

Report Highlights

Why DLA Performed This Audit

This audit reviews DHSS's compliance with House Bill 151 foster care reform laws effective September 5, 2018, or December 4, 2018, including the requirements to search for relatives and family friends, provide training on the reasonable and prudent parent standard, and refer families to community organizations when child protective services are not needed and community services are necessary and available.

What DLA Recommends

1. OCS's director should implement supervisor certification procedures for relative and family friend searches.
2. OCS's director should improve procedures to ensure foster parents and caregivers in residential child care facilities are provided reasonable and prudent parent standard training.
3. OCS's director should consider amending regulations to require written training plans.
4. OCS's director should improve security over access to the Online Resource for Children of Alaska system.

A Special Review of the Department of Health and Social Services (DHSS), Office of Children's Services (OCS) Compliance with Foster Care Reform Laws, Part 1

November 10, 2020

Audit Control Number 06-30095-21

REPORT CONCLUSIONS

The audit concluded OCS procedures do not require supervisors to certify in writing whether a search for relatives and family friends was performed; however, auditors generally found searches were conducted. The audit also found that training regarding the reasonable and prudent parent standard was not consistently provided to foster parents. Further, OCS staff did not formally identify and document foster parent training needs.

Due to the COVID-19 pandemic, auditors were unable to obtain the documentation necessary to identify whether OCS staff sought parental consent to refer families to community organizations when child protective services were not needed, or for those families that provided consent, whether referrals were timely. Additionally, auditors were unable to calculate the degree families provided consent because OCS staff did not track the referrals when child protective services were not needed.

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

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November 17, 2020

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24, we have reviewed the activities of the Office of Children's Services and the attached report is submitted for your review.

DEPARTMENT OF HEALTH AND SOCIAL SERVICES
OFFICE OF CHILDREN'S SERVICES
COMPLIANCE WITH FOSTER CARE REFORM LAWS, PART 1

November 10, 2020

Audit Control Number
06-30095-21

This audit is Part 1 of a multi-year audit that reviews compliance with House Bill 151 foster care reform laws. Specifically, the audit reviewed compliance with laws effective September 5, 2018, or December 4, 2018, which include the requirements to search for relatives and family friends, provide training on the reasonable and prudent parent standard, and refer families to community organizations when child protective services are not needed and community services are necessary and available.

The 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. Fieldwork procedures utilized in the course of developing the findings and recommendations presented in this report are discussed in the Objectives, Scope, and Methodology.

A handwritten signature in blue ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA
Legislative Auditor

ABBREVIATIONS

ACN	Audit Control Number
AS	Alaska Statute
CISA	Certified Information Systems Auditor
CPA	Certified Public Accountant
DHCS	Division of Health Care Services
DHSS	Department of Health and Social Services
DLA	Division of Legislative Audit
FY	Fiscal Year
HB	House Bill
ISP	Information Security Policy
IT	Information Technology
OCS	Office of Children's Services
ORCA	Online Resource for Children of Alaska System
PSR	Protective Services Report
RPPS	Reasonable and Prudent Parent Standard
SLA	Session Laws of Alaska
SOA	State of Alaska

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ORGANIZATION AND FUNCTION

Department of Health and Social Services (DHSS)

DHSS's purpose is to promote and protect the well-being of Alaskans. The department is separated into 10 divisions that administer various programs including children's services, medical assistance, public assistance, youth corrections, substance misuse and addiction services, behavioral health, senior and disabilities services, and public health.

Office of Children's Services (OCS)

OCS is responsible for strengthening families, protecting children from child abuse and neglect, and serving Alaskan children in need of aid. OCS regional headquarters are located in Anchorage, Wasilla, Bethel, Fairbanks, and Juneau. Twenty-three child protection field offices are located across the state. The division's FY 20 operating budget was approximately \$169 million with 586 authorized positions.

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BACKGROUND INFORMATION

Foster care is a temporary placement setting that provides an opportunity to keep children safe while parents engage in services that may allow reunification. When reunification is not possible, Office of Children's Services (OCS) staff work to achieve other forms of permanency for a child, either through adoption, legal guardianship, or another planned living arrangement. In Alaska, an average of 135 children are removed from homes and placed in foster care each month.¹ As of September 2020, there were 3,145 Alaskan children in out-of-home care.²

OCS's Child Welfare Information System

OCS uses the Online Resource for Children of Alaska system (ORCA) to manage and document the delivery of child welfare services including child protection, case management, out-of-home care, reunification, and adoption.

