

MINUTES
SENATE INTERIM COMMITTEE ON CHILDREN AND YOUTH
HOUSE INTERIM COMMITTEE ON AGING, CHILDREN AND YOUTH
LEGISLATIVE AND MILITARY AFFAIRS

Meeting Jointly

Wednesday, May 9, 2012, 10:00 a.m., Room 151, State Capitol
Little Rock, Arkansas

The Senate Interim Committee on Children and Youth and the House Interim Committee on Aging, Children and Youth, Legislative and Military Affairs met Wednesday, May 9, 2012, at 10:00 a.m. in Room 151 of the State Capitol, Little Rock, Arkansas.

Committee members present: Senators Missy Irvin, Chair, Gilbert Baker, Linda Chesterfield, Sue Madison, Jason Rapert, Robert Thompson and Eddie Joe Williams; Representatives present: Stephanie Malone, Chair, Lori Benedict, Bruce Cozart, Jane English, Kim Hammer, Mary P. "Prissy" Hickerson, Fredrick Love, Loy Mauch, David Meeks, Gary Stubblefield and Darrin Williams.

Other legislators present: Senators Jonathan Dismang, Larry R. Teague and Michael Lamoureux; Representatives Betty Overbey, Tracy Pennartz, Terry Rice and Linda Collins Smith.

Representative Stephanie Malone called the meeting to order.

Consideration of Minutes from the March 14, 2012 meeting [Exhibit B]

Without objection, the minutes were approved.

Loss of Temporary Assistance for Needy Families (TANF) Funding

Cecile Blucker, Director, Division of Children and Family Services (DCFS) said TANF funding has been a major core funding source for investigative work. Within child welfare, 4E funding cannot be used for any type of investigative activity. The only funding available is cap funding sources, such as 4B1, 4B2, SSBG and TANF funding to address the investigative needs of the division. Currently, DCFS receive \$11.2 million of TANF funding for the 34,000 investigations projected for 2012. Part of the TANF funding is paid to the Arkansas State Police ASP, Crimes Against Children Division for their investigative activities and for the operation of the Hotline. Upon realizing the TANF funds would be reduced by \$2.2 million, DCFS looked at the direct services offered, with 3,400 investigations that needed to be done in March, with DCFS being primary on 83% of those, and secondary on all CADC investigations. Also, in March, there were 4,063 children in foster care, with 3,300 protective service cases. There is true funding for protective service cases, but there is not an imminent risk, and we have decided to leave them in their home. There are about 7,600 children involved in protective service cases. There are 185 supportive service cases involving 370 children that are voluntary cases where people ask for some help. On a monthly basis, DCFS is responsible for the safety of 12,000 children, plus 3,400 investigations. DCFS considered cutting proportionately ASP and prevention services. Prevention services includes the Human Service workers in schools in 27 districts, servicing 15,400 students and 9 Family Resource Centers across the state, reaching 11,400 families. Also, reducing some intensive family service contracts, as there is under utilization in some areas. There are 71 staff members associated with these services. A decision was made to eliminate prevention services and keep the direct care staff needed to ensure the safety of the children. There are several options. One is to look at a differential response track, a different way of handling the low risk maltreatment cases. Another option is to take those we were going to send to the DR track and remove those from the child maltreatment code or possibly look at the elimination of some child maltreatment codes, like inadequate supervision, environmental neglect, inadequate food, clothing, shelter, some medical. I do not think this is for the best interest of children and families across the state but understand the funding limitations within the state.

Phil Harris, Assistant Direct, TANF Funds, Department of Workforce Services (DWS) was recognized. Mr.

Harris said the budget cuts are a direct response to federal funding reductions that the TANF program began receiving in federal fiscal year 2011. A supplemental grant of \$6.2 million was reduced to \$4.1 million in 2011. In the current federal fiscal year, 2012, the grant was eliminated and will not be restored. In light of these federal reductions we have been forced to look at reducing funding to certain programs.

