

**Risk Pool Peer Review Committee Report**  
**Children's Network of Hillsborough – Circuit 13**  
**Fiscal Year 22-23**

**Executive Summary:**

Children's Network of Hillsborough (CNH) submitted an application for risk pool funding on November 23, 2022.

The department established a Risk Pool Peer Review Committee pursuant to section 409.990 (8)(a), F.S. (2022) for State Fiscal Year (FY) 22-23, the Risk Pool application process was informed by lessons learned from the prior year reviews as well as the availability of extensive additional information from reports developed pursuant to Chapter 409.996(3), Florida Statutes. In compliance with Chapter 409.996(3), the department completed a comprehensive, multi-year review of the revenues, expenditures and financial position of all Community-Based Care lead agencies including a comprehensive system of care analysis. This submission also included a financial viability plan from all lead agencies.

The Risk Pool Peer Review team conducted a review virtually on December 6-7, 2022, and December 20, 2022, with relevant information available from multiple sources to make recommendations. The documents reviewed included:

- Risk Pool Funding Application FY 22-23
- Financial Viability Plan FY 22-23
- Budget Projections provided by the CBC
- [The Child Welfare Dashboard](#)
- The Child Welfare Key Indicators Monthly Report
- Florida Safe Families Network (FSFN) Aggregate Payment Data

As part of the review, the team evaluated all available information from previous on-site visits, current data, and monitoring reports. To resolve any outstanding questions, additional information was requested by the team from the lead agency which allowed the team to make an enhanced recommendation without an on-site visit being conducted by the Risk Pool Peer Review Committee.

The Risk Pool Peer Review Committee for CNH consisted of:

Barney Ray, DCF Director of Revenue Management and Partner Compliance (Team Lead)

Esther Jacobo, Executive Director, Citrus Family Care Network

Brena Slater, CEO, Safe Children Coalition

Brian Zaletel, CFO, Family Support Services of North Florida and Family Support Services of Suncoast

Jessica Andrews, Director of Policy and Programs, Office of Child and Family Well-

Being

Kathryn Williams, Deputy Assistant Secretary for Operations, Office of Child and Family Well-Being

While the specific areas of review and analysis varied based on the unique needs and circumstances of each Region, Circuit and Lead Agency, the following framework provided an outline for organizing the work of the Peer Review Committee.

### **Application Summary:**

CNH's application for risk pool funding requested \$5,564,929. CNH's projected deficit for Fiscal Year 22-23 is \$5,564,929. Funding is requested to address significant changes in the number or composition of clients eligible to receive services and significant changes in the services that are eligible for reimbursement.

The primary causes CNH attributed to their current financial challenges are outlined below:

- CNH became a new Lead Agency in Circuit 13 in FY 22-23 which resulted in CNH now providing services to over 3,200 children and families.
- Accepting the contract in Circuit 13 required the need to implement a team of providers and provide organizational infrastructure prior to the contract start date (start-up costs).
- CNH began FY 22-23 without the advantage of the previous Lead Agency's carry forward funding or grant and/or donated funds.

### **Findings:**

After review of the information provided the Peer Review Committee was made the following findings:

#### **1. Findings related to the need for services and commitment of resources**

- Sources: (The Child Welfare Key Indicators Monthly Report, [The Child Welfare Dashboard](#))

- 1.1. *What is the relevant community context within which the child welfare system operates?***
- 1.2. *This may include incidence of calls to the hotline, child poverty in the area, local factors that influence the need for services, etc.***
- 1.3. *Factors may also include community resources available to meet the needs of children and families such as Children's Services Councils, local governmental resources, or other unique factors.***

CNH operates in Circuit 13, serving Hillsborough County. Child Protective Investigations are performed by the Hillsborough County Sheriff's Office (HCSO) and Children's Legal Services represents the state in Dependency proceedings within the circuit.

Census Facts		
US Census Facts	Florida	Hillsborough
Median Household Income	\$57,703	\$60,566
Percent of population living in poverty	13.1%	11.9%
Percent of population over 25 years old with a college degree	30.5%	34.5%
Percent of population over 25 years old with high school diploma	88.5%	88.9%