The following information is entered in ORCA by OCS staff:

- Case data, which includes parents and all children in a household. Relative information (name, address, and relation) is entered for each parent. An ORCA case may be associated with multiple reports and investigations.
- Protective services report (PSR), which is an allegation of child maltreatment. All PSRs are associated with a case. When creating a PSR, OCS staff capture all necessary information known to a reporter, including the extent of, and circumstances surrounding, the alleged maltreatment.
- Initial assessment, which includes details on OCS's investigation of a PSR. An initial assessment in the database may involve the investigation of more than one PSR.

¹ The average was calculated based on March 2019 through February 2020 data from OCS monthly statistics reports published on OCS's website.

² Per OCS monthly statistics report.

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- Providers, which includes foster parents (licensed foster parents or unlicensed relatives)³ and facilities. Foster parent information includes names, addresses, license history (if any), provider notes, and training hours. Facility information includes addresses, facility names, and names of owners or officials.
 - Out-of-home placement information for each child, which includes the provider’s name, placement begin and end dates, reasons for placement change, and placement type (emergency, unlicensed relative, licensed foster home, etc.).
 - Activity notes, which includes case planning, relative and placement search, team decision meetings, supervisory, staffing, case reviewer, medical health, and mental health.

Investigative Process for Child Protective Services

Once a report of alleged child maltreatment is “screened in” for investigation, OCS staff gather information regarding the allegation to make an informed assessment about whether the child is unsafe or at high risk of maltreatment by a parent or caregiver. This investigation involves evaluating present and impending danger and the extent of familial protective factors; determining whether to substantiate or not substantiate child abuse or neglect; assessing whether it is likely that the child will soon be unsafe; and determining what type of intervention is needed, if any.

If OCS staff determine that a child is unsafe or at high risk of maltreatment, a case is opened within OCS’s Family Services Section and staff work with the family to implement the least intrusive approach to keep the child safe—first with consideration of an in-home safety plan, and last with consideration of an out-of-home placement.

If OCS staff determine that child protective services are not required, staff will finalize the assessment, close the case, and send

³ Relatives who would like to care for children in foster care are not required to have a foster home license.

the parent(s) a closing letter outlining the investigation’s findings. Cases may be closed because staff determine the allegations of harm or maltreatment were not substantiated, the child is safe and is not at high risk of harm, there is no impending danger to the child, or a combination of factors.

House Bill (HB) 151 Foster Care Reforms

HB 151, known as “Children Deserve a Loving Home Act,” was signed into law June 2018. The legislation added and amended laws to support the well-being of youth in foster care. Exhibit 1 summarizes the most significant HB 151 provisions.

Exhibit 1

House Bill 151 Foster Care Reform Significant Provisions

HB 151 Provisions	Effective Date
Empowered foster parents and caregivers to make parenting decisions using the prudent parent standard and required foster parents and caregivers be trained on use of the standard	December 4, 2018
Expanded the situations that require OCS staff search for an adult family member or a family friend for child placement; also required supervisors certify that searches were performed	December 4, 2018
In the event an investigation occurs and protective services are not warranted, required OCS seek written consent from a child’s parents or guardian to refer the family to a community organization for support services and make the referral if consent is given	September 5, 2018
Required efforts to encourage and facilitate communication between separated siblings	September 5, 2019
Required OCS adopt new workload standards and a new training program	September 5, 2019
Required OCS limit employees’ workloads and ensure the average statewide caseload is not more than 13 families for each worker	September 5, 2020
Enacted a 45-day timeline for approval or denial of a foster care home license	September 5, 2019
Required OCS assist adult family members with obtaining a foster care home license, including any variances necessary to obtain the license	September 5, 2019
Allowed adult family members or family friends previously ineligible to be foster parents to obtain a waiver if at least 10 years have elapsed since the barring conduct occurred	September 5, 2019
Required OCS provide a youth 16 years of age or older, who has been in custody for at least six months and is released from State custody, with legal documents or with assistance in obtaining legal documents	September 5, 2019

Source: HB 151 (SLA 2018).

HB 151 required Department of Health and Social Services (DHSS) implement all provisions as expediently as possible and, depending on the provision, no later than 90 days, one year, or two years from the date the bill was signed. For example, training on the reasonable and prudent parent standard was required no later than 90 days after the bill was signed, and the adoption of new workload standards and training programs for OCS staff was required no later than one year after the bill was signed.

The bill also required a legislative audit of OCS's compliance with the new reform laws.

