

Risk Pool Application SFY 2016-17

Please complete all items and submit electronically to the Regional Managing Director. Upon review and concurrence of the Risk Pool Request, the Regional Managing Director will submit the application to the Deputy Secretary for the Department.

Lead Agency Name: ChildNet, Inc.

Region: Southeast

Contract No.: IJ706

Address: 4100 W. Okeechobee Blvd
West Palm Beach, FL

Lead Agency Contact: Emilio Benitez

Phone No.: 954-414-6000

Contract Manager: Ralph Silverstein

Phone No.: 561-818-5773

This request is being submitted in response to an anticipated current year deficit in excess of available carry forward funds.

Financials:

- 1) Confirm the dollar amount being requested: \$1.4 million
- 2) Confirm that funds will be expended by the end of the current fiscal year: ☒ Yes ☐ No
- 3) How do you propose to use these funds to address or correct the underlying cause of the shortfall?

ChildNet Palm Beach experienced an increase in the number of removals during the 2014/2015 Fiscal Year. While the number of children removed has stabilized in fiscal year 2015/2016 this increase in children out-paced the increase in foster home recruitment resulting in a higher number of children placed in residential group care (see [Figure 1, Number of Foster Homes and Children Placed](#)). ChildNet Palm Beach would be in a better financial position to absorb the extra cost in Out-of-Home care had it not been for the deficit in Independent Living funding. ChildNet Palm Beach is struggling with the deficit in Independent Living as the funding of \$1.4 million has not increased over the years. This unfortunately, has been a historical issue for the organization dating back to fiscal year 2012/2013 when ChildNet became Circuit 15's CBC lead agency through an emergency procurement. The implementation of the Extended Foster Care program, stipend increases and administrative costs have since all been driving factors in the growing Independent Living deficit. At the close of fiscal year 2015/2016, 67% of the \$2.4 million carryforward deficit was associated to the Independent Living Program (see [Figure 2,](#)

[Independent Living Budget to Actual Comparison](#) – each fiscal year has a link to the Department of Children and Families CO View).

For fiscal year 2016/2017, ChildNet Palm Beach has implemented various initiatives to reduce the number of clients coming into out of home care, all focused on finding the most appropriate home for the clients who enter out of home care. It has also implemented intensive intervention programs with the goal of either preventing children from coming into care or to facilitating a timely reunification process and these programs are constantly modified based on performance. The agency has worked collaboratively with DCF Regional Administrators to provide additional training for staff from multiple agencies in the Families Finder model and in the regular review and monitoring of placements, performance trends and operational challenges. The organization is working unceasingly to expand its inventory of licensed foster homes utilizing a comprehensive Foster Home Recruitment Plan that includes a detailed Community Outreach and Marketing strategy and the constant review of current inventory based on an innovative electronic “bed chart” database. A high level management team meets weekly to consistently and comprehensively review the cases of the children to determine if a placement change is in the child’s best interests. If so, the team aggressively seeks to identify and facilitate the best possible and most familial local placement for the client. Clients in residential group care, if a relative/non-relative home is unavailable, then the team searches for an appropriate foster home.

In summary, ChildNet and all its local partners have done a remarkable job of successfully implementing the several recommendations offered by the Risk Pool Peer Review convened locally in March, 2016. We have implemented programs that appear to be reducing unnecessary removals. ChildNet has increased placements with relative/non-relative caregivers. We have increased and improved our utilization of foster homes. We have continued to ensure that appropriate funding sources pay for the behavioral health services accessed by child and adult clients. Most significantly we have made substantial progress in reducing the number of children placed in residential group care. In its fiscal viability plan ChildNet set a very aggressive target census goals for residential group care and has each month met or exceeded those targets (see [Figure 3, Number of Children in Residential Group Care and Month End Projections](#)). While the company was able to meet its month end targets, it was unable to meet the average monthly target census within the first quarter of the fiscal year (see [Figure 4, Average Number of Children in Residential Group Care and Projections](#) and [Figure 5, Projected Monthly Residential Group Care Cost Compared to Actual Cost](#)).

While ChildNet has made major strides in reducing its utilization of licensed care placements and its costs, the deficit of approximately \$1.4 million in the Independent Living category for fiscal year 2016/2017 remains a major obstacle to the agency fully eliminating its operating deficit. The financial viability core budget presented to the Department of Children and Families included the projected Independent Living deficit of \$1.6 million (See [Figure 6, Financial Viability Budget](#)). ChildNet, therefore, respectfully requests that the Department consider providing risk pool funding to help bridge this continuing and imposing gap between the agency’s independent living funding and the number and needs of its independent living clients.

