

Discussion Points

DEPARTMENT OF CHILDREN AND FAMILIES (GENERAL)

1. Personnel Data for the department does not include Affirmative Action Data that other State departments provide. Specifically, information on Male Minority, Male Minority %, Female Minority, Female Minority %, Total Minority and Total Minority % are not provided.

- **Question:** Please provide the aforementioned Affirmative Action Data for FY 2006 - FY -2008.

The chart below provides a breakdown of the Department of Children and Families' (DCF) employees by ethnicity and gender as of March 20, 2007. This is the first such report for DCF as the Department was not created until July 1, 2006 (FY 2007). DCF anticipates similar ethnicity and gender representation in FY 2008.

	Male	% Male	Female	% Female	# Employees	% Employees
Asian	31	0.5%	79	1.2%	110	1.6%
Black	612	9.0%	2328	34.1%	2940	43.1%
Hispanic	236	3.5%	739	10.8%	975	14.3%
Amer Indian	4	0.1%	7	0.1%	11	0.2%
<b>Total Minority</b>	<b>883</b>	<b>12.9%</b>	<b>3153</b>	<b>46.2%</b>	<b>4036</b>	<b>59.2%</b>
White	662	9.7%	2124	31.1%	2786	40.8%
<b>Total Employees</b>	<b>1545</b>	<b>22.6%</b>	<b>5277</b>	<b>77.4%</b>	<b>6822</b>	<b>100.0%</b>

2. The FY 2007 appropriations act assumed the following savings: Management Efficiencies - \$50 million; Information Technology Efficiencies - \$20 million; and Procurement Efficiencies - \$15 million. Though savings were reflected in the Interdepartmental Accounts section of the appropriations acts, the various departments were to provide the monies to reimburse the Interdepartmental Accounts in direct proportion to identified efficiency improvements.

- **Question:** What was the department's share of the Management Efficiencies, Information Technology Efficiencies and Procurement Efficiencies? What specific efficiencies did the department achieve? Are these efficiency savings continued in FY 2008?

The Department of Children and Families did not have a specific assigned share of savings as described above.

## Discussion Points (Cont'd)

3. The FY 2007 appropriations act included about \$8.4 million (gross) for overtime. To date, the department has not provided information regarding its FY 2007 overtime expenditures.

- **Question:** What is the department's estimate of FY 2007 overtime costs? How much does the FY 2008 recommended budget include for overtime?

Based on second quarter spending, the Department of Children and Families overtime costs are expected to be approximately \$7 million. With FY 2007 increases in staffing as a factor, the FY 2008 overtime budget request is \$8.8 million.

4.a. The FY 2006 appropriations act assumed federal Title IV-E reimbursements of \$150.6 million. Actual federal Title IV-E reimbursements realized were \$91.7 million (Schedule 2).

- **Question:** What accounts for the \$58.9 million shortfall in Title IV-E reimbursements?

DCF believes that the \$58.9 million shortfall in the Title IV-E revenue account was due to the assumption that the funding for the Child Welfare Plan would deliver additional IV-E revenue. The assumption proved not to be valid because only 28% of children in foster care and 50% of children in subsidized adoption meet Title IV-E eligibility requirements. The eligibility determination is based upon a 1996 poverty indicator – a standard of need that is antiquated and results in fewer eligible children each year.

DCF has improved upon the actual historic Title IV-E revenue stream in support of the State's child welfare system. In FY 2004 Actual Revenues reported in the budget book were \$89.7 million. In FY 2005, Actual Revenues reported were \$85.9 million and in FY 2006 a \$6 million increase occurred to reflect the \$91.7 million increase described above. FY 2007 Actual Revenues are expected to meet or exceed the prior year's amount. The Department of Children and Families will work diligently to increase this amount to \$99.2 million in FY 2008.

We expect that claiming should improve because it will be done through NJ SPIRIT rather than using four separate systems. The quality of the data related to IV-E will improve due to new system edits in NJ SPIRIT. Title IV-E reviewers will be notified via ticklers when children go into placement, when children's placements are changed as well as when re-determination is needed.

4.b. The FY 2008 recommended budget estimates \$99.2 million in federal Title IV-E reimbursements (Schedule 2), compared to \$127.7 million in FY 2007.

## Discussion Points (Cont'd)

- **Question:** What accounts for the \$28.5 million reduction in Title IV-E reimbursements?

