

# Department of Children, Youth, and Families

Expenditures by Program	FY2020 Actual	FY2021 Enacted	FY2021 Governor	Change from Enacted		FY2022 Governor	Change from Enacted	
Central Management	\$14.5	\$12.8	\$12.8	\$0.0	0.2%	\$15.5	\$2.7	20.7%
Children's Behavioral Health	14.7	12.3	12.3	(0.0)	0.0%	13.1	0.8	6.3%
Child Welfare	201.0	207.0	208.3	1.3	0.6%	213.9	6.9	3.3%
Juvenile Correctional Services	21.6	22.4	22.3	(0.1)	-0.6%	21.9	(0.5)	-2.4%
Higher Education Incentive Grants	0.2	0.2	0.2	-	-	0.2	-	-
<b>Total</b>	<b>\$252.1</b>	<b>\$254.7</b>	<b>\$255.9</b>	<b>\$1.2</b>	<b>0.5%</b>	<b>\$264.5</b>	<b>\$9.8</b>	<b>3.8%</b>

Expenditures by Source	FY2020 Actual	FY2021 Enacted	FY2021 Governor	Change from Enacted		FY2022 Governor	Change from Enacted	
General Revenue	\$170.7	\$170.9	\$169.1	(\$1.8)	-1.0%	\$183.4	\$12.6	7.4%
Federal Funds	79.4	80.6	83.2	2.6	3.2%	79.4	(1.2)	-1.5%
Restricted Receipts	1.9	2.1	2.5	0.4	19.3%	1.5	(0.6)	-28.5%
Other Funds	0.1	1.2	1.2	-	-	0.3	(0.9)	-78.9%
<b>Total</b>	<b>\$252.1</b>	<b>\$254.7</b>	<b>\$255.9</b>	<b>\$1.2</b>	<b>0.5%</b>	<b>\$264.5</b>	<b>\$9.8</b>	<b>3.8%</b>

\$ in millions. Totals may vary due to rounding.

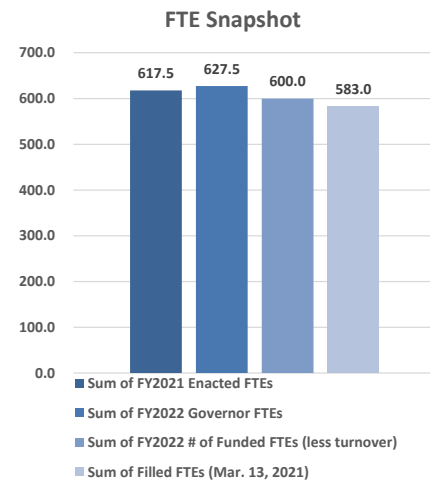
Authorized FTE Levels	621.5	617.5	617.5	-	-	627.5	10.0	1.6%
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The Department of Children, Youth, and Families (DCYF) is charged with implementing a statewide network of supports to protect vulnerable children and families. The Department develops, oversees, and evaluates programs which provide opportunities for children to reach their full potential. DCYF has three major operational divisions: Children's Behavioral Health Services, Child Welfare (including child protective services, family services, and permanency support), and Juvenile Corrections (including the Rhode Island Training School and juvenile probation). The Department supports an average of 3,400 children and their families, and indirectly serves thousands more through community-based programs.

## MAJOR ISSUES AND TRENDS

The Budget includes \$264.5 million from all funds for the Department of Children, Youth, and Families in FY2022. This includes \$183.4 million from general revenues, \$79.4 million from federal funds, \$1.5 million from restricted receipts, and \$250,000 from RICAP funds. General revenue funding increases by \$12.6 million (7.4 percent) relative to the FY2021 Budget as Enacted.

The Budget maintains the Enacted level of 617.5 FTEs in FY2021 and increases the Department's FTE authorization by 10.0 positions in FY2022. This reflects the addition of 2.0 Paralegal positions, 1.0 Social Case Worker II position to perform utilization management services, and 7.0 new frontline staff. The Budget provides funding for approximately 600.0 of the 627.5 positions authorized for FY2022, or 95.6 percent.



## Accreditation

In light of ongoing challenges at the Department, the 2019 General Assembly required that DCYF seek accreditation from the national Council on Accreditation (COA) in order to ascertain how its operations compare to national standards and identify areas for improvement. Article 13 of the FY2020 Budget as Enacted amended RIGL 42-72-5.3 to require that the Department initiate the application process by September 1, 2019, with a final accreditation plan due by October 1, 2020, to inform the Governor and General Assembly regarding necessary organizational changes to obtain and maintain accreditation along with the resources needed in order to do so.

The Department engaged with COA in September 2019 and submitted its accreditation plan on October 1, 2020. The plan analyzes the Department’s alignment with 59 COA standards, staffing needs, and necessary practice and policy shifts as well as a timeline for reaching accreditation. The analysis is limited to the Department’s child welfare and behavioral health standards and does not include benchmarks for the juvenile justice population, which is reviewed separately by the Annie E. Casey Foundation.

The analysis found that many of the Department’s practice models, screening tools, risk assessments, and service planning already comport with many COA standards. The report recommended replacing the Department’s case management information system, known as RICHIST.

However, the report also highlighted that staffing is the primary structural barrier to attaining and maintaining accreditation. Specifically, the Department would need to add 34.0 Child Protective Investigators, 7.0 Child Protective Supervisors, 24.0 Social Case Workers, and 5.0 Casework Supervisors to meet COA per-worker caseload standards in the Child Protective Services and Family Services units. In addition, the report identified the need for 2.0 FTEs to notify kin of a DCYF placement; 1.0 FTE to monitor assessments of adolescent life skills development; 10.0 FTEs to enhance clinical capacity for behavioral health services; 5.0 FTEs for a permanent unit to manage accreditation and ongoing reform activities; and 3.0 additional staff to support continuous data monitoring and staff training and development functions at DCYF. The report also recommended pay increases for frontline staff with advanced degrees. The additional 91.0 FTE positions and pay incentives would require a sustained investment of approximately \$11.3 million from all funds per year. Based on FY2022 planning values, the Senate Fiscal Office estimates that approximately 71.5 percent, or \$8.1 million, would need to be funded through general revenues. The report also recommends an additional \$300,000 to boost efforts to recruit resource families and \$291,851 for fixed expenditures to maintain support from COA, including site visits and application fees.

