of these members serving on multiple boards. Board members are required to complete at least 6 hours of annual training.
- **State Board**—Statute establishes a State Board consisting of seven persons knowledgeable about foster care problems appointed by the Arizona Supreme Court and members of local boards appointed by the respective presiding juvenile court judges. In counties having more than one local board, statute requires that only one local board member be assigned to the State Board for every three local boards. As of May 2015, the State Board included 43 members, including the 7 members appointed by the Arizona Supreme Court and members chosen from local boards. The State Board is responsible for reviewing and coordinating the activities of the local boards, including establishing training requirements for local board members, and developing recruitment strategies to obtain new board members. It also collaborates with entities and stakeholders involved with foster care. Statute requires the State Board to meet no less than twice annually.

Budget

The FCRB receives most of its funding from a State General Fund appropriation. As shown in Table 1 (see page 5), the FCRB’s appropriation was an estimated \$3.6 million in fiscal year 2015. The Arizona Supreme Court, Administrative Office of the Courts, also allocates additional state and federal monies to the FCRB to help pay for its operating costs (see footnote 1 in Table 1). During fiscal year 2015, these additional monies were estimated to total nearly \$600,000. Personnel costs account for the majority of the FCRB’s expenditures.

¹ The FCRB reported that it spent an average of approximately \$24,500 per year on such reimbursements in fiscal years 2012 through 2014.

**Table 1: Schedule of revenues and expenditures
Fiscal years 2013 through 2015
(Unaudited)**

| | 2013 (Actual) | 2014 (Actual) | 2015 (Estimate) |
|--|---------------------|---------------------|---------------------|
| Revenues | | | |
| State General Fund appropriations | \$ 3,364,309 | \$ 3,616,975 | \$ 3,617,900 |
| Other state and federal ¹ | 434,710 | 615,174 | 590,259 |
| Total revenues | <u>\$ 3,799,019</u> | <u>\$ 4,232,149</u> | <u>\$ 4,208,159</u> |
| Expenditures | | | |
| Personal services and related benefits | \$ 2,299,096 | \$ 2,691,509 | \$ 2,884,600 |
| Professional and outside services | 106,435 | 40,272 | 43,392 |
| Travel | 61,336 | 59,457 | 45,843 |
| Other operating ² | <u>1,332,152</u> | <u>1,440,911</u> | <u>1,234,324</u> |
| Total expenditures | <u>\$ 3,799,019</u> | <u>\$ 4,232,149</u> | <u>\$ 4,208,159</u> |

¹ Amounts include allocations by the Administrative Office of the Courts to the FCRB from the Criminal Justice Enhancement Fund, which consists of penalty assessments for criminal offenses and civil motor vehicle statute violations; Juvenile Probation Services Fund, which consists of State General Fund monies and reimbursements from parents for juvenile treatment services; and a federal Title IV-E Foster Care grant.

² Amounts in each fiscal year include \$961,000 for a portion of the Phoenix and Tucson state building leases and \$32,000 for risk management premiums that were appropriated by the Legislature to the FCRB.

Source: Auditor General staff analysis of the financial activity prepared by the Administrative Office of the Courts for fiscal years 2013 through 2015.

FINDING 1

FCRB should evaluate and enhance its board member recruitment strategies

Do all of the local foster care review boards (local boards) have five appointed board members as required by statute?

Most of the local boards do not have the required number of board members. Specifically, as of March 2015, 96 of the Arizona Foster Care Review Board's (FCRB) 137 local boards, or 70 percent, had fewer than five appointed board members. This shortage of board members could lead to delays in case reviews if at least two board members are not present, although FCRB management reported that this has not occurred to its knowledge. Rescheduled case reviews would not delay juvenile court hearings, but the local board's assessment might not be available for the next hearing, which would deprive the court of an independent review of a child's progress toward permanency. According to FCRB management, continued growth in the number of children placed in out-of-home care has required the creation of additional local boards and increased the need for board members. The FCRB should evaluate the adequacy of its recruitment strategies; identify and implement new recruitment strategies, as needed; and provide more administrative support for its State Board Outreach Committee's recruitment efforts.

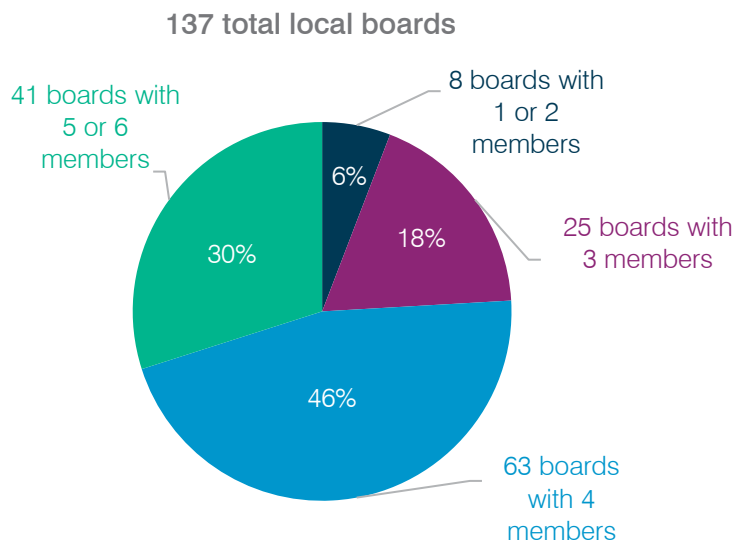
Majority of local boards do not have the required number of members

Arizona Revised Statutes §8-515.01(A) requires that the juvenile court create a local board for every 100 children in out-of-home care and that each board consist of at least five members appointed by that county's presiding juvenile court judge.¹ According to FCRB data, there were 137 local boards and 486 board members as of March 2015, with 70 of these members serving on multiple boards. The FCRB's Rules of Procedure require boards to have a quorum of at least three board members to hold a review. However, the Rules of Procedure also allow a review to be held with only two members present with approval from the FCRB program specialist and the board chairperson. Additionally, the FCRB can call any approved board member as a substitute to fill in when other board members cannot attend a review.

Of the 137 local boards, 96 boards, or 70 percent, had fewer than five appointed board members (see Figure 1, page 8). Of these, 25 boards, or 18 percent, had three appointed board members, the minimum number required for a quorum unless an exception has been approved. An additional eight boards, or 6 percent, had fewer than three appointed board members, of which one board had only one appointed board member, which requires the FCRB to find a substitute board member for every review conducted by this board.