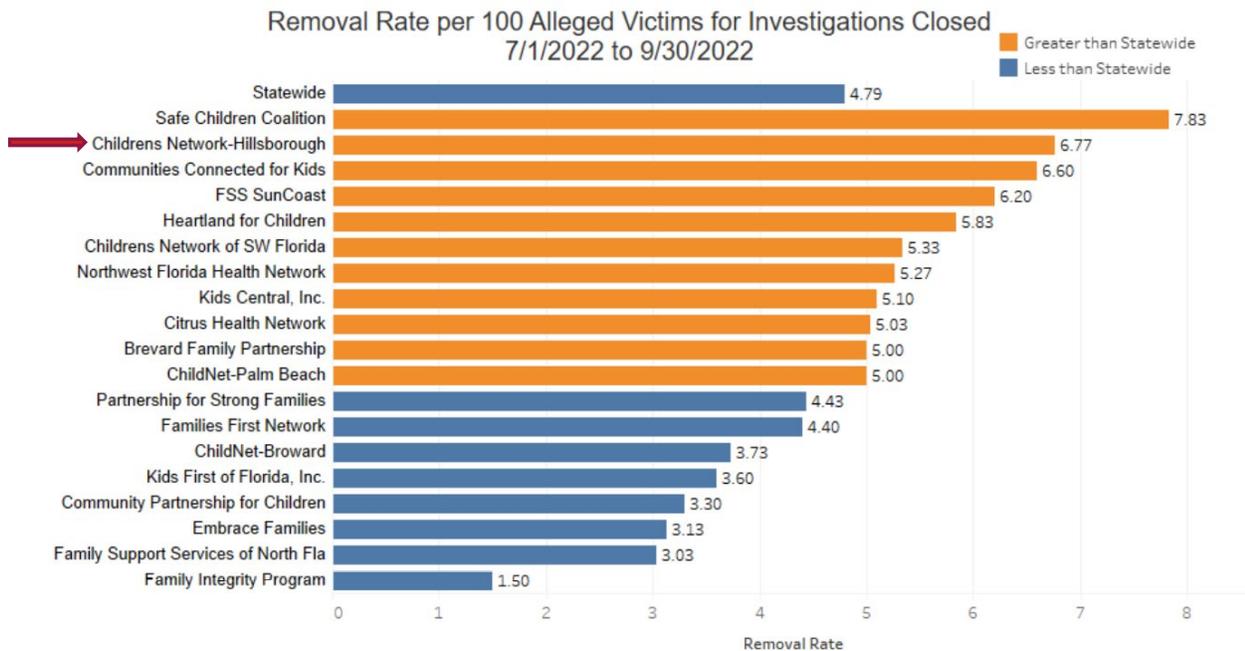
Data Source: census.gov/quickfacts

According to the US Census Facts, Hillsborough County has a lower poverty rate than the statewide average of 13.1%. The county has a higher population of adults with a college degree and the median income is higher than the state average. Hillsborough County is on par with the statewide average of adults with a high school diploma.

**2. Findings related to protective services including removals, referrals for post-investigative services, activities to protect children without removal and use of resources focused on prevention and intervention.**

- Sources: (The Child Welfare Key Indicators Monthly Report, [The Child Welfare Dashboard](#))

- 2.1. *What are the rates of removal, rates of verification and other measures from protective investigations that affect the need for child welfare services? How have these measures changed over time and how do they compare with other areas of the state?*
- 2.2. *What activities are in place to provide support to protective investigators and families to permit children to remain safe in their homes? What services are provided with funds used for prevention and intervention?*
- 2.3. *What services are provided with funds used for prevention and intervention?*
- 2.4. *How well integrated are the CPI, safety management and intervention services components? Are there case transfer issues that affect performance?*



The removal rate per 100 alleged victims for investigations closed from 7/1/2022 to 9/30/2022 is above the statewide average and is the second highest in the state, as shown in the graphic above.



The removal rate per 100 alleged victims has been consistently above the statewide average.

### 3. Findings related to provision of services for children in care (both in-home and out-of-home)

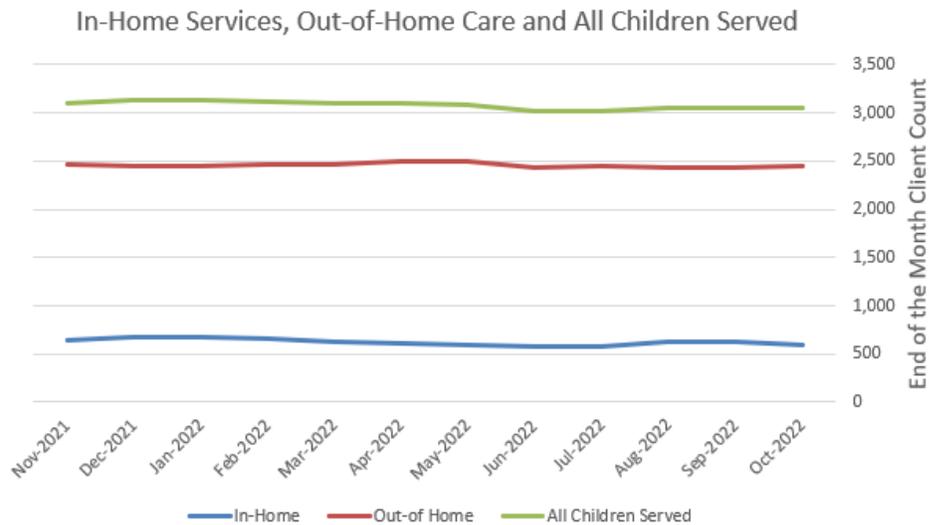
- Sources: ([The Child Welfare Dashboard](#)), CBC Financial Viability Report, CBC Budget Projections, and Florida Safe Families Network (FSFN) Aggregate Payment Data)

**3.1. What is the composition of the children in care including age cohorts, placement types, use of specialized higher costs settings, use of congregate care, etc.**

**3.2. What is the cost of various placement types? To what extent are the rates paid for foster care (including care with various rates of intensity), congregate care consistent with statewide norms (considering community context)?**