Laws Require Children Be Placed With an Adult Family Member or Relative if Possible

Federal and state laws recognize that placement with a family member or relative maintains the child's connections with his or her family. When a child is removed from the parent's home, statutes⁴ require OCS to place the child, in the absence of clear and convincing evidence of good cause to the contrary,

- (1) in the least restrictive setting that most closely approximates a family and that meets the child's special needs, if any;
- (2) within reasonable proximity to the child's home, taking into account any special needs of the child and the preferences of the child or parent;
- (3) with, in the following order of preference,
 - a) an adult family member;
 - b) a family friend who meets the foster care licensing requirements established by the department;
 - c) a licensed foster home that is not an adult family member or family friend;

⁴ AS 47.14.100(e).

d) an institution for children that has a program suitable to meet the child's needs.

HB 151 clarified that OCS staff must search for an appropriate placement with an adult family member or family friend when a child is removed from the home, when a child is transferred from one placement setting to another, and when OCS takes emergency custody or a court orders a child committed to DHSS for temporary placement. To help ensure the appropriate search occurs, HB 151 required supervisors to certify in each case file whether OCS staff performed the search. If OCS has not complied with the search requirements, the supervisor must ensure the search is completed in the shortest time feasible.

Although state law does not specify a timeframe for conducting a search, federal law⁵ requires OCS to conduct a diligent search for relatives or extended family members within 30 days after removal of a child from the custody of the parent(s). OCS procedures require all search efforts for relatives and extended family members to be documented in an ORCA case activity note.

Foster Parent Licensing Involves Home Visits and Assessments

Prospective foster parents, other than a family member or relative, must apply for a foster home license. If two adults head the household, both adults must apply for the license. A one-year provisional license is issued to a new foster home if it meets licensing requirements. At the end of the one-year period, the provisional license expires or is converted to a biennial license, which is effective for two years.

As part of licensing foster homes, OCS staff conduct a home visit and complete an evaluation checklist. The home visit and checklist are completed for a provisional license, during conversion of a provisional license to a biennial license, and at renewal of a biennial license. The home visit and assessment requires OCS staff discuss and evaluate foster parents' compliance with licensing regulations.

⁵ Social Security Act Title IV-E Sec. 471 (a)(29).

Foster Parents Must Complete Annual Training

Statutes require OCS make training available to assist foster parents in providing care that meets the needs of the child placed in the home and the specific requirements established in regulation. State regulations⁶ mandate that foster parents complete at least 10 hours of training (for a one-parent foster home) or at least 15 hours of training (for a two-parent foster home) each license year. The 15 hours of training may be split between two foster parents, as long as each parent has a minimum of five hours per license year.

The Reasonable and Prudent Parent Standard

Federal law⁷ effective October 2015 required states to adequately prepare prospective foster parents with the appropriate knowledge and skills to provide for the needs of the child, including knowledge and skills related to the prudent parent standard. The prudent parent standard is characterized by careful and sensible decisions to maintain the health, safety, and best interests of the child while encouraging the child's emotional and developmental growth. The prudent parent standard also applies to residential childcare facilities.⁸ Residential facilities are required to have at least one designated caregiver that has been provided training and is authorized to apply the prudent parent standard.

HB 151 codified the prudent parent standard in state law and gave foster parents the right and responsibility to use the standard to make decisions relating to a child in their care. The bill also required the department to provide foster parents related training. The change provided foster parents the ability to make decisions previously made by OCS staff.

OCS written procedures require staff to discuss the reasonable and prudent parent standard with a foster parent; actively monitor whether the foster parent or caregiver in a child care institution is

⁶ 7 AAC 50.250(g).

⁷ Social Security Act Title IV-E Sec. 471 (a)(10) and (24).

⁸ A residential child care facility is a place, staffed by employees, where one or more children, who are apart from their parents, receive 24-hour care on a continuing basis.

following the standard through the monthly home visits with the child, case planning, and administrative reviews; and document whether a parent is following the standard in an ORCA activity note.

OCS Staff Must Attempt to Refer Families to Community Organizations for Support Services

Per HB 151, when OCS staff complete an investigation of a report of harm concerning a child and determine child protective services are not required, OCS staff must seek the written consent of the child's parent or guardian to refer the family to a community organization that will actively reach out to families to provide needed support services. If the parent or guardian consents to the referral, OCS is required to refer the parent or guardian to the community organization.

According to OCS staff, each regional office maintains a list of local community organizations and available services. If an organization provides services that may benefit a family, OCS staff will recommend the family seek services and request a release of information to provide the family's information to the organization. Any related costs for services are borne by the families.