Mr. Bryan Hicks, Assistant Director of Finance, DWS was recognized. Mr. Hicks referred to the near exhaustion of the carry forward funds of the TANF program. When the TANF program began, DWS received one time money of \$120 million and by funding programs out of this money, the fund is about 1 year away from exhaustion. When the money is gone, all the activities for the programs will have to come out of the current funds, which presently is \$56 million. There are certain activities required by the federal government as a result of receiving this grant requiring \$36 million a year.

Representative Hammer asked about the history of TANF funds. Mr. Harris said TANF funds began in 2005 and DHS was aware the funds were temporary. Representative Hammer also asked of the 34,000 cases reported, how many could be substantiated. Ms. Blucker said approximately 79% were unsubstantiated and presently there are no methods to recover expenses incurred on fraudulent reports.

Senator Chesterfield asked why the TANF funds were ending. Mr. Harris attributes the cuts to the budget crisis in Congress. Senator Chesterfield asked if there were proposals that would include this particular funding or has there been a decision to remove this funding altogether. Mr. Harris said they would continue to monitor the budget hearings but feel no major changes will be made until after the elections. Senator Chesterfield also asked if DWS was working with the Better Chance Program, as it relates to children 3-4 years old that would qualify for membership for the Arkansas Better Chance Program and is DWS partnering with community colleges to give students the skill set needed. Mr. Harris said \$7.5 million is invested each year into the ABC Program by providing TANF funding.

Representative Pennartz asked Ms. Blucker if \$2.2 million was this for this current fiscal year. Ms. Blucker said the funds were received in the prior fiscal year and 2012 is the impact year beginning 7-1-12.

Representative Williams asked Mr. Hicks the balance of the carry forward funds. Mr. Hicks said the current balance is \$40 million and the current annual federal funding is \$56 million. The funding for programs required by federal government come from carry forward and regular funding.

Representative Malone asked the information, in hard numbers, be send to staff to be distributed to the committee. Representative Malone asked Mr. Harris to explain Monthly Cash Assistance. Mr. Harris said it is a grant that recipients receive on a monthly basis for 24 months. A family of 3 receives \$204 a month.

Senator Thompson asked about Child Maltreatment Reports, the 2005 Garrett's Law that provided for reports of child maltreatment with respect to newborn infants whose mother had been involved with substance abuse and if the statistics are broken down or included in the statistics in the quarterly report as far as age of the child, true findings and fatalities. Ms. Blucker said the information mentioned is included in the Child Maltreatment Report and DCFS creates a separate report for Garrett's Law, looking at the type of drug, the age of the parent, the situation of the child at birth. Ms. Blucker said she would make the report to the Committee as soon as it becomes available.

Senator Irvin announced upcoming meeting dates:

June 12-13	Fort Smith
June 26	Human Trafficking -Little Rock
June 27	Human Trafficking Summit-Little Rock
July 18	Little Rock
Aug. 14-15	Heber Springs

Representative Love Asked if the ancillary programs had been prioritized. Mr. Hicks said the programs are Career Pathways, Work Pays, Emergency Assessments and PreK Childcare and take 79% of the budget.

Representative Love asked Mr. Hicks to submit to the Committee, a report on the services that must be cut by the end of the week.

Senator Malone asked Mr. Hicks when he was notified of the funding cuts. Mr. Hicks said they were notified that the \$6.2 million in supplemental funding would not be extended on October 1, 2011 and he notified Mr. John Selig that same month. Ms. Blucker said she found out about the cuts in April, 2012.

Representative Meeks asked when the last federal audit was done on the TANF programs. Mr. Hicks said there is an annual state audit of the entire agency including the TANF program. The last federal review was in 2007.

Representative Hammer asked Mr. Harris about those attending Career Pathway Program and the percent ratio and how many obtain jobs. Mr. Harris said he would get that information from the Department of Higher Education (ADHE).

Senator Irvin said if there were further questions to please e-mail them to Ms. Vickers-Smith, who will then distribute the information to the committee.