¹ As authorized by statute, the court may decide not to create an additional local board until the number of children exceeds 150.

**Figure 1: Local boards by number of appointed members
As of March 2015
(Unaudited)**



Source: Auditor General staff analysis of FCRB data on board members appointed to local boards as of March 2015.

Understaffed local boards could experience delays in conducting scheduled reviews if one or more board members cannot attend and the board cannot find a substitute to have at least two members present. However, FCRB management reported that, to its knowledge, a case review has never been delayed because of a lack of board members. If a case review were to be delayed, the local board's most recent assessment might not be available for the next juvenile court hearing, depriving the court of a timely independent review of a child's progress toward permanency.

Growth in number of children in out-of-home care has contributed to the need for more board members

According to FCRB management, the FCRB has had difficulty recruiting enough board members to fill each local board with five members because of the growth in the number of children in out-of-home care. According to Arizona Department of Child Safety (DCS) data, the number of children in out-of-home care increased from approximately 10,700 children in March 2011 to approximately 17,000 children in September 2014. This growth has required new local boards to be created and filled. For example, according to the FCRB, 16 new local boards were created between calendar years 2012 and 2014, requiring new board members to be appointed. The FCRB reported that finding additional local board members has been difficult and that it has had to reduce some boards to fewer than five members in order to transfer members from existing boards to fill member positions on the new boards. Further, the FCRB expects the number of children in out-of-home care to continue to grow in the coming years. Although the FCRB reported that board member recruitment has been difficult, it reported having more

success retaining board members and that some members have been with the FCRB since it was established in 1978.

FCRB should evaluate and enhance its recruitment strategies

FCRB management reported that the FCRB's primary and most effective recruitment strategy involves recruitment by word-of-mouth through existing board members. Other recruitment strategies include issuing press releases, writing news editorials/articles, speaking to organizations such as the Elk's Lodge, presenting to community groups, and partnering with organizations such as Our Kids, Our Care in Tucson.¹ These recruitment strategies are similar to those reported by five other states with citizen review boards that auditors interviewed—Kentucky, Michigan, New Mexico, Oregon, and South Carolina. Still, the majority of local boards do not have the number of statutorily required board members, and the FCRB's caseload is expected to continue growing, which will place further pressure on its recruitment efforts. Therefore, the FCRB should evaluate the adequacy of its recruitment strategies. In addition, the FCRB should identify and implement new recruitment strategies, as needed. For example, the FCRB could consider continuing to partner with other child welfare stakeholders to recruit board members, such as collaborating with the DCS' efforts to recruit foster parents.

One avenue for accomplishing this could be through the FCRB State Board's Outreach Committee, which is tasked with developing recruiting strategies. The Outreach Committee was restructured in March 2015 and, as of June 2015, had met once to begin identifying specific recruitment tasks related to board member recruitment. However, auditors observed that FCRB staff support for this committee has not been a priority given their case review workload. This lack of administrative support may contribute to the overall lack of developing and implementing recruiting strategies. As such, FCRB staff should better support recruiting efforts by providing more administrative support for the State Board's Outreach Committee.

Recommendations:

1. The FCRB should evaluate the adequacy of its recruitment strategies and identify and implement new recruitment strategies, as needed, such as continuing to partner with other child welfare stakeholders to recruit board members.
2. FCRB staff should better support recruiting efforts by providing more administrative support for the State Board's Outreach Committee.

¹ According to its Web site, Our Kids, Our Care is a faith community initiative that promotes foster and adoptive family recruitment in Pima County.

FINDING 2

FCRB should ensure that all reports are submitted to the juvenile court in a timely manner

Does the Arizona Foster Care Review Board (FCRB) comply with statutory time frames for completing case reviews and submitting reports to the juvenile court?

The FCRB generally complies with case review time frames but does not always submit reports to the juvenile court in a timely manner. Specifically, auditors reviewed a sample of 261 reviews that local foster care review boards (local boards) conducted between January 1, 2012 and December 31, 2014, and found that 97 percent of the reviews were conducted within the 6-month statutory time frame. However, for 10 percent of the 259 reports from these reviews, FCRB staff did not comply with the 30-day statutory time frame for distributing review reports to the juvenile court. Untimely report distribution can negatively impact court hearings. The FCRB's Tucson office has established a method to monitor its report distribution timeliness, and auditors found no instances of untimely reporting from that office. To improve its report distribution timeliness, the FCRB's Phoenix office should develop and implement a method for tracking its report distribution timeliness, as is done in the Tucson office.

Although case reviews are generally timely, FCRB staff did not distribute 10 percent of its reports to the juvenile court in a timely manner

Arizona Revised Statutes §8-515.03 requires local boards to conduct reviews of children in out-of-home care at least once every 6 months and to distribute the review reports to the juvenile court within 30 days of the review so the juvenile court judges have the information for the child's next dependency hearing. The FCRB receives notification from the Arizona Attorney General's Office when a child enters out-of-home care, and it uses its data system, DCATS, to schedule an initial 6-month review. After the initial review is held, DCATS automatically generates a subsequent review date for that child 6 months later. Auditors conducted a file review of 261 local board reviews conducted between January 1, 2012 and December 31, 2014, and found that the boards conducted 254, or 97 percent, of the reviews within the required 6-month time frame.¹

However, auditors found that of the 259 reports from these reviews, FCRB staff distributed 26, or 10 percent, after the 30-day time frame required by statute. The distribution of these 26 reports ranged from 31 to 83 days after the review date. Twelve of the untimely reports were still sent to the juvenile court prior to the upcoming court hearing, while the other 14 reports were sent to the court after the court hearing was conducted. Additionally, auditors determined that the FCRB's Tucson office

¹ Because local boards meet only monthly, auditors considered reviews timely if they were conducted within 2 weeks of the required 6-month review date to allow for scheduling.

distributed its reports in a timely manner, while the Phoenix office was responsible for all of the late reports.