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REPORT

CONCLUSIONS

This audit reviews Department of Health and Social Services (DHSS) compliance with House Bill (HB) 151 foster care reform laws effective September 5, 2018, or December 4, 2018, which include the requirements to search for relatives and family friends, provide training on the reasonable and prudent parent standard (RPPS), and refer families to community organizations when child protective services are not needed and community services are necessary and available.

The audit concluded the Office of Children's Services (OCS) procedures do not require supervisors to certify in writing whether a search for relatives and family friends was performed; however, auditors generally found searches were conducted. The audit also found that training regarding the RPPS was not consistently provided to foster parents. Further, OCS staff did not formally identify and document foster parent training needs.

Due to the COVID-19 pandemic, auditors were unable to obtain the documentation necessary to identify whether OCS staff sought parental consent to refer families to community organizations when child protective services were not needed, or for those families that provided consent, whether referrals were timely. Additionally, auditors were unable to calculate the degree families provided consent because OCS staff did not track the referrals when child protective services were not needed.

Detailed report conclusions are as follows.

OCS procedures did not require supervisors to certify in writing whether a search for relatives and family friends was performed.

The audit found OCS procedures did not require supervisors to certify in writing that OCS searched for an appropriate placement with an adult family member or family friend when a child was removed from the home, when a child was transferred from one placement setting to another, and when OCS took emergency custody or a court ordered a child committed to DHSS for temporary placement. (See Recommendation 1)

Training regarding the RPPS was not consistently provided to foster parents.

Auditors reviewed 59 out-of-home placements to determine whether OCS staff searched for relatives or family friends when the child was placed. Testing identified three cases (five percent) with no documentation that OCS performed a search when the child was transferred from one placement setting to another. Two of the cases involved children that needed medical, mental health, or therapeutic treatment or care. OCS management reported that staff focused on obtaining treatment for the children instead of searching for relatives. The third case contained no documentation of a relative or family friend search when the child was transferred, although OCS staff did attempt to contact the child's parent prior to the transfer.

HB 151 required DHSS to provide foster parents training regarding the RPPS. According to OCS management, parents obtain RPPS training through discussions with OCS staff or through attending a one-hour training course. OCS staff document RPPS discussions with foster parents by marking a box on the licensing evaluation form.

Auditors reviewed the degree foster parents were provided RPPS training by reviewing the licensing evaluation forms and formal training records for a sample of 59 licensed foster homes. As shown in Exhibit 2, testing showed that the RPPS section of the licensing evaluation form was not completed or the form was missing parental signatures for nine of 59 forms. Additionally, in 14 two-parent household cases, the RPPS section of the licensing evaluation form was marked, but the form was not completed with both parents. There were five instances where the RPPS section of the form was not completed or missing a signature and the parent(s) did not take the one-hour training course. (See Recommendation 2)

The RPPS also applies to residential child care facilities. At the time of the audit, there were 46 residential child care facilities in Alaska licensed by the Division of Health Care Services (DHCS). Auditors found that OCS staff did not coordinate with DHCS staff to ensure

the facilities had a designated caregiver that was provided RPPS training. (See Recommendation 2)

Exhibit 2

Licensed Foster Homes Training for the Reasonable and Prudent Parent Standard Testing Results									
	Provisional License				Biennial License				Total
	RPPS Section of Evaluation Form				RPPS Section of Evaluation Form				
	Completed by household	Not completed or missing signatures	Completed with only one parent	Total	Completed by household	Not completed or missing signatures	Completed with only one parent	Total	
Two-parent household									
Both parents completed the training course	3		1	4	2	2	4	8	12
One parent completed the training course					1			1	1
Neither parent completed the training course	8	1	6	15	8	2	3	13	28
One-parent household									
Completed the training course	1	1		2	3	1		4	6
Training course not completed	7	1		8	3	1		4	12
Totals	19	3	7	29	17	6	7	30	59

OCS did not formally identify and document foster parent training needs.

Alaska Statute 47.14.115(a) requires DHSS to, no less than once quarterly, “make available” training that will assist foster parents in providing care that will meet the needs of the child placed in the home. OCS’s written procedures require staff to assess possible training and refer the foster parent to the training grantee, if necessary. Procedures also state that a training plan must be completed prior to the license expiration date.

Compliance with community organization referral laws could not be determined.