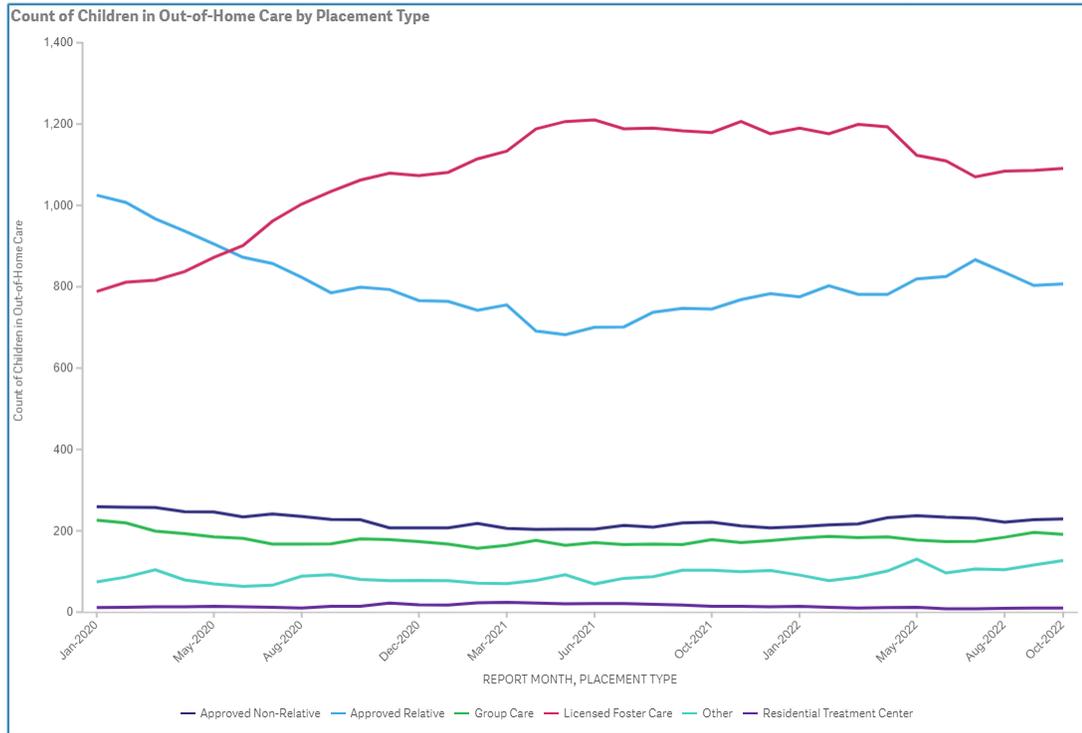
**Have these rates remained relatively consistent over the past few fiscal years?**

- 3.3. What is the cost for dependency case management? Is this consistent with norms for such services? Have these rates remained relatively consistent over the past few fiscal years?**
- 3.4. To what extent is the Lead Agency appropriately utilizing non-child welfare funding for services (such as DCF SAMH Funds, Medicaid, and other non-DCF funding sources).**
- 3.5. What evidence exists that case management services are well-managed by the Lead Agency? (See overall management section for response)**
- 3.6. To what extent is the CBC meeting its obligation to the Family First Prevention goals? Have they reduced reliance on Residential Group care? How much? If not, what is the action plan going forward? Has the CBC met the 40% goal for all relative/non-relative placements licensed as Level I Foster Homes?**



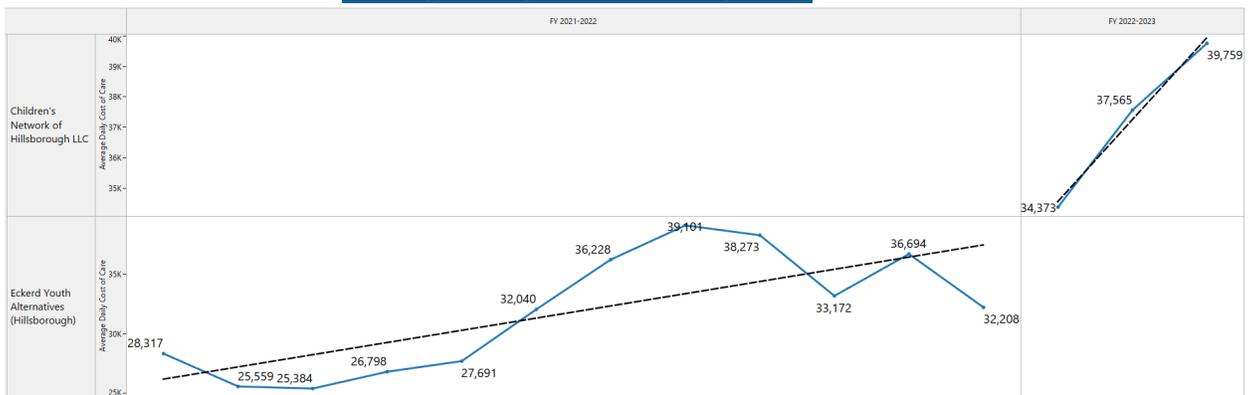
The number of clients being served in-home and out-of-home has trended downward slightly.

## Count of Children In Out-Of-Home Care by Placement Type



The number of children in group care has decreased slightly from 225 in January 2020 to 190 in October 2022. However, the number of children in foster care has increased from 787 children, which included 43 children in Level I child specific licensed foster homes in January 2020, to 1,090 children in October 2022, which included 386 children in Level I child specific licensed foster homes. This increase is due to the increased number of Level I foster home placements.