Untimely report distribution can negatively affect court hearings

The juvenile court relies on the local boards' reviews and subsequent report recommendations when conducting court hearings. As discussed in the Introduction (see page 3), the FCRB's reviews address ten areas, including whether a child's placement in out-of-home care is necessary, whether the child's current placement is safe, whether the child's case plan is being followed, whether progress is being made toward a permanent placement for the child, and whether there are significant gaps in the services provided to the child. When the FCRB does not send the local boards' reports to the juvenile court in a timely manner, this information may not be available for the child's upcoming court hearing. If judges do not have this information at the dependency hearings, they will not have the benefit of the local boards' independent review of a child's progress toward permanency. This independent review provides a forum outside of the juvenile court and the child welfare system where interested parties such as foster parents, birth parents, and caseworkers can provide input regarding the child's progress toward permanent placement. Auditors interviewed four juvenile court judges from different counties regarding the local boards' reports and found that they rely on these reports at the court hearings for valuable information about the child's progress toward permanency. Two of the judges stated that these reports often contain information that they do not otherwise have in their files, such as statements provided by the child's foster parent(s).

FCRB's Phoenix office should monitor report timeliness similar to its Tucson office

As stated previously, all of the untimely reports identified by auditors were distributed by the FCRB's Phoenix office, which has not implemented procedures for tracking report distribution to ensure timely reporting. In contrast, the FCRB's Tucson office uses a task calendar report to track report distribution and reported that the task calendar report is distributed to staff and reviewed at weekly staff meetings to ensure that all reports due in the coming week will be distributed on time. To help ensure timely reporting, the Phoenix office should develop and implement a method for tracking and monitoring its report distribution timeliness, as is done in the Tucson office.

Recommendation:

1. The FCRB's Phoenix office should ensure that it distributes its review reports to the court in a timely manner by developing and implementing a method for tracking and monitoring its report distribution timeliness, as is done in the Tucson office.

FINDING 3

FCRB should continue working with DCS to improve caseworker attendance at board reviews

Do Arizona Foster Care Review Board (FCRB) reports provide adequate information to the juvenile court?

FCRB reports provide valuable information to juvenile court judges but are less useful when Arizona Department of Child Safety (DCS) caseworkers do not attend board reviews. Although DCS policy requires caseworkers to attend board reviews, caseworkers attended only about 65 percent of board reviews from November 2014 through May 2015, according to FCRB records. In January 2015, the FCRB and the DCS established a workgroup to explore ways to improve caseworker attendance at board reviews, but it has not yet implemented any strategies to do so. Therefore, the FCRB should continue its efforts to collaborate with the DCS to improve caseworker attendance at board reviews to improve the value of review reports to the juvenile court. If the FCRB's collaboration with the DCS does not produce effective strategies for improving caseworker attendance, the FCRB should consider whether to pursue changes in legislation that would require caseworker attendance at board reviews.

FCRB reports provide valuable information to juvenile court judges but are less useful when DCS caseworkers do not attend board reviews

As discussed in the Introduction (see page 3), the FCRB's reviews address ten areas, including whether a child's placement in out-of-home care is necessary, whether the child's current placement is safe, whether the child's case plan is being followed, whether progress is being made toward a permanent placement for the child, and whether there are significant gaps in the services provided to the child. These reviews, and the subsequent reports submitted to the juvenile court, help Arizona meet federal review requirements to periodically review the cases of children placed in out-of-home care. As discussed on page 12, the FCRB's reports provide judges with valuable information for court hearings regarding a child's progress toward permanency, including information that the judges might not otherwise have in their files, such as statements from a child's foster parent(s).

However, auditors' interviews with judges and FCRB management indicated that the reports do not provide as much useful information when DCS caseworkers do not attend board reviews because the local foster care review boards (local boards) may not have up-to-date information about a child and are unable to ask the caseworker questions to obtain this information during the review. According to FCRB management, although FCRB staff have access to information in the DCS' case management database, DCS caseworkers are the only ones who have current and comprehensive knowledge of the entire case from all involved parties, including information about the children, parents, foster parents, and/or out-of-home care living situation. DCS policy requires caseworkers to attend all initial board reviews in person and all subsequent reviews either in person or by telephone.

Based on auditors' observations, a local board's ability to provide valuable and up-to-date information to the juvenile court was sometimes hindered by the caseworkers' absence. Specifically, auditors observed 26 case reviews conducted during five local board meetings that were held in January and April 2015 at the FCRB's Phoenix and Tucson offices. DCS caseworkers did not attend 11 of the 26 case reviews, which sometimes affected the local boards' ability to provide a comprehensive report to the juvenile court. For example, auditors observed one review in which the father of a young child had been accused of sexually assaulting the child, but the father's willingness to cooperate with the corresponding investigation was unclear. The DCS caseworker did not attend the hearing, and the board members were unable to gain an understanding as to whether the father was cooperating with the investigation. In contrast, when DCS caseworkers attended board reviews, board members were able to ask questions and obtain additional information needed to assess the child's progress toward permanency. For example, auditors observed a review where the board had outdated case information that did not address parents' compliance with drug testing. However, the DCS caseworker attended the review by telephone and was able to answer the board members' questions regarding the drug testing.

FCRB and DCS established workgroup to improve caseworker attendance

FCRB and DCS management recognized that DCS caseworker attendance at board reviews was lacking. As a result of preliminary discussions with DCS staff in October 2014, beginning in November 2014, the FCRB began tracking DCS caseworker attendance at board reviews. Auditors analyzed the FCRB's caseworker attendance data from November 2014 through May 2015, which encompassed over 8,200 case reviews, and found that, on average, caseworkers attended about 65 percent of board reviews each month, either in person or by telephone. In January 2015, the FCRB and the DCS established a joint workgroup and began collaborating to explore ways to improve caseworker attendance. According to DCS staff, as of June 2015, the workgroup had begun addressing scheduling issues between DCS caseworkers and FCRB reviews, but had not yet implemented any strategies to improve caseworker attendance. The FCRB should continue to collaborate with the DCS to assess the reasons that caseworkers do not attend board reviews and develop and implement strategies for improving caseworker attendance.

Unlike in the other states reviewed, Arizona statutes do not require caseworkers to attend the reviews. Specifically, auditors interviewed officials from five other states with citizen review boards similar to the FCRB—Kentucky, Michigan, New Mexico, Oregon, and South Carolina—and found that three of the five states have a statutory requirement that caseworkers attend board reviews.^{1,2} If the FCRB's collaboration with the DCS does not produce effective strategies

¹ One of the three states with the statutory requirement, Kentucky, reported that caseworker attendance is required only for in-person case reviews.