Auditors found that there were no formalized training plans in place for foster parents. Rather, OCS staff verbally communicate training needs to foster parents. (See Recommendation 3)

HB 151 added a requirement for OCS to refer a family for necessary support services provided by community organizations, if available, when an investigation is closed and OCS determines that child protective services are not needed. An objective of this audit was to report the degree families provided consent for referrals to community organizations and, for those families that provided consent, to identify whether DHSS made timely referrals.

Auditors found documentation, such as signed releases of information and fax cover sheets, was only available in the hardcopy files maintained in OCS regional offices.⁹ At the time of the audit, most OCS staff were working from home and regional offices were closed due to the COVID-19 pandemic. Because of the inability to obtain documentation, auditors were unable to determine whether OCS staff sought parental consent, or for those families that provided consent, whether referrals were made timely.

Additionally, auditors found that OCS did not track the referrals. Consequently, auditors were unable to calculate the degree families provided consent. Per OCS management, the agency does not have the capacity to track referrals for families that do not need protective services.

A system control weakness was identified during testing.

Auditors noted a weakness in logical access to the Online Resource for Children of Alaska system. (See Recommendation 4)

⁹ To meet the referral requirement, OCS procedures require staff request a release of information be signed by a family member. If consent is provided, OCS staff fax a copy to the community organization.

FINDINGS AND RECOMMENDATIONS

Recommendation 1

Office of Children’s Services’ (OCS) director should implement supervisor certification procedures for relative and family friend searches.

Alaska statutes¹⁰ require OCS to search for an appropriate placement with an adult family member or family friend who meets licensing requirements when a child is removed from the home, temporarily placed, or transferred from one out-of-home placement to another. Statutes also require a supervisor to certify in writing in the case file whether OCS has searched for an appropriate placement with an adult family member or friend and to work to ensure the search is completed in the shortest time feasible if OCS has not complied with the search requirements.

Auditors found OCS procedures did not require supervisors to certify in writing that OCS has performed the search. The month before the new certification requirements became effective, supervisors were provided training. However, OCS management did not recognize the need for formal certification procedures. No additional training was provided and management found the training was not sufficient to ensure supervisors certified in compliance with the new law. At the time of audit, OCS management was considering changes to the Online Resource for Children of Alaska system (ORCA) to enable supervisors to certify whether a search occurred.

The lack of adequate procedures increases the risk that an adult family member or family friend who meets licensing requirements will not be identified.

We recommend OCS’s director implement supervisor certification procedures for relative and family friend searches.

¹⁰ AS 47.10.080(s), AS 47.10.142(i), and AS 47.14.100(e).

Recommendation 2

OCS's director should improve procedures to ensure foster parents and caregivers in residential child care facilities are provided reasonable and prudent parent standard (RPPS) training.

OCS staff provide RPPS training to foster parents through licensing discussions with foster parents or through formal training provided by a training organization. For five of 59 licensed foster homes tested (8.5 percent), auditors found no evidence of formal training or staff discussions. Additionally, for nine of 41 two-parent licensed foster homes tested (22 percent), the licensing form (which documents the RPPS discussion) was completed with only one of the two foster parents and neither of the parents completed the formal training course. Further, OCS staff did not ensure that training regarding the RPPS was provided to the designated caregivers at residential child care facilities.

OCS coordinated with Division of Health Care Services' Residential Licensing Unit to develop internal controls for ensuring compliance with RPPS training requirements at residential child care facilities; however, internal control procedures were not implemented due to a breakdown in communication between the two divisions. Further, according to OCS management, inadequate training caused deficiencies in completing the licensing forms.

Federal and state law¹¹ require prospective foster parents to be adequately prepared with the appropriate knowledge and skills to provide for the needs of the child, including knowledge and skills related to the prudent parent standard. Federal law requires child care institutions have at least one designated caregiver be provided the same training as foster parents.

Foster parents and/or caregivers without the proper training may fail to exercise reasonable and prudent judgment when making decisions relating to the child.

We recommend OCS's director improve procedures to ensure foster parents and caregivers in residential child care facilities are provided RPPS training.

¹¹ Social Security Act Title IV-E Sec. 471 (a)(10) and (24); AS 47.10.084(d).

Recommendation 3

OCS’s director should consider amending regulations to require written training plans.

Auditors found there were no formalized training plans in place for foster parents. Rather, OCS staff verbally communicated with foster parents regarding training needs.