## Average Daily Cost of Group Care



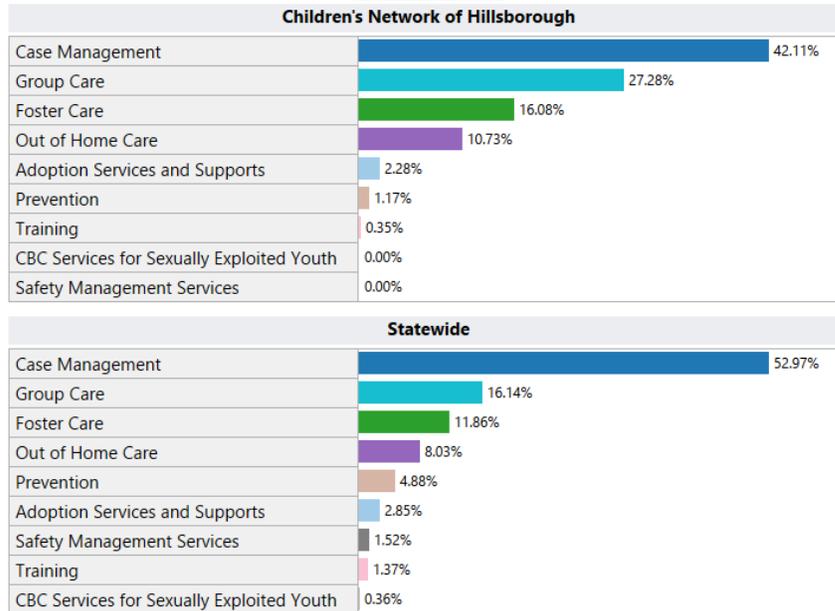
For the first three months of FY 2022-23, the average cost of group care appears to be climbing with an average cost of \$37,232/day. The previous lead agency in Circuit 13

reported an average cost per day in FY 2021-22 of \$31,789 which is shown below CNH for comparison purposes.

<b>Total \$ of FSFN Payments to Licensed Residential Group Care (OCA LCRGE, LCGHE &amp; LCGHI, LCNSE, LCNSI, LCSSE, LCSSI, SESSE, SESSI)</b>						
Ages	FY20-21	FY21-22	\$ Increase/ (Decrease)	% Increase/ (Decrease)	FY 22-23 (Thru Dec. Service Mths- 25% of the year)	FY 22-23 as a % of FY 21-22
0-5	\$311,210	\$258,132	(\$53,078)	43%	\$59,893	23%
6-12	\$3,444,315	\$4,007,340	\$563,025	15%	\$1,187,409	30%
13-17	\$6,102,638	\$7,299,450	\$1,196,812	17%	\$2,201,004	30%
<b>Total Number of Unique Clients in Licensed Residential Group Care (OCA LCRGE, LCGHE &amp; LCGHI, LCNSE, LCNSI, LCSSE, LCSSI, SESSE, SESSI)</b>						
Ages	FY20-21	FY21-22	Increase/ (Decrease)	% Increase/ (Decrease)	FY 22-23 (Thru Dec. Service Mths- 25% of the year)	
0-5	15	14	(1)	75%	5	
6-12	158	148	(10)	-20%	95	
13-17	272	289	17	-2%	189	
<b>Median Daily Rate \$ in Licensed Residential Group Care (OCA LCRGE, LCGHE &amp; LCGHI, LCNSE, LCNSI, LCSSE, LCSSI, SESSE, SESSI)</b>						
Ages	FY20-21	FY21-22	\$ Increase/ (Decrease)	% Increase/ (Decrease)	FY 22-23 (Thru Dec. Service Mths- 25% of the year)	FY 22-23 as a % of FY 20-21
0-5	\$115.00	\$115.00	\$0	0%	\$234.30	
6-12	\$145.20	\$180.50	\$35.30	18%	\$218.20	
13-17	\$150.00	\$170.00	\$20.00	24%	\$211.00	

While the number of unique clients served is relatively steady, group care rates have increased. Comparing FY 20-21 to FY 21-22, the median rate was \$35.30/day more in the 6-12 age group and \$20/day more in the 13-17 age group. From FY 20-21 to FY 21-22, the total group care costs in this circuit have increased by \$1.2M for children 0-17 in FSFN. In Fiscal Year 20-21, there were a total of 445 clients in group care placements. In Fiscal Year 21-22, there were 451 clients in group care placements and as of September 2022 (Fiscal Year 22-23), there were approximately 289 clients in group care placements.

**Percent of Core Services Expenditures**  
**FY 2022-23**



As of September 2022, FY 22-23 case management expenditures were 42.11% of CNH's core services expenditures compared to the statewide average of 52.97%. In contrast, group care and foster care expenditures were 27.28% and 16.08% of CNH's core services expenditures compared to the statewide average of 16.14% and 11.86%, respectively. CNH is also spending significantly less on prevention than the statewide average.