² New Mexico and South Carolina reported that they did not have a statutory requirement compelling caseworker attendance. However, both states reported that they rarely have a problem with caseworkers not attending.

for improving caseworker attendance, the FCRB should consider, in consultation with the DCS, whether to pursue changes in legislation that would require caseworker attendance at board reviews.

Recommendations:

1. To improve the value of review reports to the juvenile court, the FCRB should continue to collaborate with the DCS to assess the reason that caseworkers do not attend board reviews and develop and implement strategies to improve caseworker attendance.
2. If the FCRB's collaboration with the DCS does not produce effective strategies for improving caseworker attendance, the FCRB should consider, in consultation with the DCS, whether to pursue changes in legislation that would require DCS caseworker attendance at board reviews.

FINDING 4

FCRB should resume providing child welfare system recommendations and program metrics to stakeholders

Does the Arizona Foster Care Review Board (FCRB) have valuable program information it should report publicly?

The FCRB should leverage its unique position as an independent reviewer of all cases of children in out-of-home care to provide recommendations to improve Arizona's child welfare system and report key program metrics to stakeholders. The FCRB has provided such information in the past, but has not done so since 2003. However, providing recommendations and reporting key program metrics would provide stakeholders with a broad and independent review on the DCS' permanency efforts that is not otherwise available. Therefore, the FCRB should develop and implement a process for identifying and reporting recommendations for improving Arizona's child welfare system, as well as key program metrics, to stakeholders.

FCRB uniquely positioned to independently report on child permanency efforts

The FCRB is uniquely positioned to provide stakeholders with information on the Arizona Department of Child Safety's (DCS) efforts and progress toward permanency for children in out-of-home care because it performs an independent case review of every child every 6 months. The recent growth in the number of children in out-of-home care has increased the importance of the FCRB's role in reviewing children's progress toward permanent placement, as well as making recommendations for improving the child welfare system (see page 8 for more information about the growth of children in out-of-home care). Prior to 2003, statute required the FCRB to make recommendations to the Supreme Court, Governor, and Legislature regarding the State's foster care statutes, policies, and procedures. The FCRB met this requirement by developing and publishing an annual report, which, in addition to its recommendations, included various program metrics, such as the demographics of children in out-of-home care and the length of time children had spent in out-of-home care. However, this statutory requirement was removed in 2003 by legislation that removed reporting requirements for many state agencies.¹ The FCRB reported that, as a result of this legislation, it stopped producing its annual report altogether because of resource constraints that resulted from budget cuts, reduced staff, and caseload growth. Still, the FCRB is well positioned to provide stakeholders with a broad and independent review of the DCS' permanency efforts that is not otherwise available.

¹ Laws 2003, Ch. 104, was a broad initiative meant to reduce paperwork and costs at various state agencies and repealed requirements for 41 reports from 18 agencies.

Other states' citizen review boards report to stakeholders

Citizen review boards in other states provide information to stakeholders. Five other states with citizen review boards that auditors contacted—Kentucky, Michigan, New Mexico, Oregon, and South Carolina—produce some form of annual report that includes recommendations for improving their states' child welfare systems and/or program metrics. These states' recommendations included increasing collaboration between the state's review board and child welfare agency, improving data collection and use to improve child welfare policies and procedures, and improving legal representation for children in out-of-home care. Program metrics included annual data on review and report timeliness, demographic information on children in out-of-home care, permanency outcomes, and length of time in out-of-home care.

FCRB should implement reporting process

FCRB management recognizes the importance of providing information to stakeholders and has expressed interest in developing a method to do so. Therefore, the FCRB should develop and implement a process for identifying and reporting recommendations for improving Arizona's child welfare system and key program metrics to stakeholders. For example, recommendations could address any deficiencies in services provided to children in out-of-home care, ways to improve collaboration among different organizations/agencies involved in child welfare, and suggestions related to child welfare policy revisions. Program metrics could include the number of FCRB reviews held, the FCRB's timeliness in conducting case reviews and distributing reports to the juvenile court, and other relevant information the FCRB deems appropriate (see Finding 2, pages 11 through 12, for more information about the FCRB's review and reporting timeliness).

Recommendation:

1. The FCRB should develop and implement a process for making recommendations for improving Arizona's child welfare system and for reporting key program metrics to provide stakeholders a broad and independent review of the DCS' permanency efforts.

In accordance with Arizona Revised Statutes (A.R.S.) §41-2954, the Legislature should consider the following factors in determining whether the Arizona Foster Care Review Board (FCRB) should be continued or terminated. This analysis includes recommendations for the FCRB to continue working toward improving its case information distribution process, better track and monitor board member compliance with training requirements, take a more active role in overseeing the work performed by the FCRB's State Board and its committees to ensure they effectively perform their duties, assess the State Board's size, and ensure that its Web site is complete and up to date (see Sunset Factor 2, pages 21 through 23, and Sunset Factor 3, page 23).

1. The objective and purpose in establishing the FCRB and the extent to which the objective and purpose are met by private enterprises in other states.

Established in 1978, the FCRB's role is to review and coordinate the activities of local foster care review boards (local boards) that advise their respective juvenile courts by reviewing cases of children who have been placed in out-of-home care at least once every 6 months. This meets the federal requirement set forth in Title IV-E of the Social Security Act, which requires states to establish a system for conducting these 6-month reviews. The purposes of these reviews are to:

- Advise the juvenile court of the adequacy of the Arizona Department of Child Safety's (DCS) efforts toward establishing a permanent placement for each child;
- Encourage and facilitate the return of each child to his/her family whenever possible; and
- Assist in informing parents and others of their rights and responsibilities regarding children in out-of-home care.

The FCRB's objective and purpose are not handled by private enterprises in any other states; all states, including Arizona, must meet the federal requirement to review children in out-of-home care at least once every 6 months and can do so through administrative, judicial, or citizen reviews. According to information published in 2007 by the National Foster Care Review Coalition on how all 50 states meet the federal 6-month review requirement, 25 states used an administrative review process, 5 states used judicial reviews only, and 20 states, including Arizona, used citizen review boards.

2. The extent to which the FCRB has met its statutory objective and purpose and the efficiency with which it has operated.