Alaska Statute 47.14.115(a) requires Department of Health and Social Services (DHSS) to, no less than once quarterly, “make available” training that will assist the foster parent or parents in providing care that will meet the needs of the child placed in the home and the requirements established by DHSS in regulation. OCS’s written procedures require staff to assess possible training that would assist and support the foster parent(s) in providing care and refer the foster parent(s) to the training grantee, if necessary. Procedures also state that the “training plan” must be completed prior to the expiration date of the license.

According to OCS management, formal written training plans are not developed or documented because formal plans are not required by regulations. Auditors confirmed that state regulations do not address the method in which training needs will be identified and communicated.

Without a written training plan, OCS supervisory staff are unable to review the appropriateness of training. Further, training needs that are verbally discussed may not be monitored in the event OCS staff leave employment. The lack of written training plans increases the risk that foster parents may not be adequately prepared with the basic skills and knowledge to care for children and effectively work with OCS.

We recommend OCS’s director consider amending regulations to require written foster parent training plans.

Recommendation 4**OCS's director should strengthen information technology (IT) controls.**

OCS lacked adequate ORCA logical access controls. State of Alaska Information Security Policies provide specific criteria related to the identified deficiencies. The details related to this control weakness and relevant audit criteria are being withheld from this report to prevent the weakness from being exploited. Pertinent details have been communicated to OCS management in a separate confidential document.

The internal control weaknesses are a result of inadequate procedures. Deficiencies in access controls increase the risk of unauthorized system use.

We recommend OCS's director strengthen IT controls.

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 of the Alaska Statutes and a special request by the Legislative Budget and Audit Committee, we have conducted a performance audit of the Department of Health and Social Services (DHSS), Office of Children’s Services (OCS) compliance with specific foster care reform laws.

Objectives

The audit evaluates OCS compliance with foster care reform laws effective September 5, 2018, or December 4, 2018. Specifically, the audit includes the following audit objectives:

- Determine whether DHSS searched for an appropriate placement with an adult family member or a family friend when DHSS took emergency custody or when a court ordered a child committed to DHSS for temporary placement; or when DHSS removed a child from a home or transferred a child from a foster home.
- Determine whether DHSS supervisors certified in writing whether DHSS staff had searched for an appropriate placement with an adult family member or family friend and took appropriate action, if needed, to ensure the search was completed in the shortest time possible.
- Identify the degree families provided consent for referral to community organizations under AS 47.17.030(g) when child protective services were not warranted and support services were needed. For those families that provided consent, identify whether DHSS made timely referrals.
- Determine whether DHSS provided foster parents training regarding the reasonable and prudent parent standard.

Scope

The audit reviewed out-of-home foster care placements that occurred from December 4, 2018, through February 29, 2020, and licensed foster homes that were active at any point during the same time period.

Scope Limitations

The audit had two scope limitations:

1. The audit could not determine whether OCS staff sought parental consent for referral to community organizations when child protective services were not warranted, or for those families that provided consent, whether referrals were made timely. Compliance could not be determined because the pertinent documentation was only available in the hardcopy files maintained in OCS regional offices, which were closed at the time of the audit due to the COVID-19 pandemic.
2. The audit could not calculate the degree parents provided consent for referrals because referrals for families that did not need protective services were not tracked by OCS.

Methodology

To address audit objectives, auditors:

- Gained an understanding of child protective services and foster care by reviewing the following laws and legislation:
 - ◆ House Bill 151, effective 2018;
 - ◆ Statutes and regulations (AS 47.10, AS 47.14, AS 47.32, 7 AAC 50) governing children in need of aid, child protection, and licensing; and
 - ◆ Social Security Act Sec. 471(a) outlining state plan requirements for foster care and adoption assistance payments.
- Reviewed articles to identify potential issues pertaining to Alaska foster care placement, searches for relatives or family friends, referrals to community organizations, and foster parent training.
- Reviewed complaints filed with the Office of the Ombudsman and the Alaska Court System to gain an understanding of potential issues related to searches for relatives or family friends and foster parent training.