<b>Case Manager Turnover – Fiscal YTD</b>	
	October 2022
<b>Camelot</b>	20%
<b>Life Stream</b>	68%
<b>Thompson</b>	40.9%
<b>Devereux</b>	37.14%
<b>Gulf Coast</b>	12.72%

*Source: CNH's Turnover Report*

Case manager turnover in Circuit 13 is high with CNH reporting an average turnover rate between all agencies of 35.75%.

Average Case Manager Caseload by Agency	
Camelot	12
Life Stream	21
Thompson	8
Devereux	16
Gulf Coast	16

Source: CNH's Performance and Data Reports for October 2022

Average Caseload (Primary Cases per Primary Case Manager)		
	December 2021	December 2022
Children's Network of Hillsborough	N/A	21.10
Eckerd Connects - Hillsborough	24.21	N/A
Statewide	17.09	16.08

Source: FSFN Report – Children Active Receiving In-Home or Out-of-Home Services – Daily Listing by Agency

From December 2021 to December 2022, it appears the number of primary cases per primary case manager has decreased 12.8% for Circuit 13.

There was a shift in children from relative/non-relative care to Level 1 licensed care beginning in July 2019. As of November 28, 2022, CNH was not meeting the goal of achieving 40% relative/non-relative placements licensed as Level 1 foster homes. CNH has 27.91% homes licensed, which is below the statewide average of 37.08% and is last in the state for this metric.

#### 4. Findings related to exits from care including exits to permanence.

- Sources: ([The Child Welfare Dashboard](#))

**4.1. What is the performance of the Lead Agency in the recognized measures of children achieving permanence? Do these findings indicate that children are not remaining in care for longer than necessary? Are these permanency achievement rates consistent across placement settings?**

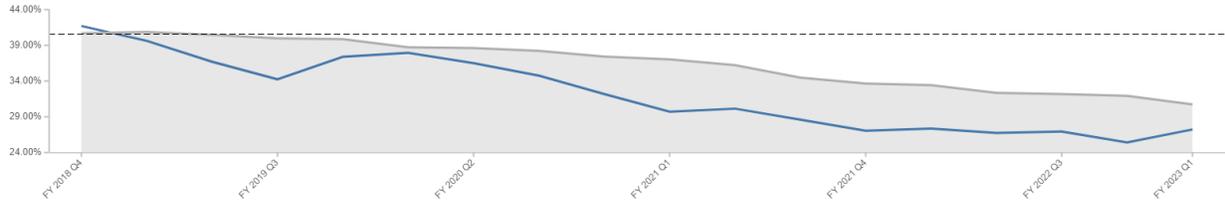
**4.2. What contextual factors (such as Children's Legal services, dependency court dynamics, etc.) influence time to permanence for children served by the Lead Agency?**

**4.3. Has there been a change in number of exits or time to exit that is materially influencing the cost of out-of-home care?**

## Percent Achieving Permanency within Twelve Months

**Percent Achieving Permanency within Twelve Months**

Last Updated: 10/17/2022 (Statewide performance is represented by the shaded area. The dashed line is the statewide goal of 40.5% or better. The most recent quarter's data is DRAFT data and is subject to change with the next quarter's update.)

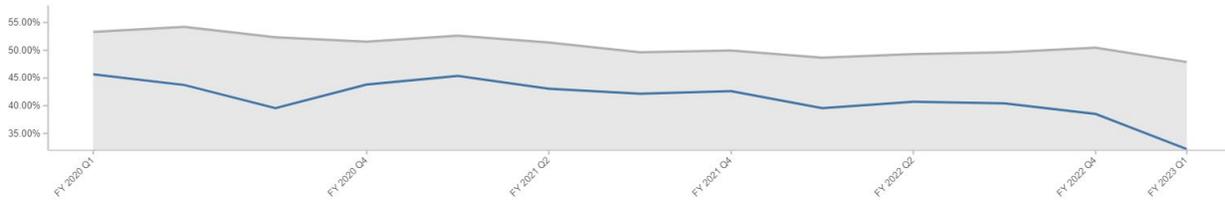


The previous Lead Agency had been performing below the statewide target since FY 2018-19, Q1 and continued a downward trend. Recent data shows CNH achieved permanency for 326 of 1,200 children in FY 2022-23, Quarter 1 (27.17%). Currently, CNH is 15th in the state for this metric.

## Children in Care 12 to 23 Months Achieving Permanency within 12 Months

**Percent Achieving Permanency within Twelve Months**

Last Updated: 10/17/2022 (Statewide performance is represented by the shaded area. The dashed line is the statewide goal of 43.6% or better. The most recent quarter's data is DRAFT data and is subject to change with the next quarter's update.)

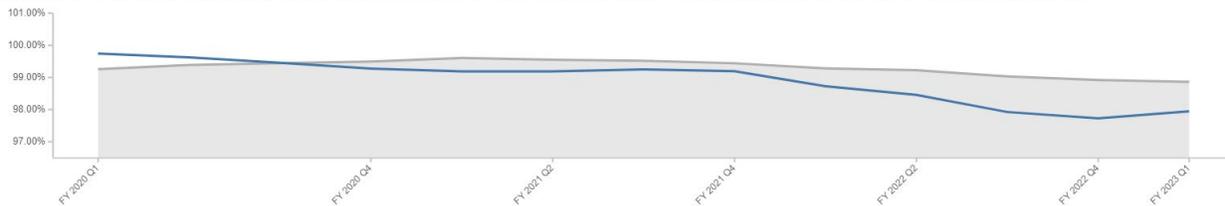


CNH has struggled to meet the statewide target for percent of children in care 12 to 23 months achieving permanency. The previous Lead Agency also failed to meet this target in almost every quarter shown above.