The report recommends a “Prioritized Practice Accreditation” approach for the Department, occurring over a four-year period, where the Department completes a self-study and gradually demonstrates alignment with COA standards. The timeline is “contingent upon the approval and appropriation by the Governor and the General Assembly of sufficient and sustained funding necessary for the Department to achieve COA accreditation.” The Governor’s Budget provides a funding mechanism to replace the RICHIST system, described in more detail below, but does not appear to account for the additional staff and other expenses.

**Rhode Island Children’s Information System (RICHIST) Upgrade**

Article 4 of the Governor’s Budget authorizes the issuance of \$17.0 million in certificates of participation (COPs) to provide 60.0 percent of the estimated \$28.0 million required to replace the Department of Children, Youth, and Families’ child welfare case management system, known as RICHIST. The remaining 40.0 percent, or \$11.0 million, would be supported by federal funds.

The total funding of \$28.0 million would be utilized over three years, FY2022 through FY2024, as follows:

<b>Rhode Island Children's Information System</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>Total</b>
Certificates of Participation	\$2,000,000	\$10,000,000	\$5,000,000	\$17,000,000
Federal Funds	1,300,000	6,500,000	3,200,000	11,000,000
<b>Total</b>	<b>\$3,300,000</b>	<b>\$16,500,000</b>	<b>\$8,200,000</b>	<b>\$28,000,000</b>

*Analyst Note: The Governor’s recommendation for FY2022 does not include the \$1.3 million in federal funds planned for this project. The Governor’s Budget Amendment dated April 19, 2021, adds the funding within DCYF’s Central Management program to account for the federal match.*

RICHIST was developed in 1998 and serves as a registry for all confidential case, financial, provider, and staff management information. RICHIST also generates the caseload and financial data which the Department reports to the Governor, General Assembly, and federal government. While Rhode Island was a national leader when RICHIST was first developed, it now relies on antiquated technology that has not

adapted well to changes over the last 23 years. Most significantly, the existing RICHIST system does not enable easy mobility for staff in the field which inhibits the Department’s ability to operate efficiently.

The new system would be a modular system that enables data analytics and reporting, allows easy access to real-time information when making important decisions for children and families, and simplifies the system’s mobile interface. The federal government encourages use of modular systems because they are more comprehensive and flexible, and enhance the ability to navigate case information and incorporate data analytics into child welfare practice. Modern systems are also more dynamic, allowing child welfare agencies to respond more adeptly to frequent changes in standards and practices. The Governor’s Budget assumes the use of a Custom Off the Shelf (COTS) software package which can be adapted from interfaces being used in other states, as opposed to custom-building a solution from scratch. The existing system will be maintained as portions of the new system are developed and phased in, with a full transition occurring when all components of the new system are sufficiently tested.

The annual debt service on the COPs authorized by Article 4 would be approximately \$2.0 million, based on an assumed interest rate of 2.75 percent over ten years. These payments would be budgeted within the Department of Administration beginning in FY2023, with payments through FY2032. Including interest, the total cost to the State will be \$19.7 million at the end of the ten-year period.

**Children’s Rights Settlement**

In January 2018, the State and DCYF settled a long-standing class action lawsuit. The lawsuit, initially filed in 2007, demanded systemic reforms to the State’s child welfare system and cited deficiencies throughout DCYF, including excessive caseworker assignments and an inappropriate residential service array. The settlement outlined a number of new screening and reporting requirements to be met by the Department and overseen by the Office of the Child Advocate. The Department continues to monitor these benchmarks and provides monthly reports pursuant to the Settlement. The Budget contains \$138,000 in annual general revenue funding within the Child Welfare program for a data validator for this purpose.

**CENTRAL MANAGEMENT**

The Central Management program includes the Office of the Director and Support Services. Central Management functions are primarily administrative and strive to improve policies and maximize operational efficiency. These functions provide coordination and oversight, fiscal management, accountability supports, facility management, legal services, and youth development services.

<b>Central Management</b>	<b>General Revenue</b>
FY2021 Enacted	\$9,096,210
<i>Target and Other Adjustments</i>	
Personnel	2,681,018
Fleet Modernization	173,369
Sublet	(54,417)
<b>FY2022 Governor</b>	<b>\$11,863,775</b>
<b>Personnel</b>	<b>\$2.7 million</b>

The Governor’s Budget provides \$6.9 million from general revenues and \$2.0 million from federal funds for Central Management personnel in FY2022. This represents a general revenue increase of \$2.7 million compared to the Enacted Budget and is primarily attributable to the restoration of turnover savings. The FY2021 Enacted Budget included \$3.1 million in general revenue turnover savings based on updated personnel costs and projections when the Budget was enacted in December 2020. The Governor’s Budget appears to treat most of this as one-time savings. The Governor’s Budget also updates the program’s personnel roster, transfers 2.0 vacancies and repurposes them as frontline staff in Child Welfare, and appears to double-count the expenses associated with 3.0 FTE positions, adding \$265,000 from general revenues and \$40,000 from federal funds.

The Governor's Budget also adds 2.0 new Paralegal positions to improve the Department's advocacy work. The positions are funded with \$137,138 from general revenues (\$196,255 all funds). According to the Department, increasing desk time for legal staff will expedite the court process to encourage permanency for youth involved with DCYF. Additional desk time supports the ability to meet with Social Case Workers to discuss and prepare for court events, review court documents, and update case records.