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- Reviewed reports and documents issued or provided by DHSS, the U.S. Department of Health and Human Services' Administration for Children and Families, and other state auditor offices to gain an understanding of issues surrounding foster care relative searches and placements.
 - Reviewed OCS child protective services and licensing manuals to gain an understanding of written procedures for investigating reports of alleged child maltreatment, referring parents to community organizations, searching for relatives and family friends, placing children in foster care, licensing foster homes, and training foster parents.
 - Conducted interviews and observations with DHSS and OCS staff to gain an understanding of processes for investigating reports of alleged child maltreatment, referring parents to community organizations, searching for relative and family friends, certifying whether the required searches have been made, and documenting related actions in the information system.
 - Conducted interviews with OCS, Division of Health Care Services, and Alaska Center for Resource Families staff to gain an understanding of procedures for licensing foster homes and providing training to foster parents and designated caregivers in residential child care facilities.
 - Tested a random sample of out-of-home foster care placements that occurred from December 4, 2018, through February 29, 2020, to assess compliance with federal regulations and state statutes when conducting searches for relatives and family friends who meet foster home licensing requirements. Testing included reviewing the database for evidence of search efforts. The sample size was selected based on a 95 percent confidence level, with zero expected deviations and a five percent tolerable deviation rate. Test results were not projected to the population.

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- Tested a random sample of licensed foster homes active at any point during December 4, 2018, through February 29, 2020, to assess compliance with federal regulations and state statutes related to foster parent training on the reasonable and prudent parent standard. Testing included reviewing training records and licensing forms. The sample size was selected based on a 95 percent confidence level, with zero expected deviations and a five percent tolerable deviation rate. Test results were not projected to the population.
 - Tested a random sample of active Online Resource for Children of Alaska system users as of March 4, 2020. The sample size was based on a 90 percent confidence level, with zero expected deviations and a five percent tolerable deviation rate. Test results were not projected to the population.
 - Obtained and reviewed budget information from the Alaska Office of Management and Budget's website for reporting purposes.

Internal controls over relative searches, reasonable and prudent parent standard training, and system access were assessed to determine if controls were properly designed and implemented.

Agency Response from the Department of Health and Social Services



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December 29, 2020

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RECEIVED

DEC 29 2020

LEGISLATIVE AUDIT

Dear Ms. Curtis,

RE: Confidential Preliminary Audit Report, Department of Health and Social Services (DHSS), Office of Children's Services (OCS) Compliance with Foster Care Reform Laws, Part I.

The Department of Health and Social Services (DHSS) appreciates the opportunity to review and provide feedback to the associated findings and recommendations as shared in your preliminary audit report.

Report Conclusions:

Upon passage of HB151, OCS supervisors were trained on the expectations and procedures required to document these searches. Due to limitations in ORCA, multiple options were available to supervisors for documentation. Prior to this audit it was recognized that a more consistent form of documentation would be a benefit to the agency and it was written into Alaska's Children and Family Services Review (CFSR) Program Improvement Plan as a strategy to imbed the supervisory certification of relative search into practice. However, child welfare best practice requires the focus to first be the immediate life and safety needs of a child. Best practice does not support putting administrative tasks before addressing a child's life and safety needs.

OCS procedures did not require supervisors to certify in writing whether a search for relatives and family friends was performed (page 11):

One hundred percent (100%) of the cases reviewed included appropriate documentation and/or demonstrated appropriate procedures were adhered to through Child Welfare best practices including the prioritization of the child's health and safety first practice and all of the 59 cases reviewed during the process of the audit had relatives identified within the relative tab of ORCA

Additionally, the findings demonstrate supervisory review of the status of relative search in 58 cases or 98.3% of the cases.

Documentation that OCS performed a search:

Of the three cases discussed within the first paragraph on page 12, two cases had relative searches completed, however, due to significant and immediate health and safety concern for these two youth, OCS had to focus on getting the youth into the doctor recommended high level residential care placements. Child welfare best practice requires that the agency puts a child's life and safety first and, in this situation, OCS prioritized the child's placement in a safe residential setting. Relatives were identified in ORCA, however, they would not have been appropriate for placement due to the child's need, as recommended by a medical professional, for a more restrictive, therapeutic, placement environment. The third case involved a youth that was placed with maternal grandparents at the time of removal. The placement with a relative is evidence of a relative search. The youth was later temporarily moved to a licensed foster home prior to a trial home visit with the mother. There are case reviewer notes from May 2019, November 2019, and May of 2020 that reflect relative searches had been completed with no identified relatives appropriate for placement.

Training regarding the RPPS was not consistently provided to foster parents – pages 12-13

The department does not concur with the detailed conclusions reported in this section of the report and has additional clarification to offer below.

The Federal law requires that foster parents are adequately **prepared** to exercise prudent parent standards (RPPS). This means that foster parents understand they can make decisions involving children in their care to allow them to participate in age and developmentally appropriate activities. Foster parents are provided this preparation in many forms, verbally by a Child Licensing Specialist Staff (CLSS) when they are in the home completing a standard by standard, the foster parent handbook, CORE training, and there is an additional training offered by the Alaska Center for Resource Families. State policy also requires that *one* caregiver in the home understands how to apply prudent parent standards, although OCS agrees that both parents should be aware of RPPS.