The \$28.5 million reduction is due to the ineligibility of children for IVE reimbursement. Only 28% of children in foster care and 50% of children in subsidized adoption meet Title IV-E eligibility requirements. The proposed appropriation of \$99.2 million in federal Title IV-E reimbursements reflects the actual historic pattern of revenue generation consistent with federal law and regulation.

5. On a quarterly basis, the department submits a claim to the federal government for federal Title IV-E reimbursement for administrative and service costs, including costs related to the SACWIS/NJ Spirit project. The federal government, upon reviewing the claim, may deny or defer payment of portions of the State's claim submission.

- **Question:** As of the December 2006 quarterly submission, what is the total amount of federal Title IV-E claims that have been deferred? Of the amount deferred, how much is related to the SACWIS/NJ Spirit project? What were the reasons for these deferrals?

The Department currently has four outstanding deferrals that were issued by the Administration for Children and Families (ACF), the federal agency that administers the Title IV-E program. A deferral is different from a disallowance in that the claimed federal funds are not approved pending additional information or supporting documentation.

- ACF has deferred \$593,052 in foster care administration, specifically eligibility determinations claimed in the quarter ending December 31, 2005. These costs are captured within the Cost Allocation Plan (CAP) which is for the quarter ending September 30, 2005. ACF provided questions concerning the claims submitted by an outside provider, MAXIMUS, and their fees. At the time of this claim, the CAP costs were historically a quarter behind. However, they are now current. DCF provided supporting documentation to ACF for these costs in June of 2006. We are awaiting ACF's response.
- ACF has deferred \$1,225,736 in foster care administration for the quarter ending September 30, 2005. The Division has prepared explanations and provided supporting documentation to ACF in support of these claims several times, the last of which was provided on February 5, 2007. The Department is awaiting ACF's response.
- ACF has deferred the claim for SACWIS (NJSPIRIT) operational costs for the quarters ending March 31, 2006 (\$191,960) and June 30, 2006 (\$202,087). ACF claims that the costs of items completed and accepted are now operational rather than part of the entire project. The Department is reviewing these costs and preparing responses to ACF. The Department and ACF agree that the Cost Allocation Plan must allocate these expenses and a draft has recently been completed.

## Discussion Points (Cont'd)

6.a. The FY 2006 appropriations act assumed \$78.0 million in federal Title XIX Child Residential reimbursements. Actual federal Title XIX reimbursements were \$41.2 million (Schedule 2).

- **Question:** What accounts for the \$36.8 million reduction in federal Title XIX reimbursements?

The \$41.2 million represents Title XIX collections posted on the New Jersey Comprehensive Financial System (NJCFPS) at a given point in time. At this time, there still exists over \$30 million in administrative costs that are in the process of being claimed and are pending under the Title XIX program. It is anticipated that the actual collections will be closer in line with the FY 2006 appropriation amount.

6.b. The FY 2007 appropriations act anticipated approximately \$81.7 million in federal Title XIX Child Residential reimbursements. Revised FY 2007 estimates (Schedule 2) indicates \$75.2 million in federal reimbursements.

- **Question:** What accounts for the \$6.5 million reduction?

The \$81.7 million FY 2007 Title XIX appropriation includes \$11.1 million appropriated in a Special Purpose account to support program and staffing initiatives associated with the federal Modified Settlement Agreement. As reflected in the FY 2007 adjusted appropriation, \$6.5 million of the Title XIX funds in this Special Purpose account has been transferred to the Division of Child Behavioral Health Services (DCBHS) in order to align these funds in the appropriate account and organization. The recipient federal account (Treatment Homes and Emergency Behavioral Health Services) is not a sub grantee account under Title XIX Child Residential but rather is a sub grantee account under Title XIX Medical Assistance. The claiming for this latter grant account (Medical Assistance) is still processed by the Department of Human Services meaning that the collections and budget estimates are reflected in the Schedule 2 display for the Department of Human Services.

Therefore, the revised FY 2007 estimate does not portray a reduction in Title XIX funds for the Department of Children and Families, but rather a realignment of these appropriated funds into the proper account.

### CHILD PROTECTIVE AND PERMANENCY SERVICES

7. To provide medical services to children in out-of-home placement under DYFS supervision, the department has made it a priority to enroll such children into a Medicaid managed care program. While the percentage of such children enrolled in managed care increased from about 49% (December 2005) to nearly 61% (December 2006), upwards of 8,000 children are still not enrolled.