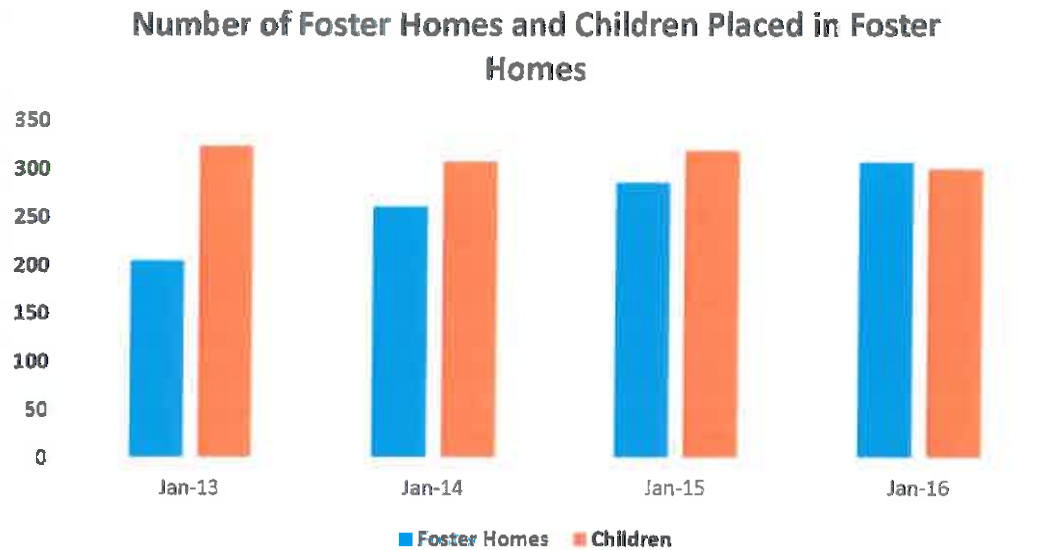


Figure 1, Number of Foster Homes and Children Placed

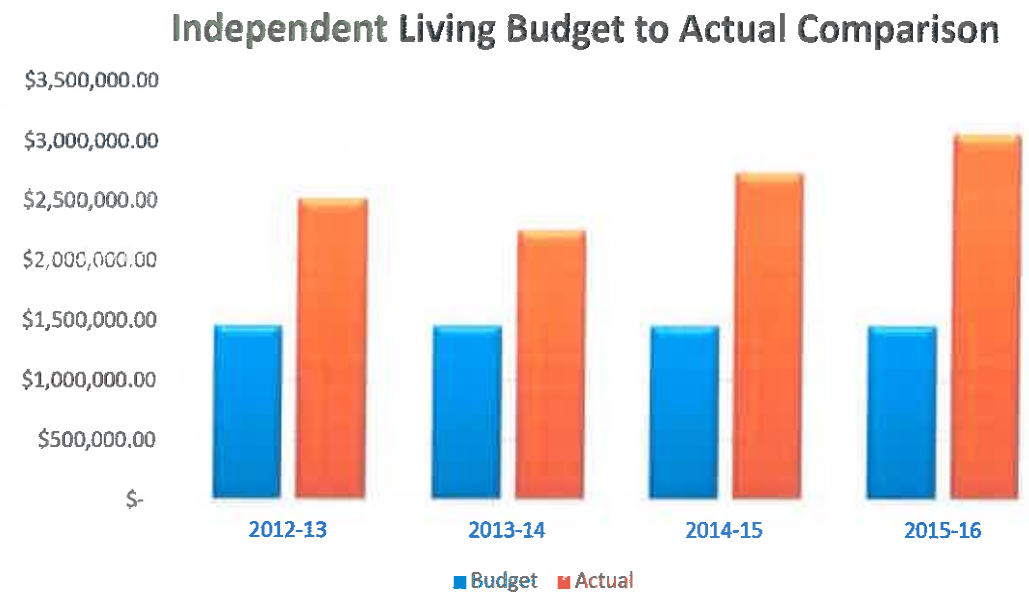


Figure 2, Independent Living Budget to Actual Comparison (Information taken from the DCF CO View)

