

Risk Pool Funding Application SFY 2017-18

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

Lead Agency Name: ChildNet, Inc.

Region: Circuit 17: Southeast Region

Contract No.: JJ212

Address: 1100 W. McNab Road, Ft. Lauderdale, FL 33309

Lead Agency Contact: Emilio Benitez

Phone No.: 954-414-6000

Contract Manager: Patty Tillford

Phone No.: [561-262-6810](#) Click here to enter text.

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: \$369,246
- 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?

The risk pool funds received would be utilized to restore the foster, shelter/residential group care and wrap services providers who received the 6% rate cut implemented at the beginning of the fiscal year. The 6% reduction applied to the Foster Care Providers reduced the daily expenditures rates from \$36.50 (FY16-17) to \$35.67 (FY17-18). This resulted in an estimated savings of \$222,682. The 6% reduction for the Shelter/Residential Group Care providers resulted in an estimated savings of \$420,752. The daily expenditure rate was reduced to \$162.68 (FY17-18) from \$168.07 (FY16-17). The 6% reduction applied to the Purchased Service contract providers would result in an estimated savings of \$316,233. The total estimated reduction to Provider contracts is \$959,667.

The Providers are ChildNet's community partners, since FY 14-15 they have absorbed a total of 10% budget reduction (FY14-15, 4% reduction and FY17-18, 6% reduction). Like ChildNet, the Providers have been striving to financially cope with the changing environment and provide exceptional service on a fixed budget. Upon receipt of the funds, ChildNet will restore the 6% budget cut incurred this fiscal for the Providers which will assist with the maintenance

of outstanding service to the clients. The total cost of the restoration to the Providers would be approximately \$959,667.

ChildNet expects that its effective implementation of safety management services, targeted efforts to promote more timely movement to permanence and its reduced reliance on residential group care will be able to fund \$590,421 of this "restoration." The risk pool funds, if awarded, will be used to fund the balance of the shortfall to make our community partners truly whole.

Lead Agency Name: ChildNet, Inc.

Region: Circuit 17: Southeast Region

Contract No.: JJ212

Lead Agency CEO/ED Name: Emilio Benitez

Lead Agency CEO/ED Signature

10/3/17

Date

CBC Contract Manager Name: Patty Tillford

CBC Contract Manager Signature

10/6/17

Date

Regional Managing Director Name: Click here to enter text.

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.)**

Click here to enter text.

Request does not comply with Risk Pool requirements.
Discussed with ChildNet CEO, Emilio Benitez.

ChildNet, Inc. - Broward
All Departments
Projection for the Year Ending June 30, 2018

ACCOUNT	Total EXPENDITURES	Non-Core EXPENDITURES	Core EXPENDITURES
Direct Services			
Purchased Services	\$ 4,657,850	\$ (929,753)	\$ 3,728,097
Case Management - Providers	776,628		776,628
Foster Home Mgmt. - Providers	2,120,583	-	2,120,583
Foster Care Payment	9,537,505	-	9,537,505
Shelter / RGC	12,709,486	-	12,709,486
Adoption	11,402,657	(11,402,657)	-
Independent Living	2,740,104	(3,073,572)	-
Non-Contractual Services	1,775,165	-	1,775,165
	\$ 45,719,977	\$ (15,405,982)	\$ 30,647,463
Personnel			
Salaries	17,297,946	(357,400)	16,940,546
Other Staff Cost	3,867,904	(89,350)	3,778,554
Temporary Services	1,500	-	1,500
Recruitment / Relocation	4,000	-	4,000
Local Travel	535,728	-	535,728
	\$ 21,707,078	\$ (446,750)	\$ 21,260,328
Operating Expenses			
Occupancy	2,003,301	-	2,003,301
Computer Equip & Software	181,975	-	181,975
Computer Equip - Other	210,664	-	210,664
Communication	473,043	-	473,043
Supplies & Printing	116,000	-	116,000
Equipment Rental & Maintenance	315,091	-	315,091
Professional Fees	859,196	-	859,196
Insurance	622,957	-	622,957
Background / Drug Screenings	207,493	-	207,493
Conferences / Meeting	36,271	-	36,271
Dues, Memberships, Subscriptions	30,720	-	30,720
Vehicle	200,446	-	200,446
Postage & Shipping	52,200	-	52,200
Contingency			-
	\$ 5,309,357	\$ -	\$ 5,309,357
Total Expenditures	\$ 72,736,412	\$ (15,852,732)	\$ 57,217,148
Funding			
Schedule of Funds 2016-17	71,462,606		56,160,301
Additional Funds FY 17-18	1,647,268		1,647,268
Safe Place	75,000		
Total	73,184,874		57,807,569
MAS Adjustment	851,925		
IV-E Training Adjustment (Surplus)	-		
IL Adjustment	(341,624)		
Total Projected Funding	73,695,175		57,807,569
Expenditures			
Total Expenditures	72,736,412		57,217,148
Total Funding Surplus	\$ 958,763		\$ 590,421