**Discussion Points (Cont'd)**

- **Question:** What barriers contribute to the difficulty of enrolling such children into managed care programs?

The Departments of Human Services and Children and Families have been working closely together to aggressively enroll children in DYFS custody in Medicaid HMO's. As of February 2007, DYFS had 10,432 children in placement at the end of December. Children in residential placements, treatment homes, out of state foster homes, and special home service providers for medically fragile children are excluded because they receive their medical care either on site or through a designated network of medical providers or through private insurance. That leaves 7,209 children who can be enrolled in Medicaid managed care plans, of whom, 6041, or 84% are enrolled. The vast majority of the remaining children are in the 60 day enrollment period at the start of a placement. At the start of a placement, the child's caregiver is briefed on the healthcare options available to the child and can opt for a provider and a network. In the event that the caregiver does not select a particular plan, the child is automatically enrolled on day 60 of placement with an HMO and assigned a primary provider.

8. The department reported that in CY 2006 the number of newly licensed resource families and adoptive families increased by nearly 1,300, compared to an increase of about 1,000 in CY 2005. The 1,300 number does not take into account the number of licensed resource families that may have ended their participation in the program.

- **Question:** What was the net increase in the number of resource families during CY 2006?

For calendar year 2006 there was a net gain of 209 licensed resource families.

**Baseline of DCF Licensed Family Resource Homes as of December 31, 2006**

Non kinship resource family homes (DCF licensed)	2,260
Resource family homes (licensed and supervised by Babyland)	114
Resource family homes (licensed and supervised by Tri-City)	74
Treatment Homes (DCF licensed)	504
Total non-kinship resource family homes	2,952
Kinship resource family homes	+ 2,584
Total kinship and non-kinship resource family homes	5,536

Discussion Points (Cont'd)

9. The New York Times in January 2007, reported that "Safe-Haven Laws Fail to End Discarding of Babies." In New Jersey, despite annual appropriations in excess of \$500,000, incidents of infants being abandoned and found dead continue.

- **Question:** Please provide data on the frequency of the abandonment of infants before and after the initiation of the New Jersey program. How effective does the department judge the program to be? What steps could be implemented to improve its effectiveness?

The proportion of unsafe infant abandonment has decreased since enactment of the Safe Haven law in August 2000. In the first half of 2000 alone, there were six babies unsafely abandoned. We have not seen that many babies abandoned in an entire year since the law was enacted. Meanwhile, 31 babies have been surrendered safely and legally under the Safe Haven law. This is life-saving success to build on, and we are currently working with a legislatively-established and Governor-appointed task force to increase public awareness of this program.

The Safe Haven Reports of the first two years after the Safe Haven Law went into effect noted, "Eight babies were abandoned in NJ in the 12 months prior to passing the Safe Haven law, compared to two children being illegally abandoned in Safe Haven's first year and four in its second year. This represents an average of **63% reduction** in child abandonment compared to the year before the law was passed."

Since the law was passed in August 2000, the number of babies surrendered under Safe Haven has gradually increased. In CY 2006, New Jersey experienced the greatest number (10) of Safe Haven Babies safely surrendered in a single year, which we hope represents a greater awareness of this program/law.

<b>SAFE HAVEN</b>	<b>1999</b>	<b>Jan 1- Aug 6, 2000</b>	<b>Aug 7- Dec 31, 2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>TOTALS</b>
Safe Haven Babies	NO LAW	NO LAW	3	4	3	4	4	3	10	31
Abandonment	5	6	1	4	3	4	5	3	5	25

10. The department was to meet with the Regional Office of the Administration for Children and Families as to whether the \$0.3 million cost of the "peer-to-peer" program could be claimed under the federal Title IV-E program, rather than utilizing more limited federal Title IV-B funds.

## Discussion Points (Cont'd)

- **Question:** Can the program be claimed under federal Title IV-E?

Yes. DCF has successfully navigated the US DHHS approvals to claim the program under federal Title IV-E.

11. Budget language that had appropriated \$800,000 to the UMDNJ School of Osteopathic Medicine Academic Center – Stratford “to support the development of a model comprehensive diagnostic and treatment program to address both the medical and dental needs of children experiencing abuse” is not continued.