**Fleet Modernization**

**\$173,369**

The Department currently owns a fleet of 84 vehicles which are used by frontline staff to complete required investigative and other work both in and out of State. About half of these vehicles have over 150,000 miles on them. The Department also has 20 vehicles that were procured under an emergency lease to replace vehicles that were damaged during protests in the summer of 2020. The lease expires at the end of FY2021.

Purpose	General Revenue
Extend Lease of 20 Vehicles	\$110,160
Lease 10 Passenger Vans	73,800
Lease 10 4-5 Passenger Vehicles	74,070
Lease Insurance	55,000
Federal Lease Reimbursement	(14,168)
Maintenance Savings	(125,493)
<b>Total</b>	<b>\$173,369</b>

The Department requested \$110,160 from general revenues to continue these leases, at \$459 per vehicle per month, in FY2022. The Department then requested an additional \$147,870 from general revenues in FY2022 to modernize the fleet and replace another 20 old, high-mileage vehicles with leased, fuel-efficient vehicles. These investments would generate savings by reducing maintenance costs. The Governor's Budget provides the funding as requested and provides for the purchase of an additional 20 vehicles through the State Fleet Revolving Loan Fund.

**Sublet**

**(\$54,417)**

The Department currently rents its primary office building located at 101 Friendship Street in Providence as well as a number of smaller facilities across the State. The Department pays approximately \$3.0 million annually in rental costs, most of which is funded through general revenues. The 101 Friendship lease is the primary rental expense at approximately \$2.5 million per year, and is currently signed through FY2026.

The Department's request projected \$2.9 million in rental costs across all programs in FY2022, including \$2.8 million from general revenues, based on historical expenses. The request represented \$372,814 more from general revenues for rent compared to the Enacted Budget. Based on its experience with staff working remotely during the COVID-19 pandemic, the Department then proposed reducing these costs by continuing to use telework and shared workspaces to reduce the number of staff on-site going forward. Reducing the overall usage of the space would allow the Department to sublet a portion of the lease, generating \$478,123 in general revenue savings. The Governor recommends subletting to staff with the Department of Human Services beginning July 1, 2021. However, because the savings are reflected in comparison to the base increase that was requested for FY2022, the savings are less significant relative to the Enacted Budget. The Budget accounts for a net general revenue savings of \$105,309 across the Department, including \$54,417 within the Central Management program.

Rental Costs - General Revenue	FY2019 Actual	FY2020 Actual	FY2021 Enacted	FY2022 Projected	Sublet Savings	FY2022 Governor	Change to Enacted
Central Management	\$449,716	\$465,936	\$392,708	\$456,464	(\$118,173)	\$338,291	(\$54,417)
Children's Behavioral Health	116,521	116,949	92,377	116,858	(27,798)	89,060	(3,317)
Child Welfare	2,162,902	2,257,165	1,903,457	2,183,912	(314,698)	1,869,214	(34,243)
Juvenile Corrections	60,432	64,718	58,004	62,126	(17,454)	44,672	(13,332)
<b>Total</b>	<b>\$2,789,571</b>	<b>\$2,904,768</b>	<b>\$2,446,546</b>	<b>\$2,819,360</b>	<b>(\$478,123)</b>	<b>\$2,341,237</b>	<b>(\$105,309)</b>

**CHILDREN'S BEHAVIORAL HEALTH SERVICES**

The Children's Behavioral Health Services program designs, implements, and monitors a statewide system of care for children and youth requiring mental health services, including those children who are involved with the Department due to abuse, neglect, or delinquency. The Department seeks to support all children and youth with developmental disabilities or emotional disturbances in the least restrictive settings possible.

<b>Children's Behavioral Health Services</b>	<b>General Revenue</b>
FY2021 Enacted	\$5,958,010
<i>Target and Other Adjustments</i>	43,817
Assistance and Grants	602,190
Enhanced FMAP	(315,140)
Utilization Management	72,632
Sublet	(3,317)
<b>FY2022 Governor</b>	<b>\$6,358,192</b>

***Assistance and Grants*** **\$602,190**

The Governor's Budget includes a general revenue increase of \$602,190 from general revenues for direct services within the Children's Behavioral Health Services program, based on the Department's projected need. This provides full funding for the Department's array of behavioral healthcare services, including an average of 30 placements at Bradley Hospital, one-on-one intensive individual supervision, and a number of community based services. The increase is primarily related to an increase in Bradley direct billing and residential placements, which are expected to grow compared to FY2020 and FY2021, when the Department saw a reduction in utilization across all services due to the COVID-19 pandemic. The Governor's Budget is consistent with FY2018 and FY2019 spending.

***Enhanced FMAP*** **(\$315,140)**

The Budget includes \$315,140 in general revenue savings to reflect the extension of the enhanced federal medical assistance percentage (FMAP) through the first half of FY2022. Pursuant to the Families First Coronavirus Response Act (FFCRA), the enhanced FMAP shifts an additional 6.2 percent of eligible Medicaid and Title IV-E expenses from general revenues to federal funds during the COVID-19 public health emergency. On January 22, 2021, the federal Secretary of Health and Human Services issued a letter stating that the public health emergency "will likely remain in place for the entirety of [calendar year] 2021." The Governor's Budget includes two quarters of savings within the Children's Behavioral Health program, accordingly, based on an estimated \$5.1 million in eligible expenses.

***Utilization Management*** **\$72,632**

The Budget adds 1.0 Social Case Worker II position and \$72,632 from general revenues (\$95,175 all funds) to enhance the Department's utilization management function. While the purpose of this addition is to optimize utilization of congregate care placements within the Child Welfare program, the Department's utilization management unit is housed within the Children's Behavioral Health Services program. The scope of this initiative is described in more detail within the Child Welfare program.