**CHILDNET, INC. - BROWARD
GROUP & FOSTER HOME COUNT**

Month	Group			Foster		
	FY16-17	FY17-18	Variance	FY16-17	FY17-17	Variance
Jul-16	302	237	65	743	726	17
Aug-16	288	227	61	731	728	3
Sep-16	270	216	54	731	730	1
Oct-16	273	218	55	730	734	(4)
Nov-16	261	209	52	734	737	(3)
Dec-16	262	210	52	743	741	2
Jan-17	265	213	52	724	732	(8)
Feb-17	268	215	53	724	732	(8)
Mar-17	273	219	54	724	732	(8)
Apr-17	260	211	49	730	736	(6)
May-17	246	201	45	728	734	(6)
Jun-17	235	191	44	726	730	(4)
Daily Rate as of April	168.07			36.50		
Average Daily Contract Rate	89.76			13.81		
Average Daily Contract Rate Reduced by 6%	84.37			12.99		
Average Daily POS Rate %	78.31			22.68		
New Rate	162.68			35.67		

Foster Care with 6% Budget Cut

Month	Max Days Payable	Total Payment (\$)	# Children Paid	Avg Cost Per Child Paid	Avg. Daily Rate Per Child	YTD Avg. Daily Rate Per Child
Projected Jul-17	31	\$ 802,727	726	\$ 1,106	\$ 35.67	\$ 35.67
Projected Aug-17	31	\$ 804,938	728	\$ 1,106	35.67	35.67
Projected Sep-17	30	\$ 781,113	730	\$ 1,070	35.67	35.67
Projected Oct-17	31	\$ 811,185	734	\$ 1,106	35.67	35.67
Projected Nov-17	30	\$ 788,603	737	\$ 1,070	35.67	35.67
Projected Dec-17	31	\$ 818,964	741	\$ 1,106	35.67	35.67
Projected Jan-18	31	\$ 809,361	732	\$ 1,106	35.67	35.67
Projected Feb-18	28	\$ 731,036	732	\$ 999	35.67	35.67
Projected Mar-18	31	\$ 809,361	732	\$ 1,106	35.67	35.67
Projected Apr-18	30	\$ 787,533	736	\$ 1,070	35.67	35.67
Projected May-18	31	\$ 811,572	734	\$ 1,106	35.67	35.67
Projected Jun-18	30	\$ 781,113	730	\$ 1,070	35.67	35.67
Projected Expense Budget		\$ 9,537,505		\$ 1,085	\$ 35.67	\$ 35.67
Surplus/(Deficit)		\$ -				
			YTD thru Jun 30, 2018			

FY 17-18 Foster Care Totals

9,760,187

FY 17-18 Foster Care Budget W/ 6% Cut

9,537,505

FY 17-18 Total Reduction

222,682

FOSTER CARE

	<u>Month</u>	<u>Max Days Payable</u>	<u>Total Payment (\$)</u>	<u># Children Paid</u>	<u>Avg Cost Per Child Paid</u>	<u>Avg. Daily Rate Per Child</u>	<u>YTD Avg. Daily Rate Per Child</u>
Projected	Jul-17	31	\$ 821,469	726	1,132	\$ 35.67	\$ 35.67
Projected	Aug-17	31	823,732	728	1,132	35.67	35.67
Projected	Sep-17	30	798,350	730	1,095	35.67	35.67
Projected	Oct-17	31	830,125	734	1,132	35.67	35.67
Projected	Nov-17	30	807,015	737	1,095	35.67	35.67
Projected	Dec-17	31	838,085	741	1,132	35.67	35.67
Projected	Jan-18	31	828,258	732	1,132	35.67	35.67
Projected	Feb-18	28	748,104	732	1,022	35.67	35.67
Projected	Mar-18	31	828,258	732	1,132	35.67	35.67
Projected	Apr-18	30	805,920	736	1,095	35.67	35.67
Projected	May-18	31	830,521	734	1,132	35.67	35.67
Projected	Jun-18	30	799,350	730	1,095	35.67	35.67
	Projected Expense		\$ 9,760,187				
	Budget		\$ 9,760,187				
	Surplus/(Deficit)		\$ -				
				YTD thru Jun 30, 2018			

