

# ARIZONA STATE SENATE

## RESEARCH STAFF



TO: JOINT LEGISLATIVE HEALTH AND  
HUMAN SERVICES COMMITTEE OF  
REFERENCE

**MICHAEL MADDEN**  
LEGISLATIVE RESEARCH ANALYST  
HEALTH & HUMAN SERVICES COMMITTEE  
Telephone: (602) 926 -3171

DATE: January 18, 2024

SUBJECT: Sunset Review of the Arizona Department of Child Safety

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Attached is the final report of the sunset review of the Arizona Department of Child Safety, which was conducted by the Arizona Office of the Auditor General ([Report No. 23-115](#)).

This report has been distributed to the following individuals:

Governor of the State of Arizona

The Honorable Katie Hobbs

President of the Senate

Senator Warren Petersen

Speaker of the House of Representatives

Representative Ben Toma

Legislative Members

Senator Thomas Shope, Co-Chair  
Senator Janae Shamp  
Senator Sonny Borrelli  
Senator Eva Burch  
Senator Sally Gonzales  
Senator Theresa Hatathlie  
Senator Justine Wadsack

Representative Steve Montenegro, Co-Chair  
Representative Barbara Parker  
Representative Selina Bliss  
Representative Patricia Contreras  
Representative Matt Gress  
Representative Alma Hernandez  
Representative Christopher Mathis  
Representative Beverly Pingerelli  
Representative Amish Shah  
Representative Julie Willoughby

CC: Office of the Auditor General  
Department of Child Safety  
Arizona State Library, Archives and Public Records  
Senate Republican Staff  
Senate Democratic Staff  
Senate Research Staff  
Senate Resource Center  
House Republican Staff  
House Democratic Staff  
House Research Staff  
House Chief Clerk

# Arizona Department of Child Safety Sunset Review

## ***Background***

Pursuant to [A.R.S. § 41-2953](#), the Joint Legislative Audit Committee assigned the sunset review of the Arizona Department of Child Safety (DCS) to the Senate Health and Human Services Committee of Reference and the House of Representatives Health and Human Services Committee of Reference.

[Laws 2014, Second Special Session, Chapter 1](#) established DCS to protect the children of Arizona by: 1) investigating reports of abuse and neglect; 2) assessing, promoting and supporting the safety of a child in a safe and stable family or other appropriate placement in response to allegations of abuse or neglect; 3) working cooperatively with law enforcement regarding reports that include criminal conduct allegations; and 4) without compromising child safety, coordinating services to achieve and maintain permanency on behalf of the child, strengthen the family and provide prevention, intervention and treatment services. DCS is overseen by a director appointed by the Governor who must have administrative experience in family support services, the protection of children from maltreatment and possess qualifications that enable them to manage the affairs of DCS. (A.R.S. §§ [8-451](#) and [8-452](#)).

DCS is set to terminate on July 1, 2024, unless legislation is enacted for its continuation ([A.R.S. § 41-3024.06](#)).

## ***Committee of Reference Sunset Review Procedure***

The Joint Legislative Health and Human Services Committee of Reference conducted a public meeting on Wednesday, January 3, 2024, to review the performance audit and sunset review report prepared by the Auditor General, evaluate DCS's responses to the sunset factors and receive public testimony.

## ***Committee of Reference Recommendations***

The Committee of Reference recommended that the Legislature continue DCS for four years until July 1, 2028.

## ***Appendices***

- A. Meeting notice
- B. Committee minutes
- C. Committee materials
- D. Chairman's letter requesting DCS's response to the agency factors
- E. DCS's Response to the agency factors pursuant to [A.R.S. § 41-2954](#)

Interim agendas can be obtained via the Internet at <http://www.azleg.gov/Interim-Committees>

# ARIZONA STATE LEGISLATURE

## INTERIM MEETING NOTICE OPEN TO THE PUBLIC

### SENATE HEALTH AND HUMAN SERVICES COMMITTEE OF REFERENCE AND HOUSE HEALTH & HUMAN SERVICES COMMITTEE OF REFERENCE

**Date:** Wednesday, January 3, 2024

**Time:** 9:00 A.M.

**Place:** HHR 1

**Members of the public may access a livestream of the meeting here:**

<https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2024011002>

### AGENDA

1. Call to Order
2. Roll Call
3. Sunset Review of the Arizona Department of Child Safety
  - a. Presentation by the Arizona Office of the Auditor General
  - b. Response by the Arizona Department of Child Safety
  - c. Public Testimony
  - d. Discussion and Recommendation
4. Sunset Review of the Foster Care Review Board
  - a. Presentation by the Arizona Office of the Auditor General
  - b. Response by the Foster Care Review Board and the Arizona Administrative Office of the Courts.
  - c. Public Testimony
  - d. Discussion and Recommendation
5. Review of the Arizona Adult Protective Services System
  - a. Presentation by the Arizona Office of the Auditor General
  - b. Responses by the Arizona Department of Economic Security, Arizona Department of Health Services and Arizona Health Care Cost Containment System
  - c. Public Testimony
  - d. Discussion
6. Adjournment

**Members:**

Senator Thomas "T.J." Shope, Co-Chair  
 Senator Sonny Borrelli  
~~Senator Eva Burch~~  
 Senator Denise "Mitzi" Epstein  
 Senator Sally Ann Gonzales  
 Senator Theresa Hatathlie  
 Senator Janae Shamp  
 Senator Justine Wadsack

Representative Steve Montenegro, Co-Chair  
 Representative Selina Bliss  
 Representative Patricia Contreras  
 Representative Matt Gress  
 Representative Alma Hernandez  
 Representative Christopher Mathis  
 Representative Barbara Parker  
 Representative Beverly Pingerelli  
 Representative Amish Shah  
 Representative Julie Willoughby

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For questions regarding this agenda, please contact Senate Research Department.  
 Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the Senate Secretary's Office: (602) 926-4231 (voice). Requests should be made as early as possible to allow time to arrange the accommodation.