The FCRB has generally met its statutory objective and purpose but needs improvement in some areas. Some examples in which the FCRB has efficiently met its objective and purpose include:

- **Conducting case reviews for children in out-of-home care in a timely manner**—A.R.S. §8-515.03 requires local boards to conduct reviews of children in out-of-home care at least once every 6 months. Auditors conducted a file review of 261 board reviews conducted between January 1, 2012 and December 31, 2014, and found that

the boards conducted 254, or 97 percent, of the reviews within the required 6-month time frame.¹

- **Making a positive impression on review meeting participants**—On behalf of the FCRB, Dr. Elizabeth Jacobs conducted a survey of all participants—including birth parents, foster parents, family members, and DCS caseworkers—at local board meetings held between January 1, 2014 and June 30, 2014, to assess strengths and weaknesses, and found that participants largely had positive things to say about the local boards.^{2,3} Among the strengths commonly cited by survey respondents were board members’ attentiveness, ability to ask appropriate questions, skill in communicating recommendations, and display of care and understanding.

However, the audit found that the FCRB can better meet its statutory objective and purpose by:

- **Evaluating and enhancing its board member recruitment strategies**—Most of the local boards do not have the statutorily required number of board members. Specifically, as of March 2015, 96 of the FCRB’s 137 local boards, or 70 percent, had fewer than five appointed board members. This shortage of board members could lead to delays in case reviews if at least two board members are not present, although FCRB management reported that this has not occurred to its knowledge. Rescheduled case reviews would not delay juvenile court hearings, but the local board’s assessment might not be available for the next hearing, which would deprive the court of an independent review of a child’s progress toward permanency. According to FCRB management, continued growth in the number of children placed in out-of-home care has required the creation of additional local boards and increased the need for board members. The FCRB should evaluate the adequacy of its recruitment strategies; identify and implement new recruitment strategies, as needed; and provide more administrative support for the State Board Outreach Committee’s recruitment efforts (see Finding 1, pages 7 through 9).
- **Ensuring that its reports are submitted to the juvenile court in a timely manner**—The FCRB does not always submit reports to the juvenile court in a timely manner. Specifically, for 10 percent of the 259 reports auditors reviewed from board meetings conducted between January 1, 2012 and December 31, 2014, FCRB staff did not comply with the 30-day statutory time frame for distributing review reports to the juvenile court. Untimely report distribution can negatively impact court hearings. The FCRB’s Tucson office has established a system to monitor its report distribution timeliness, and auditors found no instances of untimely reporting from that office. To improve its report distribution timeliness, the FCRB’s Phoenix office should develop and implement a method for tracking its report distribution timeliness, as is done in the Tucson office (see Finding 2, pages 11 through 12).

¹ Because local boards meet only monthly, auditors considered reviews timely if they were conducted within 2 weeks of the required 6-month review date to allow for scheduling.

² Dr. Elizabeth Jacobs, Faculty Emeritus, Maricopa Community Colleges, conducted a 2014 participant satisfaction survey on behalf of the FCRB. Dr. Jacobs has been a volunteer local board member for the FCRB since 1999.

³ Although the survey responses were largely positive, some respondents offered suggestions for improvements, many of which related to review procedures or the time allotted for reviews.

- **Continuing to work with DCS to improve caseworker attendance at board reviews**—FCRB reports provide valuable information to juvenile court judges but are less useful when DCS caseworkers do not attend board reviews. Although DCS policy requires caseworkers to attend board reviews, caseworkers attended only about 65 percent of board reviews from November 2014 through May 2015, according to FCRB records. In January 2015, the FCRB and the DCS established a workgroup to explore ways to improve caseworker attendance at board reviews but have not yet implemented any strategies to do so. Therefore, the FCRB should continue its efforts to collaborate with the DCS to improve caseworker attendance at board reviews to improve the value of review reports to the juvenile court. If the FCRB's collaboration with the DCS does not produce effective strategies for improving caseworker attendance, the FCRB should consider, in consultation with the DCS, whether to pursue changes in legislation that would require caseworker attendance at board reviews (see Finding 3, pages 13 through 15).
- **Providing recommendations to improve Arizona's child welfare system and reporting program metrics to stakeholders**—The FCRB should leverage its unique position as an independent reviewer of all cases of children in out-of-home care to provide recommendations and report key program metrics to stakeholders. The FCRB has provided such information in the past but has not done so since 2003. However, providing recommendations and reporting key program metrics would provide stakeholders with a broad and independent review of the DCS' permanency efforts that is not otherwise available. Therefore, the FCRB should develop and implement a process for making recommendations for improving Arizona's child welfare system and reporting key program metrics to stakeholders (see Finding 4, pages 17 through 18).
- **Taking steps to improve its case information distribution process**—The FCRB mails case review materials, such as court documents, DCS case plans, and previous FCRB reports, to local board members 1 week prior to each board review for the children being reviewed. These packets consist of paper documents and compact discs. The FCRB's administrative secretary and program specialist I staff (12.6 full-time equivalent staff) are responsible, among other duties, for creating and mailing the board member packets. According to the Arizona Supreme Court, Administrative Office of the Courts (AOC), the FCRB spent approximately \$107,000 in postage alone in fiscal year 2015 to mail these packets. The FCRB has recognized that this process is not efficient and has begun working with the AOC's information technology (IT) department, which maintains the FCRB's data system, DCATS, to move to an online system for distributing case information. This system would allow board members to access case information remotely using a secure login. This system would free up administrative staff to be used elsewhere, such as helping to ensure reports are distributed in a timely manner or gathering information that could be reported to stakeholders. In addition, the system would reduce the cost of postage and materials used to mail packets to board members. Further, an online system would provide a more secure way of distributing case information. Therefore, the FCRB should continue to collaborate with the AOC's IT department to develop and implement a secure online system for distributing case information.
- **Tracking and monitoring board member training hours**—FCRB policy requires board members to complete at least 6 hours of annual training to help ensure they are up to

date on current child welfare issues and practices. The FCRB uses its data system, DCATS, to store board members' training information. However, the FCRB was unable to provide auditors a complete and accurate report showing the number of training hours each board member has completed. Further, the FCRB was unable to provide hardcopy documentation to support all of the training hours documented in the database. As such, FCRB management is not able to demonstrate that board members are in compliance with the 6-hour annual training requirement. Therefore, the FCRB should develop and implement policies and procedures for better tracking and monitoring board members' completed training hours to ensure board members are staying current on child welfare issues and practices.

