



**DEBRA K. DAVENPORT, CPA**  
AUDITOR GENERAL

**STATE OF ARIZONA**  
OFFICE OF THE  
**AUDITOR GENERAL**

**MELANIE M. CHESNEY**  
DEPUTY AUDITOR GENERAL

January 14, 2011

The Honorable Rick Murphy, Chair  
Joint Legislative Audit Committee

The Honorable Carl Seel, Vice Chair  
Joint Legislative Audit Committee

Dear Senator Murphy and Representative Seel:

Our Office has recently completed an 18-month followup of the Department of Economic Security—Division of Children, Youth and Families—Child Protective Services—Congregate Care regarding the implementation status of the 7 audit recommendations (including sub-parts of the recommendations) presented in the performance audit report released in June 2009 (Auditor General Report No. CPS-0901). As the attached grid indicates:

- 6 have been implemented, and
- 1 is in the process of being implemented.

Unless otherwise directed by the Joint Legislative Audit Committee, this concludes our follow-up work on the Department's efforts to implement the recommendations from the June 2009 performance audit report.

Sincerely,

Dale Chapman, Director  
Performance Audit Division

DC:sjs  
Attachment

cc: Neal Young, Director  
Department of Economic Security

**Department of  
Economic Security—Division of Children, Youth and  
Families—Child Protective Services—Congregate Care  
Auditor General Report No. CPS-0901  
18-Month Follow-Up Report**

<b>Recommendation</b>	<b>Status/Additional Explanation</b>
<b>Finding 1: Improvements needed in congregate care investigations</b>	
1.1 To help facilitate the timeliness of congregate care investigations, the Division should:	
a. Implement the Division’s action plan for the specialized investigative unit requiring the unit supervisor to revise the unit’s procedures to more effectively use manual and online systems to track investigation activity, to update investigators weekly on upcoming investigation completion dates, and to increase contact with investigators to discuss ongoing investigations; and	<b>Implemented at 6 Months</b>
b. Ensure the specialized investigative unit remains adequately staffed and do not routinely use the unit’s investigative staff to assist with other investigative units’ workloads. If this is not possible due to staffing cuts, the Division should review and prioritize the specialized investigation unit’s responsibilities to ensure tasks critical for ensuring child safety are performed; for example, completing investigations within 21 days;	<b>Implemented at 6 Months</b>
1.2 To help ensure that information is available for management use in monitoring investigations’ thoroughness, workload, and productivity, the supervisor of the specialized investigative unit should enforce division policy requiring staff to document case activity within 10 days of its occurrence.	<b>Implemented at 18 Months</b>
1.3 To help ensure child safety by making certain complete information is available for conducting child abuse background checks on congregate care employees, the Division should seek a statutory amendment clarifying that CPS has authority to investigate allegations of abuse and neglect in RTCs.	<b>Implemented at 6 Months</b>

**Finding 2: Division should improve congregate care outcome monitoring**

2.1 The Division should review and revise the outcomes within its congregate care contracts to ensure that they meet established criteria: they are clear, include measurable indicators of performance, and contain specific performance targets.

**Implementation in Process**

The Division revised the outcome/performance measures for its residential treatment center, therapeutic group home, and behavioral health group home contracts, which were awarded in October 2009. According to the Division, revised outcome/performance measures will be inserted into the new group home and shelter contracts as they are solicited.

2.2 The Division should enforce the requirement that congregate care providers submit required outcome data to the Division. Additionally, the Division should ensure that it compiles the necessary outcome data for those congregate care outcomes it is responsible for tracking.

**Implemented at 18 Months**

2.3 As part of its ongoing efforts to reprioritize its responsibilities in response to budget cuts, the Division should determine the importance of using outcome data to monitor congregate care provider performance, including using the data as additional criteria for yearly contract renewal and as the basis for helping providers identify problems and correct deficiencies, and assign staff accordingly.

**Implemented at 18 Months**