Pursuant to this language, \$3.2 million has been provided to UMDNJ for this purpose between FY 2004 – FY 2007.

- **Question:** What is the status of the development of a “model comprehensive diagnostic and treatment program?” Is it being used Statewide as intended? If not, why not?

The UMDNJ Stratford Regional Diagnostic Treatment Center, “NJ CARES,” has developed Draft Best Practice Protocols for the referral of children who have been victims of sexual abuse, physical abuse, and neglect. These protocols were further refined by the collaboration of the other three Regional Diagnostic Treatment Centers (RDTCs).

DYFS is actively working with all four RDTCs to incorporate the information from these protocols into new contracts with each of the centers, which we expect will further enhance the foundation of a coordinated system of response between DYFS, Law Enforcement, and the RDTCs to respond to child maltreatment.

As DCF has evaluated the need to direct a significantly higher number of children to this specialized assessment and treatment, NJ CARES has been able to utilize funding in FY 2007 to expand its capacity to directly serve DYFS child victims throughout the southern region in a manner that is consistent with its model of diagnostic evaluation and therapeutic intervention.

### CHILD BEHAVIORAL HEALTH SERVICES

12. The FY 2008 budget recommends \$60.9 million (gross) for Care Management Services: Care Management Organizations (\$42.9 million) and Youth Care Managers (\$18.0 million).

As the services provided are somewhat similar, the department has indicated that a Request for Proposal will be released during 2007 that would merge these services. Instead of two agencies serving a particular county or counties, one agency would provide both services, and overall administrative costs should be reduced.

## Discussion Points (Cont'd)

- **Question:** Does the \$60.9 million recommended appropriation assume the consolidation of these two functions? If so, when is consolidation expected to take place? If not, what savings could be expected to result from merging these programs?

DCF has announced a significant initiative to improve the Division of Child Behavioral Health Services' system of care including a pilot of a merger of care management and youth case management organizations in three innovation zones. The pilot is scheduled to become operational by June 2008 and is expected to be cost neutral in FY 2008.

13. The FY 2008 recommended budget indicates that over 12,600 youth will be served by Case Management Services. Available data from the contracted systems administrator indicate that during the past year about 11,600 youth were served by this service.

- **Question:** What is the basis for estimating that an additional 1,000 youth will receive Case Management Services?

The evaluation data for DCBHS' anticipated use of case management services (inclusive of both care management organizations and youth case management organizations) anticipates only a small increase, from 12,616 youth in FY 2007 to 12,638 youth in FY 2008

14. The FY 2008 recommends \$5.7 million for Outpatient services and \$6.7 million for Partial Care services. No federal Medicaid reimbursements are reflected even though the services qualify for Medicaid reimbursement and many of the children receiving these services are Medicaid eligible.

- **Question:** What amount of Medicaid reimbursements will these two programs generate?

These increases are earmarked for services that have been rigorously evaluated and found to produce positive outcomes for children and families. As Medicaid rates and final approval are established for these evidence-based services, DCF will have final estimates for FFP. DCF will provide OMB with a federal funds update in May.

15. Approximately 12% of the \$18.0 million Youth Case Managers appropriations are reimbursed by Medicaid. The percentage of Medicaid reimbursement for other Child Behavioral Health Services is generally greater than 12%.

- **Question:** What accounts for the lower percentage of Medicaid reimbursement for Youth Case Managers services?

Some of the activities that youth case managers perform are not billable activities under the current Medicaid regulations. A number of YCM organizations have also had difficulty implementing successful Medicaid claiming in their operations. DCBHS is intervening with



## Discussion Points (Cont'd)

these YCM directors and fiscal staff to provide training and technical assistance to improve claiming practice.

16. Though overall Medicaid reimbursements for child behavioral health services have increased, a significant number of claims processed are denied as indicated in the chart below:

Procedure Code	Jan. – June 2006		July – Dec. 2006	
	# of Claims Processed	% Denied	# of Claims Processed	% Denied
H0032 Mobile Response Care Coordination	10,000	56%	7,650	37%
H0036 Supportive or Professional or Clinical services	64,500	28%	85,600	25%
H2014 Individual or Group Behavioral Assistance	44,400	23%	65,600	36%
S9485 Mobile Response Initial	3,700	50%	3,650	43%
Y9933 Mental Health Rehab. (MHR)	9,700	27%	7,800	12%
Y9935 MHR	17,000	30%	17,800	18%
Y9936 MHR	1,350	18%	1,600	14%
Y9938 MHR	1,300	21%	1,100	22%

The claims may be initially denied for minor technical reasons such as an improper procedure code, the misspelling of a name, etc., or for more serious reasons such as a duplicate claim or the client is not Medicaid eligible. Many of the claims that are denied are corrected by the agency, resubmitted and processed.