- **Providing management oversight of State Board functions**—The FCRB's State Board meets twice per year and is responsible for reviewing and coordinating the activities of the local boards. State Board functions include developing training requirements for local board members and recruitment strategies to obtain new local board members. The State Board accomplishes this through its four committees:
 - **Executive Committee**—Responsibilities include developing and proposing policy and procedural changes to the State Board.
 - **Best Practices Committee**—Responsibilities include identifying and addressing issues pertaining to the FCRB and participating in advocacy efforts.
 - **Outreach Committee**—Responsibilities include raising public awareness regarding the need for local board members and the need for foster and adoptive families, including developing recruiting strategies.
 - **Continuing Education Committee**—Responsibilities include carrying out the statutory requirement to establish training programs for local board members.

FCRB staff are responsible for coordinating State Board meetings and committee activities, but auditors observed that staff do not ensure that meetings and activities are effective. For example, staff did not ensure that action items identified during the September 2014 State Board meeting were acted upon or discussed at the March 2015 State Board meeting. According to FCRB management, this did not occur because the State Board focused on restructuring its committees. However, the State Board meets only twice per year and, therefore, missed an opportunity to make progress toward goals identified in previous meetings. Further, as discussed in Finding 1 (see page 9), FCRB staff support for the Outreach Committee has not been a priority because of their case review workload. Auditors conducted interviews with five other states with citizen review boards—Kentucky, Michigan, New Mexico, Oregon, and South Carolina—and each reported that they rely on board staff to oversee and assist with the work conducted by their state boards to ensure that they are effectively meeting their responsibilities. Similarly, FCRB management should take a more active role in overseeing the work performed by the State Board and its committees, such as following up on previously identified action items, to ensure the State Board and its committees effectively perform their duties.

- **Assessing the size of the State Board**—Statute requires that the State Board consist of seven persons knowledgeable about foster care problems and local board members, including one local board member for every three local boards in counties with more than one local board. Growth in the number of children in out-of-home care has required the establishment of additional local boards, which has increased the required number of State Board member positions. However, FCRB management stated that the increasing size of the State Board, which had 43 members as of May 2015, has made it difficult for the State Board to operate effectively. Further, increases in the number of State Board members leads to increased costs because the FCRB provides State Board members mileage and lodging reimbursement for expenses incurred while traveling to State Board meetings, which are held twice per year. The FCRB restructured the State Board’s committees in 2015 to help improve its effectiveness, and reported that it has been considering whether to seek statutory changes to reduce the State Board’s size in order to reduce costs and further enhance the State Board’s effectiveness. The FCRB should continue to assess the State Board’s size and consider pursuing statutory changes to reduce its size, as appropriate.

3. The extent to which the FCRB serves the entire State rather than specific interests.

As required by federal law, the local boards conduct reviews of children who are in out-of-home care throughout Arizona. According to A.R.S. §8-515.03, the local boards in each county must review all cases for children in that county within 6 months of placement in out-of-home care, and at least once every 6 months thereafter. The reviews are conducted in their respective counties, and the appointed local board members are residents of that county.¹

In addition, the FCRB maintains a Web site to provide information to the public and stakeholders. However, auditors found that the information provided on the Web site is often outdated, and some areas are missing information. For example, the Web site includes a reports section that does not contain any reports but states that they are in the process of being updated. Further, the articles provided in the current news section have not been updated since 2012. The FCRB should ensure that the information on its Web site is complete and up to date.

4. The extent to which rules adopted by the FCRB are consistent with the legislative mandate.

General Counsel for the Office of the Auditor General has analyzed the FCRB’s rule-making statutes and believes that the FCRB’s Rules of Procedure are consistent with statute.

5. The extent to which the FCRB has encouraged input from the public before adopting its rules and the extent to which it has informed the public as to its actions and their expected impact on the public.

As a program of the Arizona Supreme Court, the FCRB is not covered by the Arizona Administrative Procedure Act. Auditors found that no FCRB rules have been promulgated since 1980. However, according to FCRB management, the Arizona Supreme Court adopts the FCRB’s rule changes after the opportunity for public comment, as provided by the Arizona

¹ The FCRB can call any approved board member as a substitute to fill in when other board members cannot attend a review.

Supreme Court Rules of Procedure. In addition, the State Board and local board meetings are not subject to the State's open meeting law.

6. The extent to which the FCRB has been able to investigate and resolve complaints that are within its jurisdiction.

This factor does not apply because the FCRB is not a regulatory agency. According to FCRB management, complaints are rare and are generally related to concerns with the living situation of a child in out-of-home care. FCRB management stated that these complaints are outside of the FCRB's jurisdiction and are referred to the DCS. FCRB management further stated that it has not received any complaints related to FCRB staff, board members, or processes in recent memory, but that the director of the FCRB would handle such complaints.

7. The extent to which the Attorney General or any other applicable agency of state government has the authority to prosecute actions under the enabling legislation.

This factor does not apply because the FCRB's enabling legislation does not establish any authority that would require prosecuting actions.

8. The extent to which the FCRB has addressed deficiencies in its enabling statutes that prevent it from fulfilling its statutory mandate.

The FCRB reported that it has not identified deficiencies to its enabling statutes and, therefore, has not sought statutory changes. However, the Legislature passed laws in 2012 that eliminated the FCRB's requirement to participate in child removal reviews, which the DCS conducts instead to determine whether a child should be removed from his/her home.

9. The extent to which changes are necessary in the laws of the FCRB to adequately comply with the factors listed in the sunset law.

This performance audit identified one potential change to the FCRB's statutes. Specifically, as discussed in Finding 3 (see pages 13 through 15), if the FCRB's collaboration with the DCS does not produce effective strategies for improving caseworker attendance at board reviews, the FCRB should consider, in consultation with the DCS, whether to pursue changes in legislation that would require caseworker attendance at board reviews.

10. The extent to which the termination of the FCRB would significantly affect the public health, safety, or welfare.

Terminating the FCRB's State Board would substantially impact the effectiveness of the citizen review component of Arizona's foster care review system. In addition, if the State Board were terminated, to comply with federal law, the State would have to rely on another state agency to administer and supervise the program.

11. **The extent to which the level of regulation exercised by the FCRB compares to other states and is appropriate and whether less or more stringent levels of regulation would be appropriate.**

This factor does not apply because the FCRB is not a regulatory agency.