***Sublet*** **(\$3,317)**

The Department currently rents its primary office building located at 101 Friendship Street in Providence as well as a number of smaller facilities across the State. The Department pays approximately \$3.0 million annually in rental costs, most of which is funded through general revenues. The 101 Friendship lease is the primary rental expense at approximately \$2.5 million per year, and is currently signed through FY2026.

The Department's request projected \$2.9 million in rental costs across all programs in FY2022, including \$2.8 million from general revenues, based on historical expenses. The request represented \$372,814 more from general revenues for rent compared to the Enacted Budget. Based on its experience with staff working remotely during the COVID-19 pandemic, the Department then proposed reducing these costs by continuing to use telework and shared workspaces to reduce the number of staff on-site going forward. Reducing the overall usage of the space would allow the Department to sublet a portion of the lease, generating \$478,123 in general revenue savings. The Governor recommends subletting to staff with the Department of Human Services beginning July 1, 2021. However, because the savings are reflected in comparison to the base increase that was requested for FY2022, the savings are less significant relative to

the Enacted Budget. The Budget accounts for a net general revenue savings of \$105,309 across the Department, including \$3,317 within the Children’s Behavioral Health Services program.

<b>Rental Costs - General Revenue</b>	<b>FY2019 Actual</b>	<b>FY2020 Actual</b>	<b>FY2021 Enacted</b>	<b>FY2022 Projected</b>	<b>Sublet Savings</b>	<b>FY2022 Governor</b>	<b>Change to Enacted</b>
Central Management	\$449,716	\$465,936	\$392,708	\$456,464	(\$118,173)	\$338,291	(\$54,417)
Children's Behavioral Health	116,521	116,949	92,377	116,858	(27,798)	89,060	(3,317)
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Juvenile Corrections	60,432	64,718	58,004	62,126	(17,454)	44,672	(13,332)
<b>Total</b>	<b>\$2,789,571</b>	<b>\$2,904,768</b>	<b>\$2,446,546</b>	<b>\$2,819,360</b>	<b>(\$478,123)</b>	<b>\$2,341,237</b>	<b>(\$105,309)</b>

## **CHILD WELFARE**

The Child Welfare division has two major sub-programs:

- **Child Protective Services (CPS):** CPS reviews and responds to reports of child abuse and neglect. CPS staff includes child protective investigators who specialize in the investigation of these reports. If a child is deemed to be at imminent risk of harm, they may be removed from the home and placed in State care for up to 48 hours, pending petitions before the Rhode Island Family Court.
- **Family Services Unit (FSU):** Staff members within Family Services provide ongoing social services and case management to children and families who become involved with DCYF due to abuse, neglect, substance abuse, or behavioral health issues.

The Child Welfare program includes out-of-home placements such as foster and congregate care. Foster care settings include kinship and non-kinship placements as well as private agency homes. Congregate care settings encompass residential treatment facilities, group homes, semi-independent living, and independent living. Child Welfare also includes the Permanency Services Unit, which oversees the administration of the adoption and guardianship subsidy programs for children and youth in permanent placements.

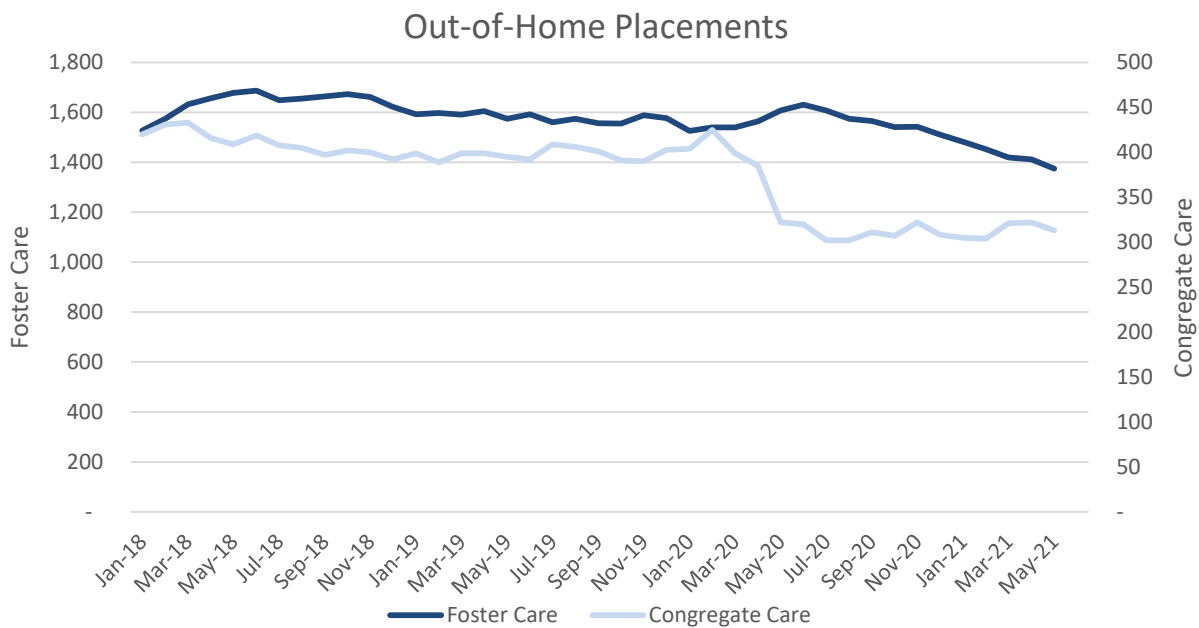
The Governor’s Budget includes \$213.9 million from all funds to support Child Welfare. This is \$6.9 million more from all funds compared to the FY2021 Budget as Enacted level of \$207.0 million. Actual all funds expenditures were \$199.1 million in FY2019 and \$201.0 million in FY2020.