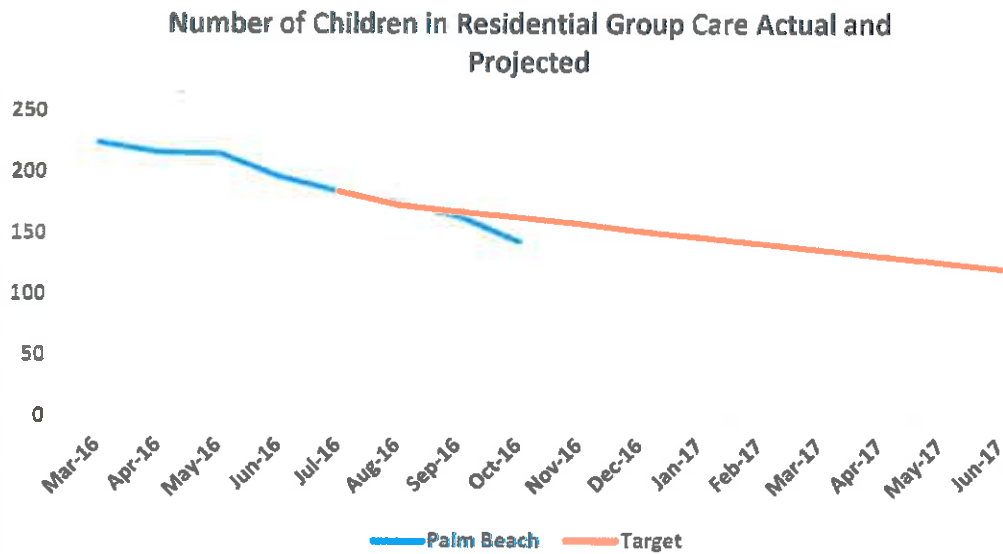


Figure 3, Number of Children in Residential Group Care and Month End Projections

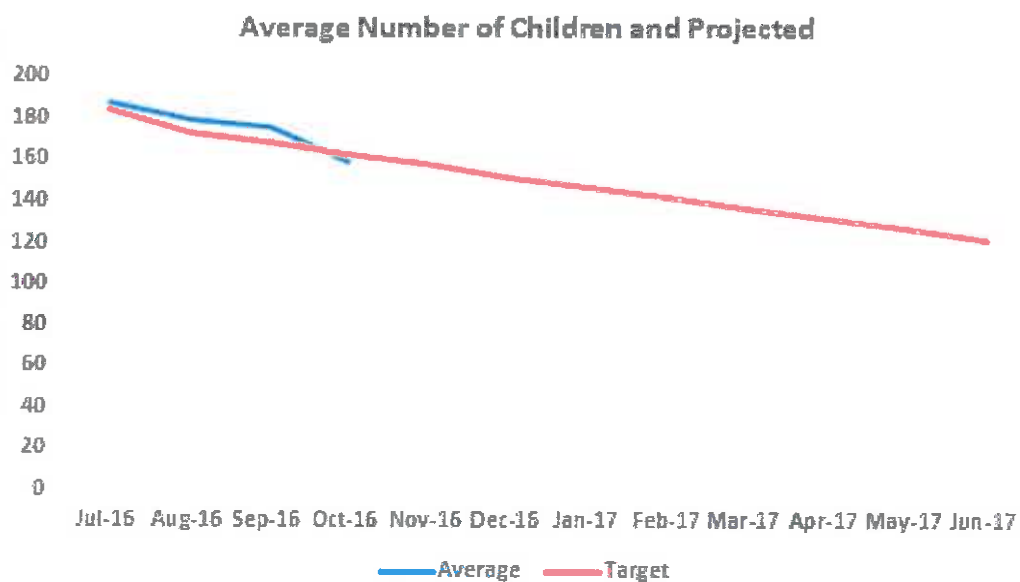


Figure 4, Average Number of Children in Residential Group Care and Projections

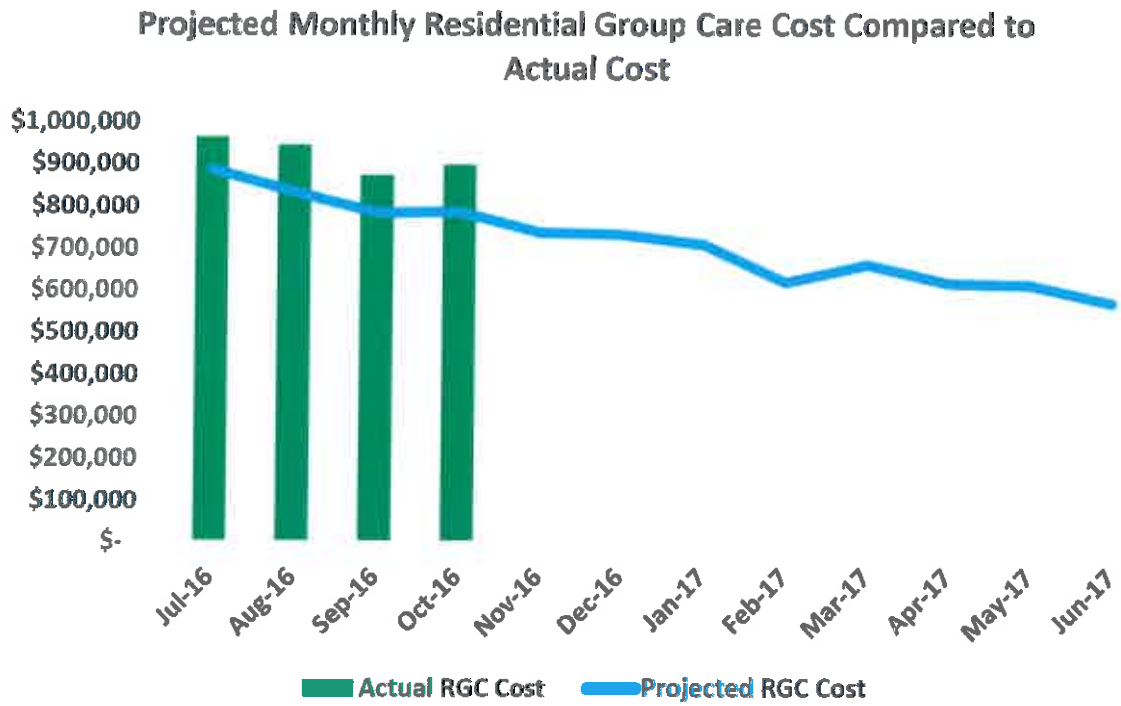


Figure 5, Projected Monthly Residential Group Care Cost Compared to Actual Cost

Department of Children and Families CO View
For Fiscal Year 2012-13
Enter CBC Name: ChildNet - PB - 9 months

Year End Reconciliation	Section A&B	Section A&B Adjustments		Total All Chafee	
	A&B	Adjustments	TOTAL Section A&B	Total All Chafee	Grand Totals For Sections A,B&C
Schedule of Funds (Budget)	21,006,547.00		21,006,547.00	1,093,059.00	29,299,387.00
Total Expend per Actual Exp Reports	19,375,002.21		19,375,002.21	2,182,383.98	28,624,248.96
Balance of Schedule of Funds	1,631,544.79		1,631,544.79	(1,089,334.98)	675,138.04
Year End Realignments/Adjustments					
Move All MAS Deficits to Section A&B		(34,753.57)	(34,753.57)		-
Move "Total All Chafee" deficits to Section A&B		(1,089,334.98)	(1,089,334.98)	1,089,334.98	-
Move Excess Medicaid State Funds to Section A&B		-	-		-
Move Section A&B to Medicaid to cover deficit		(983.01)	(983.01)		-
Move Other Section C Over Expenditures to A&B		-	-		-
Total Year End Realignments/Adjustments		(1,095,071.16)	(1,095,071.16)	1,089,334.98	-
Final Year End Position			536,473.63	-	675,138.04

Independent Living Deficit