12. **The extent to which the FCRB has used private contractors in the performance of its duties as compared to other states and how more effective use of private contractors could be accomplished.**

The FCRB does not make use of private contracts in performing its duties, and auditors did not identify any opportunities for the FCRB to make use of private contractors. Auditors conducted interviews with five other states with citizen review boards—Kentucky, Michigan, New Mexico, Oregon, and South Carolina—and found that none use private contractors to perform their duties.

Recommendations:

1. The FCRB should continue to collaborate with the IT department of the Arizona Supreme Court, Administrative Office of the Courts, to develop and implement a secure online system for distributing case information (see Sunset Factor 2, page 21).
2. The FCRB should develop and implement policies and procedures for better tracking and monitoring board members' completed training hours to ensure board members are staying current on child welfare issues and practices (see Sunset Factor 2, pages 21 through 22).
3. FCRB management should take a more active role in overseeing the work performed by the State Board and its committees, such as following up on previously identified action items, to ensure the State Board and its committees effectively perform their duties (see Sunset Factor 2, pages 22 through 23).
4. The FCRB should continue to assess the State Board's size and consider pursuing statutory changes to reduce its size, as appropriate (see Sunset Factor 2, page 23).
5. The FCRB should ensure that the information on its Web site is complete and up to date (see Sunset Factor 3, page 23).

APPENDIX A

Methodology

This appendix provides information on the methods auditors used to meet the audit objectives.

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

The Auditor General and staff express appreciation to the Arizona Foster Care Review Board's (FCRB) Director and staff for their cooperation and assistance throughout the audit.

Auditors used various methods to study the issues in the performance audit and sunset review. These methods included reviewing the FCRB's statutes, Rules of Procedure, and policies and procedures; interviewing FCRB staff, stakeholders, and officials from five other states with citizen review boards; and reviewing information from the FCRB's Web site.¹

In addition, auditors used the following specific methods to meet the audit objectives:

- To determine whether the local boards contained the statutorily required number of board members, auditors analyzed data from the FCRB's data system (DCATS) related to board staffing.
- To determine whether the FCRB complied with statutory time frames for reviewing cases and submitting reports to the juvenile court, auditors reviewed a sample of 115 individual case files from board review meetings held between January 1, 2012 and December 31, 2014, which encompassed a total of 261 reviews and 259 reports.² Auditors stratified the sample to ensure that it included cases from each county proportionate to the number of children in that county by reviewing DCATS information regarding the distribution of children in out-of-home care across the State.³ In addition, auditors assessed processes for tracking and monitoring the timeliness of report distribution at both the FCRB's Phoenix and Tucson offices.
- To assess whether FCRB reports provide valuable information to the juvenile court, auditors interviewed four juvenile court judges from different counties in Arizona. In addition, auditors observed 26 case reviews conducted during five local board meetings held in January and April 2015 to assess the importance of Arizona Department of Child Safety (DCS) caseworker input to case reviews. Further, auditors analyzed FCRB-compiled data on DCS caseworker attendance at board reviews between November 2014 and May 2015. Auditors also reviewed DCS policies regarding caseworker attendance at FCRB reviews and interviewed DCS staff.
- To determine whether the FCRB has valuable program information it should report to stakeholders, auditors reviewed information and

¹ Auditors interviewed officials in Kentucky, Michigan, New Mexico, Oregon, and South Carolina.

² Auditors' sample included 100 open case files and 15 closed case files.

³ Auditors' file review included at least 1 case from each county in Arizona.

recommendations the FCRB provided previously and reviewed annual reports from other states to determine the types of information provided to stakeholders.

- To obtain information for the Introduction and Sunset Factors, auditors reviewed Title IV-E of the Social Security Act, which includes federal regulations related to case reviews of children in out-of-home care and reviewed *The Arizona Foster Care Review Board Findings and Determinations Guidebook for Volunteer Board Members and FCRB Staff*. In addition, auditors reviewed information published by the National Foster Care Review Coalition regarding how different states comply with the federal requirement to review the cases of children in out-of-home care. Further, auditors reviewed the FCRB's organizational charts to determine the number of filled full-time equivalent staff positions. Additionally, auditors analyzed board member appointment and training information from the FCRB's data system (DCATS) and observed the March 2015 State Board meeting. Auditors also analyzed financial information regarding the FCRB's revenues and expenditures for fiscal years 2013 through 2015 prepared by the Administrative Office of the Courts. Finally, auditors reviewed the results of a 2014 satisfaction survey of participants at local board meetings conducted by Dr. Elizabeth Jacobs, Faculty Emeritus, Maricopa Community Colleges.¹
- Auditors' work on internal controls included reviewing the FCRB's strategies for board member recruitment and tracking report timeliness, and guidelines for board member training. Auditors' conclusions regarding these controls can be found in Findings 1 and 2 and Sunset Factor 2.

¹ Dr. Jacobs has been a volunteer local board member for the FCRB since 1999.

AGENCY RESPONSE



Supreme Court

STATE OF ARIZONA
ADMINISTRATIVE OFFICE OF THE COURTS

Scott Bales
Chief Justice

David K. Byers
Administrative Director
of the Courts

September 2, 2015

Ms. Debbie Davenport, Auditor General
Office of the Auditor General
2910 N. 44th Street, Ste. 410
Phoenix, AZ 85018

Dear Ms. Davenport,

Attached you will find the Foster Care Review Board's response to the Auditor General's Final Report of the Foster Care Review Board's Sunset Audit.

The FCRB acknowledges additional effort is needed to recruit more volunteers to participate in the important foster care review process, to increase DCS caseworker participation in reviews, and to ensure all reports are distributed to the court within the 30-day timeframe prescribed in statute. As you are aware the FCRB, and the entire child welfare system, has faced unprecedented growth in the number of children in out-of-home care over the last few years and unfortunately, we anticipate a continued upward trend in caseload growth. Despite these challenges, we are proud to have continued fulfilling our statutory role with minimal impact on scheduling review hearings and distributing reports to the juvenile court in a timely manner. Of course, it should be noted that such efforts were often quite difficult to achieve with a reduced budget and existing staff resources. The workload demand left little time for other important program activities, such as those mentioned in the audit report (i.e. board member recruitment and tracking and monitoring report distribution timeframes). Nevertheless, we understand the importance of these activities and have already begun several efforts to address the recommendations presented in this report.

We would like to thank the auditors for their thorough job in learning the FCRB process and understanding the complexities and challenges we face in fulfilling our role within the child welfare system.