<b>Child Welfare</b>	<b>General Revenue</b>
FY2021 Enacted	\$137,210,160
<i>Target and Other Adjustments</i>	<i>(17,972)</i>
Caseload Adjustment	7,956,433
Personnel	4,030,688
Recruitment and Retention	(2,505,305)
Enhanced FMAP	(2,217,780)
TANF	(2,173,501)
Female Youth Project	1,004,097
Families First	384,166
Extreme Family Finding	40,785
Utilization Management	(38,386)
Sublet	(13,368)
<b>FY2022 Governor</b>	<b>\$143,660,017</b>

### **Caseload Adjustment** **\$8.0 million**

The Budget provides a base increase of \$8.0 million from general revenues to fund direct services within the Department compared to the Enacted Budget. Of this amount, \$5.6 million was included in DCYF’s budget request, based on updated caseload projections and expected case mix. The Governor’s Budget revises these projections utilizing more updated information and provides an additional \$2.3 million from general revenues, accordingly.

The majority of expenditures in the Child Welfare program are caseload-driven and funded through the assistance and grants category. Funding includes per diem reimbursement for foster families, private agency foster care, group homes, and residential treatment centers as well as subsidies for youth who have been adopted or are placed under a guardianship arrangement. Since the onset of the COVID-19 pandemic, the Department has experienced significantly fewer child abuse and neglect reports and investigations, with a corresponding reduction in the number of children entering State care. There has been a 24.2 percent reduction in CPS reports since March 2020 and a 7.0 percent reduction in out-of-home placements. While caseloads remain relatively low as of May 2021, the Department has indicated that they are likely to increase again post-COVID as children return to day care, school, and other in-person activities and more incidents are reported. The FY2022 Budget is consistent with this assumption and provides funding for approximately 1,800 foster care placements, 325 congregate care placements, and 3,100 adoption/guardianship subsidies.



**Personnel**

**\$4.0 million**

The Governor’s Budget provides \$34.6 million from general revenues, \$14.9 million from federal funds, and \$133,168 from restricted receipts for Child Welfare personnel in FY2022. This represents a general revenue increase of \$4.0 million compared to the Enacted Budget and is primarily attributable to the restoration of turnover savings. The FY2021 Enacted Budget included \$4.6 million in general revenue turnover savings based on updated personnel costs and projections when the Budget was enacted in December 2020. The Governor’s Budget appears to treat most of this as one-time savings. The Governor’s Budget also updates the program’s personnel roster to reflect the employee titles and pay grades that are currently authorized and transfers 7.0 vacancies from other programs and repurposes them as frontline staff in Child Welfare.

The Governor’s Budget also adds 7.0 new FTEs to bolster the Department’s frontline staff capacity and adds \$518,056 from general revenues (\$737,012 all funds) to support these new positions. Supporting documentation provided by the Office of Management and Budget also indicates the intent to eliminate 9.0 FTE positions from Juvenile Corrections and repurpose the positions to increase frontline staff capacity in Child Welfare. However, the Budget does not appear to include the transfer. It appears that there should be \$920,000 in general revenue savings within Juvenile Corrections and approximately \$900,000 from all funds, including \$650,000 from general revenues, in new expenses accounted for in Child Welfare.

**Recruitment and Retention****(\$2.5 million)**

The Budget assumes \$2.5 million in general revenue savings (\$2.8 million all funds) by enhancing foster family recruitment and retention. The Department has focused on bolstering its frontline staff and foster family licensing unit in recent years, resulting in a significant number of new foster homes. The Department's goal is to continue this effort to increase the pool of foster families in the State, allowing for additional home-based care options. In August 2020, the Department restructured its foster care rate methodology which resulted in increases in the per diem rates, with the goal of aligning the reimbursement rate with the cost to support foster children and attracting new families to apply. The Department also repurposed vacancies in FY2021 to hire additional frontline staff and the Governor's Budget adds another 7.0 FTEs, as noted above. Through these efforts to increase the available supply of foster families and provide additional supports, the Governor's Budget assumes that Department will be able to shift approximately 40 youth from more expensive private agency foster care and congregate care settings into DCYF foster care. The difference in per diem costs for these placements is significant; the average daily cost of DCYF foster care is \$30, while private agency foster care is \$100 per day and congregate care is \$350 per day. The Budget assumes approximately \$3.3 million in private agency and congregate care savings, with \$500,000 reinvested in DCYF foster care, for net all funds savings of \$2.8 million.

**Enhanced FMAP****(\$2.2 million)**

The Budget includes \$2.2 million in general revenue savings to reflect the extension of the enhanced federal medical assistance percentage (FMAP) through the first half of FY2022. Pursuant to the Families First Coronavirus Response Act (FFCRA), the enhanced FMAP shifts an additional 6.2 percent of eligible Medicaid and Title IV-E expenses from general revenues to federal funds during the COVID-19 public health emergency. On January 22, 2021, the federal Secretary of Health and Human Services issued a letter stating that the public health emergency "will likely remain in place for the entirety of [calendar year] 2021." The Governor's Budget includes two quarters of savings within the Child Welfare program, accordingly, based on an estimated \$35.8 million in eligible expenses.

**TANF****(\$2.2 million)**

The Governor's Budget shifts \$2.2 million from general revenues to federal funds to reflect an increase in the federal Temporary Assistance for Needy Families (TANF) allocation for child care expenses incurred by the Department.

**Female Youth Project****\$1.0 million**

The Governor's Budget includes \$1.0 million from general revenues (\$3.5 million all funds) to establish an in-State Psychiatric Residential Treatment Facility (PRTF) for female youth. PRTFs are non-hospital facilities that provide intensive inpatient services for individuals under the age of 21 with complex behavioral health or other needs. The Department has identified a need to develop in-State capacity to service female youth with complex behavioral health needs who are currently served out-of-State, at the Rhode Island Training School, or in a hospital. These alternative placements are expensive and often not appropriate to achieve positive outcomes. All services provided in a PRTF are Medicaid claimable, providing an opportunity for DCYF to leverage additional federal funds for approximately 40 female youth who fit the criteria for this type of facility.