Department of Human Services (DHS), Division of Children and Family Services (DCFS) Quarterly Performance Report, State Fiscal Year 2012, Second Quarter, October, 2011-December, 2011 [Exhibit D]
Cecile Blucker, Director, DCFS said on page 2 of the report, of the 2,309 children involved in true reports of maltreatment during the second quarter one year ago, only 12% had a subsequent true report within 12 months. Senator Madison requested that this be reviewed. Fifty percent of recurrences are at 3 months, and eighty percent within 6 months. The reasons for reoccurrence is that services have not been put in place long enough to see the impact, but are monitored on a quarterly basis.

Because of the visits needed to foster children in state custody and to the children remaining in their homes, we have focused on ways to monitor that. We have designed a foster home report done within 120 days. Recently, a report was developed to show the visits with families. In March, we exceeded the previous 12 months in the number of children that had been visited in the homes. 62% of our protective service cases and 67% of foster care cases received monthly visits by the case worker, which is a significant increase. In the second quarter, there were 9,120 investigations, 7,778 were assigned to DCFS and 1,342 were assigned to CACD. Ms. Blucker said that in regard to child death or fatality, we check to see if there had been any involvement with that family in the past 12 months. There is an internal review, a review of all the staff involved with that case with everything being brought before the external death review board, consisting of a variety of stakeholders. To date, there have been 29 child deaths.

Ms. Blucker mentioned that the federal government has funding called the 4E Waiver, which is flexible funding, but is restrictive in its use and eligibility criteria. The federal government will award 10 states waiver capabilities. It is not new money, but it allows use of existing money in a more flexible way. It is designed to be used with the current population served by finding ways to prevent children from coming into the system, how to strengthen families to begin to reverse the generational use of child welfare services and how to move the children out of the system. We are looking at three strategies: Differential response-work to address these maltreatment types, but presently, we are utilizing TANF or 4B1 and 4B2 funds, which are capped programs. We will bring in the family group conferencing so that when you are working with families and within that DR realm, there will also be the capacity to build the services that will be needed in local communities for foster parents to keep those children in their homes, and what it will take for children that have been in the system to move to permanency. We have met with Mr. Don Winstead, expert with KC Family Groups on 4E Waivers and he feels Arkansas could be eligible for this waiver. A letter of intent will be coming forward mid-May and DCFS intends to apply for the waiver. This is a way to utilize other funding options available. Another program we are looking at is Candidates for Foster Care. Training with Structured Decision Making is used to assess risk and safety, and only bring in those children who truly need to come into the system.

Representative Hammer asked why 114 foster homes were closed. Ms. Blucker said some were closed because of allegations that were found true. 67% of adoptions are made by foster parents and often they will close their

home as step parents once they adopt, or sometimes the Agency has concerns with a foster home that may not meet the standards for a proper foster home. **Representative Hammer asked if reasons for closing of foster homes could be shown in the next report and also have categories stating why children are not being placed.** Ms. Blucker said she would do so. Representative Hammer asked what percentage of TANF funds is used specifically for the funding of the foster care homes, specifically to therapeutic foster homes. Ms. Blucker said no TANF funds are used for therapeutic foster homes, instead funding would be state and 4E funding.

Representative Collins-Smith asked if there has been an increase in neglect and abuse cases in foster care over the last years. Ms. Blucker said there has been a decrease in the last two years. Ms. Blucker said she would send the Statewide Death/Fatality Report to the Committee.

Senator Irvin said that in the interest of time, Items B, C and D are considered reviewed and the remaining items on the agenda will be addressed at the July meeting.

Review of Rules [**Exhibit H**]

Christin Harper, Manager, Policy Unit, DCFS said the rule clarifies that AR Child Abuse Central Registry Name Removal Committee makes a decision regarding an individual's request to have their name removed from the central registry that the team decisions will be sent in writing by the Central Registry manager or designee. Senator Chesterfield moved to accept the revision and was seconded by Representative Benedict. The revision was approved.

The meeting was adjourned @ 11:36 a.m.