Sincerely,

Dave Byers
Administrative Director of the Courts

CC: Caroline Lutt-Owens, Director, DCSD

Attachment

**FCRB Response to: *A Performance Audit and Sunset Review
of the Arizona Foster Care Review Board***

Finding 1: FCRB should evaluate and enhance its board member recruitment strategies

Recommendations:

- 1. The FCRB should evaluate the adequacy of its current recruitment strategies and identify and implement new recruitment strategies, as needed, such as continuing to partner with other child welfare stakeholders to recruit board members.**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Due to the unprecedented growth in the number of children in the foster care system, the need for more volunteers has increased rapidly and the Foster Care Review Board staff has assigned staff to assist in recruitment efforts when they are not covering boards or preparing reports. The Foster Care Review Board will continue to review strategies to determine the most effective and efficient way of recruiting new board members.

- 2. FCRB staff should better support recruiting efforts by providing more administrative support for the State Board's Outreach Committee.**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

The State Board, and its committees, was recently restructured and the role and specific duties of state board members were better defined and outlined. The restructuring has allowed the Outreach Committee to start anew with many new members who have a shared interest in recruiting activities. Staff is an integral part of the committee and their assistance is vital to its functioning. While FCRB staff has been unable to make the administrative support of the Outreach Committee its highest priority due to the number of case reviews, the FCRB will assess the necessary administrative resources to the Outreach Committee in order to meet its goals.

Finding 2: FCRB should ensure that all reports are submitted to the juvenile court in a timely manner

Recommendations:

- 1. The FCRB's Phoenix office should ensure that it distributes its review reports to the court in a timely manner by developing and implementing a method for tracking and monitoring its report distribution timeliness, as is done in the Tucson office.**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

The significant growth in the number of children in foster care coupled with staffing changes has made it difficult for the Phoenix office to maintain a tracking system that fully provides management with the necessary information to more proactively monitor the extent to which FCRB reports are being distributed within the 30-day timeframe. The FCRB agrees that the report tracking methods used in the Tucson office should be evaluated further to determine the feasibility of applying those techniques in the Phoenix office. However, due to the higher volume of case reviews handled in the Phoenix office, it may require a different approach than the methods used in the Tucson office.

Finding 3: FCRB should continue working with DCS to improve caseworker attendance at board reviews

Recommendations:

- 1. To improve the value of review reports to the juvenile court, the FCRB should continue to collaborate with the DCS to assess the reason that caseworkers do not attend board reviews and develop and implement strategies to improve caseworker attendance.**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

- 2. If the FCRB's collaboration with the DCS does not produce effective strategies for improving caseworker attendance, the FCRB should consider, in consultation with the DCS, whether to pursue changes in legislation that would require DCS caseworker attendance at board reviews.**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

Finding 4: FCRB should resume providing child welfare system recommendations and program metrics to stakeholders.

Recommendations:

- 1. The FCRB should develop and implement a process for making recommendations for improving Arizona's child welfare system, and for reporting key program metrics, to provide stakeholders a broad and independent review of the DCS's permanency efforts.**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

Sunset Factor Analysis:

Recommendations:

1. **The FCRB should continue to collaborate with the Arizona Supreme Court, Administrative Office of the Courts' IT department to develop and implement a secure, online system for distributing case information (see Sunset Factor 2, page 21).**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

2. **The FCRB should develop and implement policies and procedures for better tracking and monitoring board members' completed training hours to ensure board members are staying current on child welfare issues and practices (see Sunset Factor 2, pages 21 through 22).**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

3. **FCRB Management should take a more active role in overseeing the work performed by the State Board and its committees, such as following up on previously identified action items, to ensure the State Board and its committees effectively perform their duties (see Sunset Factor 2, page, 23).**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

The State Board, and its committees, was recently restructured and the role and specific duties of state board members were better defined and outlined. The restructuring has allowed the Board and committees to start anew with new goals. Staff is an integral part of the State Board and its committees and their assistance is vital to their functioning. While FCRB staff has been unable to make the administrative support of the Outreach Committee its highest priority due to the number of case reviews, the FCRB will assess the necessary administrative resources to the Outreach Committee in order to meet its goals.

4. **The FCRB should continue to assess the State Board's size and consider pursuing statutory changes to reduce its size, as appropriate (see Sunset Factor 2, page 23).**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

- 5. The FCRB should ensure that the information on its Website is complete and up-to-date (see Sunset Factor 3, page 23).**

The finding of the Auditor General is agreed to and the audit recommendation will be implemented

Performance Audit Division reports issued within the last 18 months

| | |
|-------------------|---|
| 14-101 | Arizona Department of Economic Security—Children Support Services—Transportation Services |
| 14-102 | Gila County Transportation Excise Tax |
| 14-103 | Arizona State Board of Dental Examiners |
| 14-104 | Arizona Office of Administrative Hearings |
| 14-105 | Arizona Board of Executive Clemency |
| 14-106 | State of Arizona Naturopathic Physicians Medical Board |
| 14-107 | Arizona Department of Child Safety—Children Support Services—Emergency and Residential Placements |
| 14-108 | Arizona Department of Administration—Arizona State Purchasing Cooperative Program |
| 15-101 | Arizona Department of Child Safety—Child Abuse or Neglect Reports, Substantiation Rate, and Office of Child Welfare Investigations |
| 15-102 | Arizona Department of Administration—State-wide Procurement |
| 15-103 | Arizona Medical Board—Licensing and Registration Processes |
| 15-104 | Arizona Department of Transportation—Motor Vehicle Division |
| 15-105 | Arizona Department of Revenue—Use of Information Technology |
| 15-CR1 | Independent Review—Arizona’s Child Safety System and the Arizona Department of Child Safety |
| 15-CR1SUPP | Supplemental Report to the Independent Review—Arizona’s Child Safety System and the Arizona Department of Child Safety |
| 15-106 | Arizona State Retirement System |
| 15-CR2 | Independent Operational Review of the Arizona State Retirement System’s Investment Strategies, Alternative Asset Investment Procedures, and Fees Paid to External Investment Managers |
| 15-107 | Arizona Sports and Tourism Authority |
| 15-108 | Arizona Department of Administration—Personnel Reform Implementation |
| 15-109 | Arizona Department of Administration—Sunset Factors |

Future Performance Audit Division reports

Public Safety Personnel Retirement System