Instead of a typical Request for Proposals (RFP) process, the Executive Office of Health and Human Services (EOHHS) advised DCYF to create certification standards, whereby any provider that meets the standards can become a PRTF. The Department must submit these standards to the Centers for Medicare and Medicaid Services (CMS) and expects approval after 90 days. The Department can engage with providers during the approval waiting period so that planning and preparation can occur in the interim.

The Budget assumes that the Department submits standards at the beginning of the fiscal year and a PRTF will be fully functional by October 1, 2021. The Budget assumes that an average of 24 female youth will be served by the facility in FY2022 at an estimated \$1,000 per diem rate, for an additional cost of \$6.6



million over three quarters, including \$3.3 million from general revenues. However, because many of these individuals are likely to transition from high-end out-of-State residential placements currently funded by DCYF, the Budget also assumes \$3.0 million in other placement savings, including \$2.3 million from general revenues. The net change is a \$1.0 million general revenue increase (\$3.5 million all funds).

**Families First**

**\$384,166**

The federal Families First Prevention Services Act seeks to reduce states' reliance on group and residential treatment homes and instead prioritizes home-based care. In addition to enhancing reimbursement for certain behavioral health treatments, beginning on October 1, 2021, the federal government will only provide matching Title IV-E funds for residential programs that are designated as Qualified Residential Treatment Programs (QRTPs). QRTPs are a subset of licensed group care facilities which meet detailed assessment, case planning, documentation, staffing, and other requirements. The Department anticipates a loss of \$384,166 in federal matching funds for residential services that will no longer be eligible for a federal match. The Governor's Budget provides \$384,166 from general revenues, accordingly.

*Analyst Note: The alternative option would be to ensure that all residential programs are compliant with the Families First Prevention Services Act as certified QRTPs. However, the Department does not receive a substantive amount of Title IV-E funding for group homes and the expense to transform the residential model would be more substantial than the current proposal to cover the loss of federal funds.*

**Extreme Family Finding**

**\$40,783**

The Budget includes a general revenue increase of \$40,783 to provide for intensive permanency support services known as Extreme Family Finding (EFF). The Department, in collaboration with Adoption RI, supports intensive family search and identification services in order to locate permanent placements for youth who have been in the child welfare system for extended periods of time. EFF is an evolving practice where a private investigator utilizes record mining and genograms to locate family members and help youth with challenging behaviors, mental health issues, or disabilities make kinship connections. In addition to fostering important connections, this effort can also help move youth out of the system, thereby reducing congregate care and length of stay in State care. The program also provides wraparound support and post-placement services. Adoption RI received a time-limited and funding-limited external grant to launch this program which expired in December 2020.

The Governor's Budget adds \$132,000 from general revenues to replace the grant funding and maintain the partnership with Adoption RI for EFF services. However, the Budget also assumes that the Department will see savings by reducing the number of high-need youth in the foster care system. Based on the program's previous success engaging with seven youth, locating over 300 family members, and finding permanent placements for five, the Budget assumes that the program will engage with ten youth and find permanent placements for at least five, generating \$91,217 in general revenue savings. The Budget includes a half-year of savings, assuming that it could take about six months to locate permanent homes. The Budget provides a net general revenue increase of \$40,783 to support EFF, accordingly.

**Utilization Management**

**(\$38,386)**

The Budget adds 1.0 Social Case Worker II position to enhance the Department's utilization management (UM) capacity. This additional staff member would help perform regular reviews of youth in congregate care to ensure that continued placement is consistent with each youth's level of need, strengthen progress towards timely permanence for children, and to ensure accountability for consistent and high-quality practice and services within group care settings. According to the Department, youth placed in congregate care are less likely to find permanent homes than those who live in home-based settings. Ensuring that congregate care is a placement of last resort will improve the Department's goal of achieving permanency.

Although the Department has seen significant reductions in high-cost congregate care utilization in the last several years, there remains an opportunity to reduce utilization of costly services, such as residential treatment centers, for youth that do not require such a level of care. Utilization management enables the

Department to reduce the use of restrictive forms of care and improve clinical and functional outcomes for children while also reducing costs. The Department currently has a UM unit with two employees that regularly evaluates about one-third of youth placed into congregate care to identify youth who can step down to a less intensive setting and provide information to Family Services, Probation Management, and other stakeholders. The UM reviews are currently limited to youth who come into care due to abuse and neglect, which is only a subset of congregate care placements, due to resource constraints and the requirements of the Children's Rights Settlement. An expansion of the UM function to all youth residing in group care settings will help reduce the use of highly restrictive and costly congregate care placements.

The Governor's Budget assumes that the additional staff member will examine 33 cases per year, based on past performance by the existing UM unit. The Budget assumes that the additional position will transition at least one youth from a congregate care setting, at an average per diem of approximately \$350, into a foster care setting, at an average per diem of approximately \$30, in the last half of the fiscal year. This will generate \$38,386 in general revenue savings (\$53,794 all funds), although it appears there may be a potential for additional savings if more individuals are moved into foster care.

**Sublet** **(\$34,243)**

The Department currently rents its primary office building located at 101 Friendship Street in Providence as well as a number of smaller facilities across the State. The Department pays approximately \$3.0 million annually in rental costs, most of which is funded through general revenues. The 101 Friendship lease is the primary rental expense at approximately \$2.5 million per year, and is currently signed through FY2026.