## Percent of Children Under Supervision Seen Every Thirty Days

**Percent of Children Under Supervision Seen Every Thirty Days**

Last Updated: 10/17/2022 (Statewide performance is represented by the shaded area. The dashed line is the statewide goal of 99.5% or better. The most recent quarter's data is DRAFT data and is subject to change with the next quarter's update.)

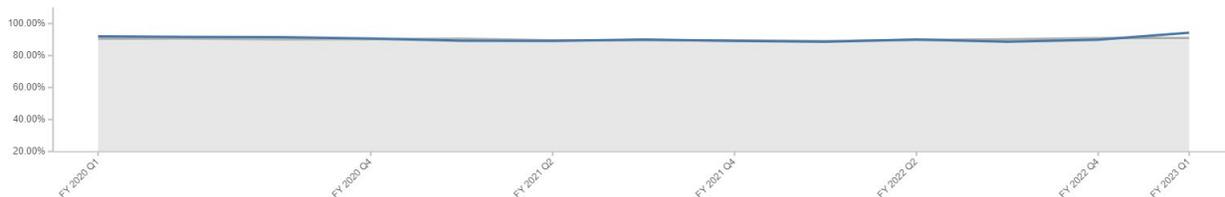


CNH is not meeting the statewide target of 99.5% or better.

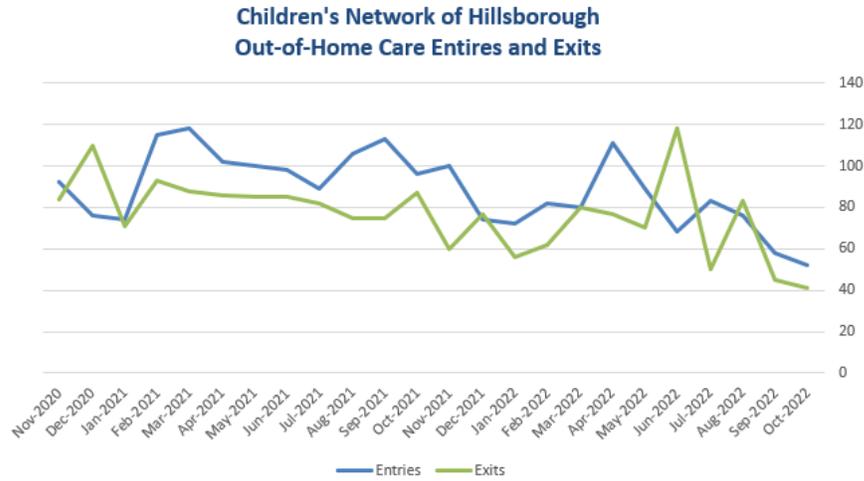
## Percent Not Re-Entering Care within Twelve Months

**Percent NOT Re-Entering Care within Twelve Months**

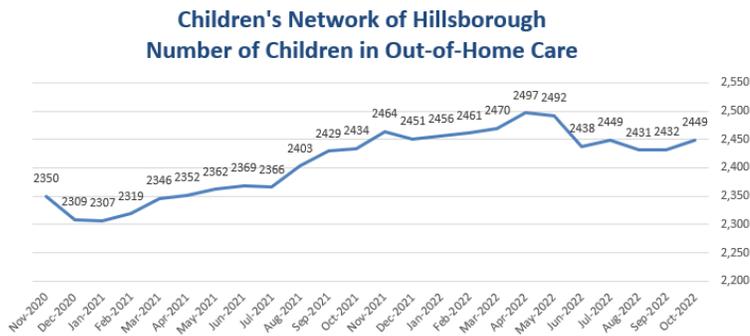
Last Updated: 10/17/2022 (Statewide performance is represented by the shaded area. The dashed line is the statewide goal of 91.7% or better. The most recent quarter's data is DRAFT data and is subject to change with the next quarter's update.)



The statewide target for children not re-entering care within twelve months is 91.7%. In the most recent quarter (FY 22-23, Q1), CNH achieved a high of 94.03% for this metric.



Entries have mostly outpaced exits over a 24-month period. In total there were 2,124 entries compared to 1,840 exits from November 2020 to October 2022.



The previous Lead Agency saw a steady increase in children in out-of-home care from January 2021 to November 2021. In April 2022, the system swelled to over 2,497 children but has since trended downward slightly and has been hovering around 2,430 to 2,450 children.