FY 17-18 Foster Care Totals 9,760,187
 FY 17-18 Foster Care Budget W/ 6% Cut 9,537,505
 FY 17-18 Total Reduction 222,682

RGC/Shelter with 6% Budget Cut

	<u>Month</u>	<u>Max Days Payable</u>	<u>Total Payment (\$)</u>	<u># Children Paid</u>	<u>Avg Cost Per Child Paid</u>	<u>Avg Daily Rate Per Child</u>	<u>YTD Avg. Daily Rate Per Child</u>
Projected	Jul-17	31	\$ 1,195,241	237	\$ 5,043.21	162.68	\$ 162.68
Projected	Aug-17	31	1,144,876	227	5,043	162.68	162.68
Projected	Sep-17	30	1,053,340	216	4,881	162.68	162.68
Projected	Oct-17	31	1,100,545	218	5,043	162.68	162.68
Projected	Nov-17	30	1,018,228	209	4,881	162.68	162.68
Projected	Dec-17	31	1,061,244	210	5,043	162.68	162.68
Projected	Jan-18	31	1,073,395	213	5,043	162.68	162.68
Projected	Feb-18	28	980,494	215	4,555	162.68	162.68
Projected	Mar-18	31	1,105,800	219	5,043	162.68	162.68
Projected	Apr-18	30	1,028,931	211	4,881	162.68	162.68
Projected	May-18	31	1,016,065	201	5,043	162.68	162.68
Projected	Jun-18	30	931,326	191	4,881	162.68	162.68
	Projected Expense		\$ 12,709,486		\$ 4,948		
	Budget		\$ 12,709,486				
	Surplus/(Deficit)		\$ -				
				YTD thru Jun 30, 2018			

FY 17-18 RGC Totals 13,130,237.55
 FY 17-18 Budget W/ 6% Cut 12,709,485.53
 FY 17-18 Total Reduction 420,752.02

RGC/SHELTER

	<u>Month</u>	<u>Max Days Payable</u>	<u>Total Payment (\$)</u>	<u># Children Paid</u>	<u>Avg Cost Per Child Paid</u>	<u>Avg. Daily Rate Per Child</u>	<u>YTD Avg. Daily Rate Per Child</u>
Projected	Jul-17	31	\$ 1,234,810	237	5,210	\$ 188.07	\$ 188.07
Projected	Aug-17	31	1,182,778	227	5,210	188.07	188.07
Projected	Sep-17	30	1,088,211	216	5,042	188.07	188.07
Projected	Oct-17	31	1,136,979	218	5,210	188.07	188.07
Projected	Nov-17	30	1,051,937	209	5,042	188.07	188.07
Projected	Dec-17	31	1,096,377	210	5,210	188.07	188.07
Projected	Jan-18	31	1,108,931	213	5,210	188.07	188.07
Projected	Feb-18	28	1,012,954	215	4,708	188.07	188.07
Projected	Mar-18	31	1,142,408	219	5,210	188.07	188.07
Projected	Apr-18	30	1,062,995	211	5,042	188.07	188.07
Projected	May-18	31	1,049,702	201	5,210	188.07	188.07
Projected	Jun-18	30	982,158	191	5,042	188.07	188.07
	Projected Expense		\$ 13,130,238			\$	
	Budget		\$ 13,130,238			\$	
	Surplus/(Deficit)		\$ -				
				YTD thru Jun 30, 2018			

FY 17-18 RGC Totals 13,130,237.55
 FY 17-18 Budget W/ 6% Cut 12,709,485.53
 FY 17-18 Total Reduction 420,752.02