The Department's request projected \$2.9 million in rental costs across all programs in FY2022, including \$2.8 million from general revenues, based on historical expenses. The request represented \$372,814 more from general revenues for rent compared to the Enacted Budget. Based on its experience with staff working remotely during the COVID-19 pandemic, the Department then proposed reducing these costs by continuing to use telework and shared workspaces to reduce the number of staff on-site going forward. Reducing the overall usage of the space would allow the Department to sublet a portion of the lease, generating \$478,123 in general revenue savings. The Governor recommends subletting to staff with the Department of Human Services beginning July 1, 2021. However, because the savings are reflected in comparison to the base increase that was requested for FY2022, the savings are less significant relative to the Enacted Budget. The Budget accounts for a net general revenue savings of \$105,309 across the Department, including \$34,243 within the Child Welfare program.

	FY2019	FY2020	FY2021	FY2022	Sublet	FY2022	Change to
Rental Costs - General Revenue	Actual	Actual	Enacted	Projected	Savings	Governor	Enacted
Central Management	\$449,716	\$465,936	\$392,708	\$456,464	(\$118,173)	\$338,291	(\$54,417)
Children's Behavioral Health	116,521	116,949	92,377	116,858	(27,798)	89,060	(3,317)
Child Welfare	2,162,902	2,257,165	1,903,457	2,183,912	(314,698)	1,869,214	(34,243)
Juvenile Corrections	60,432	64,718	58,004	62,126	(17,454)	44,672	(13,332)
<b>Total</b>	<b>\$2,789,571</b>	<b>\$2,904,768</b>	<b>\$2,446,546</b>	<b>\$2,819,360</b>	<b>(\$478,123)</b>	<b>\$2,341,237</b>	<b>(\$105,309)</b>

**JUVENILE CORRECTIONAL SERVICES**

Juvenile Correctional Services includes two major sub-programs:

- **Rhode Island Training School (RITS):** The RITS is a secure correctional facility for adjudicated juvenile offenders as well as those who are detained and awaiting trial. The facility has a maximum capacity of 148, with 124 beds for male residents and 24 beds for female residents. The Training School is a 24-hour, 365-day operation providing housing, food, clothing, medical care, education, vocational training, and other programs and services to meet the needs of its residents.
- **Juvenile Probation and Parole:** Juvenile Probation supervises all formerly adjudicated youth placed on probation by the Family Court. Each youth is evaluated to determine their risk for recidivism. Staff

members then create and enforce individualized plans to address the factors which contribute to delinquent behavior in order to prevent recidivism.

<b>Juvenile Correctional Services</b>	<b>General Revenue</b>
FY2021 Enacted	\$18,395,931
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<i>Target and Other Adjustments</i>	<i>(68,823)</i>
Personnel	3,246,414
Community Based Services	(636,789)
Centralized Service Charges	422,620
Sublet	(13,332)
<b>FY2022 Governor</b>	<b>\$21,346,021</b>

**Personnel** **\$3.2 million**

The Governor’s Budget provides \$17.7 million from general revenues and \$203,536 from federal funds for Juvenile Corrections personnel in FY2022. This represents a general revenue increase of \$3.2 million compared to the Enacted Budget. This is primarily related to the restoration of \$2.4 million in public safety personnel costs at the Training School that were shifted to federal Coronavirus Relief Funds (CRF) in the Enacted Budget. These funds are not available in FY2022 and are transferred back to general revenues, accordingly. The FY2021 Enacted Budget also included \$3.0 million in general revenue turnover savings based on updated personnel costs and projections when the Budget was enacted in December 2020. The Governor’s Budget appears to treat much of this as one-time savings. The Governor’s Budget also updates the program’s personnel roster and transfers 3.0 vacant positions to Child Welfare.

Supporting documentation provided by the Office of Management and Budget indicates the intent to eliminate 9.0 FTE positions from Juvenile Corrections to align staffing levels with the consistently declining census at the Training School and repurpose the positions to increase frontline staff capacity in Child Welfare. However, the Budget does not appear to remove the positions from the program or the approximately \$920,000 in associated funding. It appears that there should be savings within Juvenile Corrections and new expenses accounted for in Child Welfare. The 9.0 FTE positions which are slated for elimination are currently filled.

**Community Based Services** **(\$636,789)**

The Governor’s Budget reduces general revenue assistance and grants spending within Juvenile Correctional Services by \$636,789 in FY2022 to reflect the elimination of an Outreach and Tracking program operated by Tides Family Services. Outreach and Tracking is a community-based, intensive supervision program with a goal of family preservation and school completion for youth and families involved with juvenile probation. According to Tides Family Services, the program includes 24/7 emergency services, counseling, school court advocacy, referrals to therapeutic recreation activities, and case coordination. The program was eliminated in the Department’s request, based on a lack of referrals to the program. The program operated for just over a year and saw 28 referrals, with 13 from within DCYF; 13 from the Truancy, Drug, and Family Courts; and 2 from community providers.

**Centralized Service Charges** **\$422,620**

The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, facilities management, and human resources. These expenditures were previously centralized in the Department of Administration, and are now reflected in each agency based on actual use. The FY2021 Budget as Enacted included \$207,904 for facilities management expenses within Juvenile Correctional Services. The Governor’s Budget increases these charges by \$422,620 to reflect the historical level of facilities management charges within the program.

**Sublet****(\$13,332)**

The Department currently rents its primary office building located at 101 Friendship Street in Providence as well as a number of smaller facilities across the State. The Department pays approximately \$3.0 million annually in rental costs, most of which is funded through general revenues. The 101 Friendship lease is the primary rental expense at approximately \$2.5 million per year, and is currently signed through FY2026.