**5. Findings related to funding, fiscal trends, and fiscal management.**

- Sources: (CBC Financial Viability Report, CBC Monthly Expenditure Reports and CBC Budget Projections)

**5.1. How has core services funding changed over time? (Financial) How has the Lead Agency managed these changes? What adjustments to the available array of services have been made? (For service array response see section 1)**

**5.2. How have any changes to core services funding contributed to any projected deficits for FY 22-23?**

- 5.3. *What is the ratio of core funding as a Percent of the Allocation formula?*
- 5.4. *In what ways are funding dynamics in the Lead Agency unique or atypical of funding in other Lead Agencies?*
- 5.5. *What is the amount of the anticipated deficit for the current year? How reliable and valid are these projections?*
- 5.6. *Are their options other than Risk Pool funding available to reduce the deficit?*
- 5.7. *If the Lead Agency meets the criteria for Risk Pool funding, but the amount of funding available is insufficient to cover the projected deficit, what other options are available?*
- 5.8. *Are there fiscal practices that could be completed with greater efficiency to reduce the projected deficit?*
- 5.9. *Has the most recent CPA audit indicated any issues that would affect the financial health of the organization?*

### Total Funding

DCF Contract Funds Available at Year End (by Fiscal Year)	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
Core Services Funding	\$55,584,469	\$55,931,566	\$57,744,076	\$61,862,147	\$66,379,664	\$81,422,302
Risk Pool Funding	\$169,256	\$2,720,116	\$1,696,910	\$0	\$0	\$0
CBC Operations "Back of the Bill" Funding	\$4,757,189	\$1,924,431	\$1,565,492	\$0	\$0	\$0
Other Amendments to Initial Allocations	\$23,275	\$658,643	\$449,128	\$0	\$0	\$0
<b>Amended Core Services Funding</b>	<b>\$60,534,189</b>	<b>\$61,234,756</b>	<b>\$61,455,606</b>	<b>\$61,862,147</b>	<b>\$66,379,664</b>	<b>\$81,422,302</b>
<b>Funding not defined as Core Services Funding</b>						
Independent Living (IL and Extended Foster Care)	\$2,010,922	\$2,642,628	\$2,642,628	\$2,642,628	\$2,642,628	\$2,907,493
Children's Mental Health Services (Cat 100800/100806)	\$728,973	\$728,973	\$728,973	\$728,973	\$728,973	\$728,973
PI Training, Casey Foundation or other non-core svcs	\$0	\$0	\$0	\$0	\$2,254,713	\$0
Safety Management Services (Nonrecurring)	\$0	\$708,225	\$708,225	\$0	\$0	\$0
<b>Total at Year End</b>	<b>\$63,274,084</b>	<b>\$65,314,582</b>	<b>\$65,535,432</b>	<b>\$65,233,748</b>	<b>\$72,005,978</b>	<b>\$85,058,768</b>
Maintenance Adoption Subsidy (MAS)	\$19,042,893	\$19,531,345	\$20,875,493	\$22,106,441	\$22,268,514	\$22,722,581
Guardianship Assistance Payments (GAP)			\$101,502	\$181,502	\$398,521	\$139,817
MAS Prior Year Deficit						
Carry Forward Balance from Previous Years	-\$419,724	-\$358,972	\$480,250	\$230,031	\$3,567,940	\$0
<b>Total Funds Available</b>	<b>\$81,897,253</b>	<b>\$84,486,955</b>	<b>\$86,992,677</b>	<b>\$87,751,722</b>	<b>\$98,240,953</b>	<b>\$107,921,166</b>

The previous Lead Agency in Circuit 13, Eckerd Connects, received Risk Pool funding and "Back of the Bill" funding for an operating deficit each year from FY 17-18 to FY 19-20. However, they did not need additional funding the last two fiscal years. Eckerd ended FY 21-22 with a surplus that was to be repaid to the Department. Therefore, CNH is beginning FY 22-23 with neither a surplus nor a deficit.

### Core Services Expenditures by Category

Reported Expenditures by Fiscal Year	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Administrative Costs	\$2,932,142	\$2,509,744	\$3,319,613	\$2,642,866	\$4,309,300
Admin Cost Rate (Exp as % of Total Allocations)	3.6%	3.0%	3.8%	3.0%	4.6%
Core Services Expenditures					
Dependency Case Management	\$31,514,592	\$30,753,031	\$34,017,939	\$32,762,054	\$36,837,837
Adoption Services Promotion & Support	\$1,816,989	\$1,155,808	\$975,365	\$989,184	\$877,463
Prevention/Family Support/Family Preservation	\$1,314,961	\$1,970,842	\$2,044,413	\$2,045,401	\$2,168,131
Client Services	\$3,624,876	\$3,979,136	\$2,505,389	\$2,284,740	\$3,102,836
Training - Staff and Adoptive/Foster Parent	\$1,758,528	\$1,463,889	\$714,004	\$646,183	\$700,477
Licensed Family Foster Home (Level I Child Specif	\$0	\$0	\$189,614	\$1,510,752	\$1,848,329
Licensed Family Foster Home (Level II-V)	\$5,067,779	\$5,871,898	\$5,958,183	\$5,795,681	\$5,808,688
Licensed Facility Based Care	\$11,813,713	\$13,620,802	\$13,313,188	\$9,823,320	\$11,589,597
Services for Victims of Sexual Exploitation	\$219,684	\$0	\$165,464	\$24,858	\$13,500
Safety Management Services	\$2,515,168	\$2,182,816	\$2,386,103	\$2,276,652	\$1,866,179
Other	\$0	\$0	\$0	\$0	\$0
<b>Core Services Expenditures</b>	<b>59,646,289</b>	<b>60,998,221</b>	<b>62,269,662</b>	<b>58,158,825</b>	<b>\$64,813,037</b>

The chart above represents the historical spending of the previous Lead Agency. When comparing core service expenditures by category, FY 2020-21 had an increase in dependency case management from \$32.7M to \$36.8M representing a 12% increase. Licensed facility-based care expenditures were up from \$9.8M in FY 20-21 to \$11.6M (18%) in FY 21-22. Adoption services promotion and supports spending has been trending downward. The new initiatives identified by CNH in their risk pool application will change the amount of spending in FY 22-23 within these categories.