CHILDNET - BROWARD
PURCHASED SERVICES CONTRACT AND RATE AGREEMENT ANALYSIS
FY 17-18

Provider Agency	Contracts	FY 17-18 Contract	6% Reduction	FY 17-18 Budget
Henderson Behavioral Health	HEN16PPP	370,521.41	22,231.28	348,290.13
Citrus Health Network	CIT16RAP	104,930.00	6,295.80	98,634.20
Kids in Distress	KID16VIS	36,229.10	2,173.75	34,055.35
Camelot TIES	CAM16TIE	20,000.00	1,200.00	18,800.00
CMET	CMET16PSA	754,972.50	45,298.35	709,674.15
Henderson Behavioral Health	HEN16PPP	40,664.10	2,439.85	38,224.25
Legal Aid	LAB16LEG	34,410.00	2,064.60	32,345.40
LabCorp	LCA16DRG	64,622.01	3,877.32	60,744.69
Fifth Street	FIF16DRG	1,053,600.00	63,216.00	990,384.00
Family Unity	FUL16PSA	73,732.72	4,423.96	69,308.76
South FL Therapeutic Solutions	STFS16DRG	199,033.00	11,941.98	187,091.02
Mental Health Center of FL	MHC15PSA	450,340.00	27,020.40	423,319.60
YOLO	YOL16MEN	12,295.00	737.70	11,557.30
Kids in Distress	KID16ADP	193,256.25	11,595.38	181,660.88
Mental Health Association	MHA16PES	151,361.60	9,081.70	142,279.90
Family Central	FAM16PES	12,620.00	757.20	11,862.80
Kids in Distress	KID16CFS	528,542.93	31,712.58	496,830.35
Kids in Distress	KID16VIS	36,229.10	2,173.75	34,055.35
Youth Law Center	YLC16QPI	4,166.70	250.00	3,916.70
Kids in Distress	KID16VIS	43,474.92	2,608.50	40,866.42
Mental Health Association	MHA16PES	186,274.16	11,176.45	175,097.71
Family Central	FAM16PES	12,620.00	757.20	11,862.80
Kids in Distress	KID16CFS	647,012.63	38,820.76	608,191.87
Kids in Distress	KID16ADP	239,643.25	14,378.60	225,264.66
		5,270,551.38	318,233.08	4,954,318.30

Dalton, Michael

From: Melvin, Vern
Sent: Thursday, November 30, 2017 12:13 PM
To: Ray, Barney
Cc: Beebe, Silvia C; Fairbanks, David L; Panzarino, Christopher; Tilford, Patty; Ocampo, Raul
Subject: Fwd: Updated ChildNet Broward Risk Pool Request

Barney, I am recommending approval of this revised Risk Pool Application by CN Broward based on the justification outlined below.

Many thanks,

Vern

Sent from my iPhone

Begin forwarded message:

From: Larry Rein <LRein@ChildNet.us>
Date: November 29, 2017 at 4:23:27 PM CST
To: "Vern Melvin (vern.melvin@myflfamilies.com)" <vern.melvin@myflfamilies.com>
Cc: "Silvia Beebe (Silvia.Beebe@myflfamilies.com)" <Silvia.Beebe@myflfamilies.com>
Subject: Updated ChildNet Broward Risk Pool Request

Given the recent changes in leadership at ChildNet, I respectfully ask that you reconsider ChildNet Broward's current Risk Pool application taking into account the following:

> During the prior 2016-2017 fiscal year the Risk Pool Peer Review Committee recommended that ChildNet Broward receive a minimum of \$1,000,000 but no more than \$3,700,000. ChildNet ultimately received a shared risk pool/back of the bill allocation of \$2,400,000. ChildNet would, therefore, now like to make a new risk pool request of \$1,300,000, to fill the gap between the Committee's prior recommendation and the prior allocation. The additional funds would effectively address potentially significant future cash flow challenges.

> A detailed analysis of past and current ChildNet expenses is a major priority of ChildNet's current leadership. Its goal is the identification and implementation of efficiencies and economies that will reduce the current accumulated deficit. That said, ChildNet is hopeful that the Department will also consider the use of future "back of the bill" funding to assist ChildNet in further reduction of that deficit.

Larry Rein
Interim President & CEO



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For more information about fostering or adopting, call our Recruitment Hotline at (561) 352-2501