**Department of Children and Families CO View
For Fiscal Year 2013-14
ChildNet - Palm Beach**

Fund Source Summary FY 2013/2014	SECTION A & B		State Funds-Chafee	
	Section A & B Reserve		ILP	
	Amount Not Budgeted By CBC	Section A & B Grand Total	FSIL, SF0SS, SF TRB, SFT0T, SF SRA, SF0AT, KRCME, KRLIO, KRAIO, EF***, EG***, EO***	Grand Totals For Sections A,B&C
CBC Budget	492.00	28,260,776.00	898,220.00	39,984,494.00
Amendments				
Automated transfer			(929,214.01)	0.00
Total of Adjustments			(929,214.01)	0.00
Adjusted CBC Budget	492.00	28,260,776.00	(30,994.01)	39,984,494.00
Actual Exp. Reported				
July Actuals		2,453,588.03	52,180.44	3,439,046.13
August Actuals		2,248,461.23	26,533.70	3,351,143.64
September Actuals		2,480,477.25	47,152.21	3,536,317.60
October Actuals		2,468,491.54	45,781.81	3,490,427.71
November Actuals		2,440,040.67	47,129.89	3,562,255.03
December Actuals		2,335,499.85	42,246.91	3,445,764.81
January Actuals		2,422,519.28	51,490.26	3,218,699.24
February Actuals		2,717,663.76	76,150.30	3,768,220.15
March Actuals		2,448,865.95	122,400.39	3,587,700.72
April Actuals		2,809,840.86	88,876.88	3,885,182.94
May Actuals		2,643,573.49	103,670.42	3,853,713.81
June Actuals		2,761,133.41	83,296.06	3,802,026.26
Total non-adjusted actuals		30,228,155.32	766,991.27	42,940,527.86
Section C OCA Adj (Tab)		331,555.85		0.00
Adjusted Actuals		30,559,711.17	766,991.27	42,940,527.86
CBC Budget Balance	492.00	(2,298,935.17)	(797,985.28)	(2,956,033.86)