The Department's request projected \$2.9 million in rental costs across all programs in FY2022, including \$2.8 million from general revenues, based on historical expenses. The request represented \$372,814 more from general revenues for rent compared to the Enacted Budget. Based on its experience with staff working remotely during the COVID-19 pandemic, the Department then proposed reducing these costs by continuing to use telework and shared workspaces to reduce the number of staff on-site going forward. Reducing the overall usage of the space would allow the Department to sublet a portion of the lease, generating \$478,123 in general revenue savings. The Governor recommends subletting to staff with the Department of Human Services beginning July 1, 2021. However, because the savings are reflected in comparison to the base increase that was requested for FY2022, the savings are less significant relative to the Enacted Budget. The Budget accounts for a net general revenue savings of \$105,309 across the Department, including \$13,332 within the Juvenile Correctional Services program.

<b>Rental Costs - General Revenue</b>	<b>FY2019 Actual</b>	<b>FY2020 Actual</b>	<b>FY2021 Enacted</b>	<b>FY2022 Projected</b>	<b>Sublet Savings</b>	<b>FY2022 Governor</b>	<b>Change to Enacted</b>
Central Management	\$449,716	\$465,936	\$392,708	\$456,464	(\$118,173)	\$338,291	(\$54,417)
Children's Behavioral Health	116,521	116,949	92,377	116,858	(27,798)	89,060	(3,317)
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Juvenile Corrections	60,432	64,718	58,004	62,126	(17,454)	44,672	(13,332)
<b>Total</b>	<b>\$2,789,571</b>	<b>\$2,904,768</b>	<b>\$2,446,546</b>	<b>\$2,819,360</b>	<b>(\$478,123)</b>	<b>\$2,341,237</b>	<b>(\$105,309)</b>

**HIGHER EDUCATION INCENTIVE GRANTS**

The Higher Education Incentive Grant Program provides tuition assistance for former foster youth to attend a wide range of post-secondary institutions. This program is funded by State higher education incentive grants and federal Educational and Training Vouchers (ETVs). General revenue funding for the incentive program is set by statute at \$200,000 per year; there is an additional \$195,107 in federal ETV funding and \$4,893 in restricted receipts accounted for within the Child Welfare program. DCYF coordinates with the Office of the Post-Secondary Education Commissioner's Division of Higher Education Assistance (DHEA) to administer this grant program and provide tuition assistance to between 50 and 75 former foster youth each year. DHEA provides information regarding cost of attendance and financial aid for each applicant to the program. This allows DCYF to ensure that funding is distributed equitably across participants.

<b>Higher Education Incentive Grants</b>	<b>General Revenue</b>
FY2021 Enacted	\$200,000
<i>Target and Other Adjustments</i>	-
<b>FY2022 Governor</b>	<b>\$200,000</b>

**CAPITAL PROJECTS**

The Budget includes a total of \$5.9 million from Rhode Island Capital Plan (RICAP) funds from FY2021 through FY2026, including \$1.2 million in FY2021 and \$250,000 in FY2022. Projects include:

- Acquisition and installation of a generator at the Training School to maintain functionality of HVAC, security, and other mechanical systems in the event of a power outage. The Budget includes \$717,000 to make a one-time purchase in FY2021, consistent with the Enacted level. The Budget does not include funding in FY2022. Funding has been provided for this project annually since FY2013 and repeatedly shifted to out-years. Prior to FY2021, only \$63,740 has been spent since the funding was first requested. As of May 14, 2021, the Department has spent \$322,455 related to this project in FY2021.

- Improvements and ongoing maintenance at the Training School, including resolving leaks and other structural issues. The Budget includes \$470,614 in FY2021 and \$250,000 per year in FY2022 through FY2026 related to ongoing maintenance projects. The Department spent \$2.2 million through FY2020 for asset protection. As of May 14, 2021, the Department has spent \$119,250 related to this project in FY2021.
- Redesigning the Rhode Island Training School to update the facility to reflect the needs of the juvenile justice population. The Budget includes \$1.8 million in RICAP funding in FY2023 and \$1.8 million in FY2024. With a capacity of 148 and average census ranging from 25 to 50, the Department has identified the need to repurpose the space. The plan includes closing portions of the Training School and repurposing modules as residential treatment centers to shift the focus towards therapy and rehabilitation.

## FY2021 Supplemental Budget

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### DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

The Governor includes \$169.1 million in general revenue funding (\$255.9 million all funds) for the Department of Children, Youth, and Families in FY2021, reducing general revenue expenditures by \$1.8 million compared to the Enacted Budget.

#### **COVID-19 Personnel** **(\$1.5 million)**

The Governor's Budget shifts \$1.5 million from general revenues to federal funds to reflect the allocation of Juvenile Corrections personnel expenses to federal Coronavirus Relief Funds in response to the COVID-19 pandemic.

#### **Enhanced Federal Match** **(\$1.3 million)**

The Governor includes \$1.3 million in general revenue savings to reflect the extension of the enhanced Federal Medical Assistance Percentage (FMAP) for the fourth quarter of FY2021. Pursuant to the Families First Coronavirus Response Act (FFCRA), the enhanced rate shifts an additional 6.2 percent of Medicaid expenses from general revenues to federal funds during the COVID-19 public health emergency. The Enacted Budget included three quarters of savings, based on current law at the time. The enhanced rate was extended for another quarter in January 2021.

#### **Unfunded Mandate** **\$450,000**

The Budget includes \$450,000 from general revenues in order to fund a mandate included in the federal Consolidated Appropriations Act of 2021 to support young adults aging out of foster care during the COVID-19 pandemic. The Act requires that states provide services and case management to youth who turned 21 during the pandemic and would normally have lost the supports available through the Department. The federal government did not provide funding to comply with the mandate and the Revised Budget adds funds, accordingly.

#### **COVID-19 Response** **\$327,910**

The Budget includes \$327,910 from general revenues (\$3.1 million all funds) for the Department's COVID-19 response programming. The Enacted Budget included \$2.9 million from federal funds to support a number of COVID-19 relief programming to support youth and families involved with the Department. The Governor's Budget updates the costs associated with these programs and shifts a portion of the costs associated with an intake center for COVID-positive youth to general revenues.