The fairly high percentage of Medicaid claims that are initially denied would indicate that agencies have administrative problems related to the submission of claims.

**Question:** Does the department believe that the high rate of initial claims denial stems from agency administrative problems? What training is being undertaken to improve the claims submission process by provider agencies and reduce the percentage of Medicaid claims that are initially denied? What percentage of claims that are initially denied are ultimately approved?

The top reasons for denial of a Medicaid claim in DCBHS are for duplicate claims and no prior authorization. System denial is a proper control to ensure that payments are made correctly in accordance with state and federal laws and regulations.

## Discussion Points (Cont'd)

DCBHS has provided statewide trainings for contracted providers on Medicaid billing and claims processes. DCBHS staff also routinely provides individual technical assistance to any provider that has difficulty with accurately and properly submitting claims.

The percentage of claims that are ultimately approved would be difficult to determine, as it would depend on how diligent agencies are on following up on those types of denials and contracted providers have up to a year to resubmit the claim.

### PREVENTION AND COMMUNITY PARTNERSHIPS

17. The FY 2007 appropriations act provided \$2.4 million for Area Prevention and Support Services. As of this writing, no funds have been expended.

- **Question:** What is the status of the program?

In February 2007, the Department issued a Request for Proposals (RFP) for a \$2.2 million Home Visitation Initiative to provide home visitation services to families "challenged by complex health-related and or social problems." The target population is young families at risk for child abuse and neglect or who are pregnant or have children up to age five. We anticipate that funds for these services will be expended by the end of FY 2007. The remaining \$200,000 will be directed to the implementation and expansion of the Strengthening Families initiative which focuses on training staff and the parents they serve in the prevention of child abuse.

18. The FY 2007 appropriations act provided \$2.8 million for Collaboratives. Annualized FY 2007 expenditures are estimated at about \$750,000.

- **Question:** What is the status of the program?

Sixteen collaboratives have been funded in FY 2007 at \$175,000 each for a total of \$2.8 million. Payments for these contracted services are disbursed quarterly. We anticipate that all funds will be expended by the end of FY 2007. These services are being competitively bid for FY 2008.

19. The FY 2007 appropriations act provided \$5.0 million for the Family Support Services program. As of this writing, none of the \$5.0 million appropriation has been expended.

- **Question:** What is the status of the program?

An RFP was issued in February 2007 for the Differential Response Pilot Initiative seeking county-based proposals for the development of a coordinated, county-based case management and service delivery system to respond to voluntary requests for services to

## Discussion Points (Cont'd)

families that are experiencing a current or developing need that threatens family stability. This pilot will support services in up to four counties. We expect grants to be awarded in April 2007.

20.a. In February 2007, the department issued a Request for Proposals (RFP) for a \$2.2 million Home Visitation Initiative to provide home visitation services to families "challenged by complex health-related and or social problems." The target population is young families and families with children up to age five who are at risk for abuse and neglect. The specific source of the \$2.2 million is not identified.

Programs of a similar nature already exist and are being funded. Approximately \$1.8 million in federal TANF funds are distributed to DYFS for TANF Initiative for Parents (TIP). Maternal and Child Health Consortia are required to provide case management and home follow up services and counseling services to certain families with health problems. As part of their Medicaid contract, managed care organizations are supposed to provide health care services to families with complex medical needs

- **Question:** How will the Home Visitation Initiative coordinate with existing programs such as TIP, Maternal and Child Health Consortia and Medicaid managed care organizations to avoid duplication of services?

DCF's Home Visitation office is working closely with sister State agencies and related service networks. We will be coordinating services with all major Maternal Child Health (MCHC) entities/providers, as well as with the Department of Health and Senior Services (DHSS). We will promote prenatal screening and risk assessment through DHSS MCHC participating obstetric practice medical providers (hospitals, FQHCs, clinics, private OBs) to screen pregnant women to help identify and link women/families with home visitation services.