Findings and Recommendations:

Recommendation #1 – OCS's director should implement supervisor certification procedures for relative and family friend searches.

DHSS does partially concur with this finding. OCS consistently provides diligent relative searches and has high percentages of relative placement for children in care. All of the 59 cases reviewed during the process of the audit had relatives identified within the relative tab of ORCA and 100% of the cases reviewed included appropriate documentation and/or demonstrated appropriate procedures were adhered to through Child Welfare best practices including the prioritization of the child's health and safety first.

Additionally, the findings demonstrate supervisory review of the status of relative search in 58 of the 59 cases or 98.3% of the cases sampled. A strategy to further imbed the supervisory certification of relative search into practice is included in Alaska's Program Improvement Plan.

Recommendation #2 – OCS's director should improve procedures to ensure foster parents and caregivers in residential childcare facilities are provided reasonable and prudent parent standard (RPPS) training.

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DHSS does concur with this finding. OCS continues to strengthen the procedures to ensure foster parents are adequately prepared to care for the children placed with them and will initiate outreach to document the RPPS preparation, including the offering of applicable training opportunities for staff of the residential child care facilities.

Recommendation #3 – The OCS director should consider amending regulations to require written training plans.

DHSS partially concurs with this finding. While the regulation has been in the amendment process for many years, there are proposed new Foster Care Licensing regulations, that are currently pending. The proposed regulation 7 AAC 67.130 states, “Within 90 days of issuance of a provisional license, a written individualized training plan will be developed in consultation with the foster parent and child’s caseworker, if applicable, and approved by the licensing supervisor. The training plan must be individually designed to strengthen the foster parent’s ability to meet the needs of each child placed in the foster home.”

Recommendation #4 – OCS’s director should improve security over ORCA access.

DHSS concurs with the finding. OCS will strengthen its internal controls over ORCA access. The department transferred responsibility for documentation in SFY2016 and due to resource limitations associated with the COVID-19 pandemic was unable to provide supporting documentation requested for user accounts created prior to 2016.

Please contact Linnea Osborne at 907-465-6333 if you have any questions or concerns.

Sincerely,



Adam Crum
Commissioner

CC: Sylvan Robb, Assistant Commissioner
Clinton Lasley, Deputy Commissioner
Kim Guay, Acting Director, Office of Children’s Services
Scott McCutcheon, DHSS Technology Officer
Linnea Osborne, Accountant V

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Legislative Auditor's Additional Comments

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

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January 18, 2021

Members of the Legislative Budget
and Audit Committee

I have reviewed the Department of Health and Social Services (DHSS) commissioner's response to the audit report. Nothing contained in the response causes me to revise or reconsider the report conclusions and recommendations. In rebuttal to the commissioner's response, I offer the following comments.

The commissioner implies that having at least one relative's name documented in the Online Resource for Children of Alaska system (ORCA), is adequate evidence that Office of Children's Services (OCS) staff searched for relatives. I disagree. House Bill 151 clarified that OCS staff must search for an appropriate placement with an adult family member or family friend when a child is removed from the home, when a child is transferred from one placement setting to another, and when OCS takes emergency custody or a court orders a child committed to DHSS for temporary placement. A relative's name in ORCA may have been obtained years before a child was transferred from one placement setting to another and is insufficient to show OCS staff actively searched for an adult relative or family friend at the time the child was transferred. The commissioner does not acknowledge that OCS's procedures require that all search efforts be documented in an ORCA activity note.

The commissioner disagrees with our conclusion that training regarding the reasonable and prudent parent standard was not consistently provided to foster parents. His disagreement is based on the federal law that states that foster parents only need to be "adequately prepared" as opposed to trained. However, the commissioner fails to acknowledge AS 47.10.084(d), which was created by House Bill 151, that states "the department shall provide foster parents with training regarding the reasonable and prudent parent standard." Our testing clearly showed training was not consistently provided.

The commissioner partially concurs with Recommendations 1 and 3; however, it is not clear what aspect of the findings and recommendations the commissioner does not concur with. For this reason, I am unable to respond.

Members of the Legislative
Budget and Audit Committee

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January 18, 2021

In summary, I reaffirm the report conclusions and recommendations.

Sincerely,



Kris Curtis, CPA, CISA
Legislative Auditor