Since CNH is a new entity there was not a CPA audit for the committee to review.

### FY 22-23 Financial Viability Plan

In their design and instruction for the Financial Viability Plan (FVP) templates, DCF requested that CBCs identify their actions to address three primary cost drivers:

1. Factors related to entries into care
2. Factors related to the cost of children while in care
3. Factors related to exits from care

CNH's FVP contains actions to address the three primary cost drivers affecting their financial position. The specific actions include:

- Early engagement of families to include communication between Child Protective Investigators, Case Managers and other team members involved with the family and coordinated services that meet the individual needs of the family.
- Ameliorate safety dangers that prevent families from being served in-home.
- The Family Finding Program Coordinator will attend shelter hearings to obtain information from the parents on potential caregivers and family members for the children to maintain family connections.

- Specialized reviews for children aged 11 and under and separated siblings.
- Separated Sibling Reunification Efforts
- Locating Relatives and completing Level I licensing quickly and efficiently will allow caregivers the financial support needed to care for the children in their care. Placement disruptions due to financial difficulties and lack of support will be avoided.
- Explore less restrictive placements, continuous discharge planning, and step down to a less restrictive placement as soon and safely as possible.
- Identification and timely follow-up to barriers to permanency will reduce length of stay in OOHC

**6. Other factors or considerations noted on the application or determined relevant by the Peer Review Committee.**

The previous lead agency in Circuit 13 did not require any secondary funding (Risk Pool and /or Back of the Bill for Operating Deficits) last two fiscal years.

<b>New Initiatives Implemented by Lead Agency</b>	<b>FY 2022-2023</b>	<b>Annualized</b>	<b>Expected Benefits</b>
1. Create eight (8) Intensive Family Services Teams (IFST) at the lead agency	\$2,099,000	\$3,480,000	Reduce number of removals
2. Create Adoption Overlay Unit at the lead agency	\$951,000	\$1,200,000	Reduce time to adoption finalization
3. Workforce Stabilization of Case Management Staff	\$1,992,000	\$1,992,000	Reduce average length of stay for children in out-of-home care
4. Create Integrated Behavioral Health Unit at the lead agency*	\$343,874	\$470,118	Increase enrollment in the CWSP and revenues from CWSP to offset costs of unit and improve delivery of services to children
5. Expansion of Placement Options			
a. Operate two (2) shelters at the lead agency	\$580,000	\$580,000	Reduce use of night-to-night placements for refusal of placement
b. Recruit and license foster homes to provide higher levels of care utilizing subcontractors	\$4,500,000	\$4,500,000	Reduce dependence on group care facilities
<b>Total</b>	<b>\$10,122,000</b>	<b>\$11,752,000</b>	

New Initiatives Implemented by Lead Agency	FY 2022-2023	Annualized	Expected Benefits
* Not included in Total since plan is to increase revenues through the Child Welfare Specialty Plan (CWSP) to cover costs.			

**7. The areas identified above are illustrative of the expected areas for review and analysis, but additional factors may be identified in the application or suggested by findings during the Peer Review Committee’s work.**

**Summary of Findings**

Based on the information reviewed, the Risk Pool Review Committee was able to affirm the following:

- CNH received an increase in core services funding of \$16.2M in FY 22-23.
- In their risk pool application, CNH identified initiatives implemented over the course of FY 22-23 which are estimated to cost \$10M this year with an annualized cost of \$11.7M. The plan addresses reducing entries into care, reducing the length of stay in out-of-home care and increasing enhanced levels of foster care to reduce reliance on residential group care. However, it is still too early to know the level of impact to the system of care such as 1) the actual costs of each initiative that will occur throughout the year, 2) the realized benefits in performance and 3) the realized reduction of cost for out-of-home care at this time.
- CNH is still filling its staffing in various operational units including financial operations. This has led to some cost allocation plan, budget and expenditure reporting delays and challenges.

**Risk Pool Allocations:**

The Peer Review Committee found that Children’s Network of Hillsborough does not qualify for risk pool funding based on the information provided in their application and other data available. The increase of \$16.2M in new core services funding for FY 22-23 provides a significant investment for CNH to manage from to improve performance and outcomes for children.

**Recommendations:**

- CNH received a significant increase in core services funding and should continue with their implementation of initiatives and adjust as needed within their available funding. They should track the expenditures to their budget and calculate the return on investment (ROI) they expect to receive and realize in areas such as, but not limited to, the reduction in the number of children in out-of-home care, caseload, reliance on residential facility-based care, out-of-home care costs, etc.

- CNH needs to quickly establish and stabilize their financial operations in the areas of cost allocation, budgeting, and expenditure reporting to provide accurate and timely financial reporting to the department, local stakeholders, their board of directors and management.