The Department of Health and Senior Services is no longer contracting for home visitation services. The DHSS funding is primarily for perinatal/maternal child health education. Funding for home visitation in New Jersey has been extremely limited and DCF anticipates that several of the MCHC entities/providers will be submitting applications for funding from the current DCF RFP. All of these sites will be coordinated with our efforts to ensure quality and effective home visitation programs throughout the state.

20.b. The Home Visitation Initiative will provide health services, but the RFP does not appear to require agencies who may be awarded contracts to be Medicaid providers and bill Medicaid for services that are provided to recipients who are Medicaid eligible.

- **Question:** Will agencies that are awarded contracts be required to be Medicaid providers? In developing the RFP, were any estimates developed as to the percentage of families served that may be Medicaid eligible?

## Discussion Points (Cont'd)

At the present time, none of the home visitation models we are funding are eligible for Medicaid reimbursement in New Jersey. DCF is actively pursuing Medicaid eligibility and anticipate we will be successful in obtaining Medicaid reimbursement for home visitation services particularly with the Nurse Family Partnership program. Since these are RN home visits, this model program is the first priority for working through establishing Medicaid rates and necessary system architecture. DCF will also focus on the feasibility of claiming federal funds for other home visitation models. Contracts will stipulate that Medicaid provider status and claiming may be required.

### OFFICE OF EDUCATION

21. The Office of Education (OOE) provides educational services to children/adolescents under the department's jurisdiction. The State Department of Education (DOE) establishes the rates that OOE charges school districts for education services.

In several prior fiscal years, OOE had operating deficits as the rates set by the DOE did not cover the office's operating costs. Available information is that OOE may have operating deficits in FY 2007 and possibly in FY 2008.

DOE's position is that once rates are established the department cannot revise the rates to offset an operating deficit.

- **Question:** Will OOE have a deficit in FY 2007? If so, how much will the deficit be? Are the FY 2008 rates proposed by DOE adequate to cover OOE's costs? If not, what is the projected FY 2008 shortfall?

Based upon the per pupil rates established by the Department of Education for SFEA students, there is a shortfall. DCF will work cooperatively with DOE and OMB to resolve these issues.

### CHILD WELFARE TRAINING ACADEMY

22. During hearings on the FY 2007 budget, the Legislature expressed concern as to the amount expended by the Training Academy on consulting services. In FY 2007, approximately \$1.5 million was appropriated for Services Other Than Personal, primarily for consulting. As of this writing, about \$0.7 million has been expended.

- **Question:** What consultants were awarded and will be awarded contracts in FY 2007? What consulting services will they provide and at what cost? In view of current spending, can the FY 2008 recommended appropriation be reduced?

The Services Other than Personal line in the DCF Training Academy budget currently funds several initiatives in support of targeted recruitment and training of the DCF workforce.

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Only \$30,000 is allotted for external trainers to provide mandatory training. These trainers are as follows:

Name	Contract Amount
Cynthia Feinen	\$1,000
Catherine Coleman	\$4,200
James Romer	\$10,800
Carol Gannon	\$1,050
Richard Cleary	\$5,400
John Kriger	\$4,500
Martin Krupnick	\$3,500
	<b>\$30,450</b>

The remaining funds in Services Other than Personal currently funds several initiatives listed below in support of targeted recruitment and training of our workforce.

- DCF has continued to support a Consortium of Baccalaureate Social Work programs, led by Stockton College. This program brings students from 7 NJ based colleges and universities into a field internship opportunity with DCF. These interns will be provided a 3-day work-readiness program that will expedite their ability to carry cases. The recruitment of these interns is followed up by a direct mandatory 2-year employment in exchange for tuition assistance. **\$683,000**
- Rutgers was awarded a contract in FY 2007 to train staff in federal court mandated "concurrent planning" methods, which optimize case workers skills and ability to simultaneously work toward family reunification while also ensuring timely adoption. **\$290,000**
- Tuition Reimbursement program provides monetary support and encourages employee education, training and professional development. **\$600,000**
- HRDI offers courses and programs in professional development, management and supervision, business operations, workforce issues and public safety. **\$100,000**
- The Career Ladder's program provides clerical and support staff with greater opportunity for advancement. **\$31,000**

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23. The Special Purpose appropriation, NJ Partnership for Public Child Welfare, would increase from \$1.0 million to \$4.0 million. No information is available regarding this program or the projected \$3.0 million increase.