Office of Child Welfare
November 2016

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Independent Living
Deficit

**Department of Children and Families CO View
For Fiscal Year 2014-15
Childnet (Palm Beach) Contract #IJ706**

Fund Source Summary FY 2014/2015	SECTION A & B		State Funds-Chafee	
	Section A & B Reserve		ILP	
	Amount Not Budgeted By CBC	Section A & B Grand Total	KR100, SFAG0, SF91L, SF08S, SF SRA, SF0AT, KRL10, KRA10, EF***, EG***, EO***, EP***, IF9BR, SFPE8	Grand Totals For Sections A,B&C
CBC Budget	0.00	28,953,352.00	636,462.00	48,216,241.00
Amendments				
Automated transfer			(756,873.10)	0.00
Total of Adjustments			(756,873.10)	0.00
Adjusted CBC Budget	0.00	28,953,352.00	(120,411.10)	48,216,241.00
Actual Exp. Reported				
July Actuals		2,832,865.27	106,915.84	4,613,983.18
August Actuals		2,398,252.43	68,846.93	3,484,792.36
September Actuals		2,299,148.59	69,651.95	3,390,374.69
October Actuals		2,751,408.82	94,669.52	3,746,638.41
November Actuals		2,720,750.01	104,445.29	3,873,926.39
December Actuals		2,480,055.48	105,078.78	3,767,199.65
January Actuals		2,753,264.43	111,122.65	3,882,554.37
February Actuals		2,579,880.38	119,732.80	3,765,480.09
March Actuals		2,671,729.72	109,985.04	3,958,597.37
April Actuals		1,674,225.06	88,723.97	3,910,947.57
May Actuals		1,084,051.77	83,363.04	3,972,076.37
June Actuals		(45,590.78)	95,881.59	3,083,974.03
Total non-adjusted actuals		26,267,730.17	1,167,277.40	44,809,546.88
Section C OCA Adj (Tab)		137,633.91		0.00
Adjusted Actuals		26,405,364.08	1,167,277.40	44,809,546.89
CBC Budget Balance	0.00	2,547,987.92	(1,277,688.50)	1,406,694.12

Office of Child Welfare
November 2016

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Independent Living
Deficit

Department of Children and Families CO View
For Fiscal Year 2015-16
Enter CBC Name: ChildNet-PB

Year End Reconciliation	Section A&B	Section A&B Adjustments		Total All Chafee	
	A&B	Adjustments	TOTAL Section A&B	Total All Chafee	Grand Totals For Sections A,B&C
Schedule of Funds (Budget)	34,098,324.00		34,098,324.00	1,457,412.00	47,310,428.00
Total Expend per Actual Exp Reports	34,472,238.45		34,472,238.45	3,097,783.49	48,787,337.93
Balance of Schedule of Funds	(373,914.45)		(373,914.45)	(1,600,371.49)	(1,458,908.93)
Year End Realignments/Adjustments					
Move All MAS Deficits to Section A&B		(4,926.16)	(4,926.16)		
Move "Total All Chafee" deficits to Section A&B		(1,600,371.49)	(1,600,371.49)	1,600,371.49	
Move Excess Medicaid State Funds to Section A&B		215,630.43	215,630.43		
Move Section A&B to Medicaid to cover deficit		(22,076.26)	(22,076.26)		
Move Other Section C Over Expenditures to A&B		(264,860.16)	(264,860.16)		
Total Year End Realignments/Adjustments		(1,678,803.64)	(1,678,803.64)	1,600,371.49	
Final Year End Position			(2,052,518.93)	-	(1,458,908.93)

Independent Living Deficit

Lead Agency Name: ChildNet, Inc.

Region: Southeast

Contract No.: IJ706

Lead Agency CEO/ED Name and Signature

Date

CBC Contract Manager Name and Signature

Date

Regional Managing Director Name:

Please confirm the following:

The Lead Agency submitted a Financial Viability Plan.

☒ Yes

☐ No

The Lead Agency is actively working its Financial Viability Plan.

☒ Yes

☐ No

Please check the applicable box to indicate your level of support of this application:

☒ Concur

☐ *Do Not Concur

Regional Managing Director Signature

Date

***Rationale:**

(This item must be completed if "Do Not Concur" is checked.)