- **Question:** What accounts for the \$3.0 million increase? What additional services will be provided as a result of these additional funds?

In FY 2007, DCF worked intensively to RFP a critical expansion of statewide specialized training for workers and foster families. Rutgers was awarded the lead agency with Montclair State University, Richard Stockton College of NJ and Kean University also serving as regional centers. More colleges and universities are participating in the New Jersey Partnership for Child Welfare Program (NJPCWP) through subcontracts with the four primary leads in the NJPCWP.

The program is expected to ensure that case-carrying child welfare staff will meet the required training hours mandated in the Modified Settlement Agreement which is also consistent with our strategies to improve case practice. The contract award to Rutgers and the consortium is \$3.4 million.

Additional services will also be provided for training for outside providers as well in differential response and resource family recruitment and training.

### SAFETY AND SECURITY SERVICES

24. Recommended appropriations for the program increase by \$2.0 million, from \$2.6 million to \$4.6 million.

As of this writing, FY 2007 annualized program expenditures are estimated at about \$1.1 million.

- **Question:** In view of estimated FY 2007 expenditures, can the FY 2008 recommended appropriation be reduced?

The safety and security of our workforce is paramount to DCF. The security services of the Human Services Police involve escort and intervention services which have been invaluable in this regard. The current billing cycles reflect reimbursement for only one quarter of these expenses and it is expected that all of the appropriation will be expended in FY 2007. DHS and DCF are tracking the expenditures and the services to ensure that adequate services are available to caseworkers.

## Discussion Points (Cont'd)

## ADMINISTRATION AND SUPPORT SERVICES

25. The FY 2007 appropriations act provided \$1.5 million for Information Technology. As of this writing, no funds have been expended. The FY 2008 budget recommends \$1.5 million for the same purpose

- **Question:** As no funds have been expended to date, what is the status of the \$1.5 million appropriation?

This money was carved out for shared costs with DHS, and DCF relies on DHS for hardware, software, maintenance and licensing agreements to support our entire workforce. DCF anticipates it will be fully expended as a necessary transfer to DHS in the fourth quarter.

26. FY 2008 recommended appropriations for Services Other Than Personal increase by \$2.4 million. As of this writing, information is not available as to the need for such additional funds.

- **Question:** What are the additional monies for?

These expenses are expected to be required for the costs associated with lawsuit compliance and consulting fees necessary to bring national expertise to serve gay, lesbian, bisexual, transgender and questioning youth.

27.a. The department had provided the Legislature with information that the cost of SACWIS/NJ Spirit would be about \$70.4 million (gross). The department also provided the following implementation schedule:

Release 2, Phase 1: June 2006  
Release 2, Phase 2: March 2007  
Release 3, December 2007.

- **Question:** Based on the most recent Advance Planning Document Update submitted to the federal government, what is the current estimate of the project's cost? Are the release target dates still valid? If not, what are the current release dates?

The project's cost of \$70.4 million (\$35 million State funds and \$35 million federal matching funds) is unchanged since October of 2005. In November of 2006, DCF filed a complaint against the vendor for delays in the project. As a result of these delays and since October of 2006, DCF has been working on a revised schedule to deploy Release 2 (R2P2) to the first DYFS area (Ocean) in April 2007 and to fully implement Release 2 to the field in July of 2007. Release 3 is still scheduled for December of 2007.

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27.b. The department filed a complaint with the Division of Purchase and Property concerning the performance of AMS/CGI Group, the SACWIS/NJ Spirit contractor. While there has been progress in resolving the complaint, reports indicate that "progress ... has been slower than expected and unresolved issues have the potential to negatively impact the project."

- **Question:** What is the current status of the complaint? How much, if any, payments have been withheld from AMS/CGI to assure compliance with the terms and conditions of the contract?

In consultation with the Office of Information Technology, the Department filed a formal complaint with the Division of Purchase and Property in November 2006 because the vendor was seriously delayed in delivering the system. The complaint is still active and the vendor is being closely monitored. The vendor has taken corrective action by adding additional personnel. In addition, the Office of Information Technology has dedicated resources to the project and provided support to the team in moving the project forward. The Commissioner and the CGI-AMS Senior Vice President have been meeting frequently to manage the enormous change the new system entails. Some payments to the vendor have been withheld and are the subject of negotiation pursuant to the Treasury complaint.