# ARIZONA STATE LEGISLATURE

## SENATE HEALTH AND HUMAN SERVICES COMMITTEE OF REFERENCE AND HOUSE HEALTH AND HUMAN SERVICES COMMITTEE OF REFERENCE

Minutes of the Meeting  
January 3, 2024  
9:00 A.M., HHR1

Members of the public may access a livestream of the meeting here:

<https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2024011002>

### Members Present:

Senator Thomas "T.J." Shope, Co-Chair  
Senator Sonny Borrelli  
Senator Denise "Mitzi" Epstein  
Senator Sally Ann Gonzales  
Senator Theresa Hatathlie  
Senator Janae Shamp  
Senator Justine Wadsack

Representative Steve Montenegro, Co-Chair  
Representative Selina Bliss  
Representative Patricia Contreras  
Representative Matt Gress  
Representative Alma Hernandez  
Representative Barbara Parker  
Representative Julie Willoughby

### Members Excused:

Representative Christopher Mathis  
Representative Beverly Pingerelli  
Representative Amish Shah

### Staff:

Michael Madden, Senate Health and Human Services Research Analyst  
Kaytie Sherman, Senate Health and Human Services Assistant Research Analyst  
Ahjahna Graham, House Health and Human Services Research Analyst

Co-Chair Shope called the meeting to order at 9:06 a.m. and attendance was taken.

## SUNSET REVIEW OF THE ARIZONA DEPARTMENT OF CHILD SAFETY

### Presentation by the Arizona Office of the Auditor General

**Jeff Gove, Director, Performance Audit Division, Auditor General's Office,** distributed and explained a PowerPoint presentation entitled "Arizona Department of Child Safety, Performance Audits and Sunset Review" (Attachment A, page 1) and answered questions posed by the Committee.

**Tanner Weigel, Senior Performance Auditor, Auditor General's Office,** answered questions posed by the Committee.

Mr. Gove answered additional questions posed by the Committee.

The Committee offered comments.

Mr. Weigel answered additional questions posed by the Committee.

Mr. Gove answered additional questions posed by the Committee.

**Response by the Arizona Department of Child Safety**

**David Lujan, Arizona Department of Child Safety**, gave a response on the Sunset Review of the Arizona Department of Child Safety.

The Committee offered comments.

Mr. Lujan answered questions posed by the Committee.

**Alex Ong, Deputy Director of Administration, Arizona Department of Child Safety**, answered questions posed by the Committee.

Mr. Lujan answered additional questions posed by the Committee.

The Committee offered additional comments.

**Presentation by the Arizona Office of the Auditor General (continued)**

**Jeff Gove, Director, Performance Audit Division, Auditor General's Office**, distributed and explained a PowerPoint presentation entitled "Information Provided to Local Foster Care Review Boards and State Ombudsman" (Attachment A, page 23) and answered questions posed by the Committee.

**Response by the Arizona Department of Child Safety (continued)**

**David Lujan, Arizona Department of Child Safety**, answered questions posed by the Committee.

The Committee offered comments.

Mr. Lujan answered additional questions posed by the Committee.

**Presentation by the Arizona Office of the Auditor General (continued)**

**Jeff Gove, Director, Performance Audit Division, Auditor General's Office**, distributed and explained a PowerPoint presentation entitled "Arizona Department of Child Safety, Sunset Review Report" (Attachment A, page 34).

**Tanner Weigel, Senior Performance Auditor, Auditor General's Office**, answered questions posed by the Committee.

Mr. Gove answered questions posed by the Committee.

Mr. Weigel answered additional questions posed by the Committee.

Mr. Gove answered additional questions posed by the Committee.

The Committee offered comments.

Mr. Gove answered additional questions posed by the Committee.

### **Response by the Arizona Department of Child Safety (continued)**

**David Lujan, Arizona Department of Child Safety**, distributed and explained a PowerPoint presentation entitled "Department of Child Safety Continuation Hearing" (Attachment B) and answered questions posed by the Committee.

The Committee offered comments.

Mr. Lujan answered additional questions posed by the Committee.

**Gillian Vanasse, Chief Operations Officer, Arizona Department of Child Safety**, answered questions posed by the Committee.

Mr. Lujan answered additional questions posed by the Committee.

Ms. Vanasse answered additional questions posed by the Committee.

### **Public Testimony**

**Joanne MacDonnell, Arizona Ombudsman Citizens' Aide**, answered questions posed by the Committee.

The Committee offered comments.

**Senator Farnsworth, Legislative District 10**, offered comments.

The Committee offered comments.

**Molly Dunn, Children's Action Alliance**, testified in support of the continuation of the Arizona Department of Child Safety.

**Nancy-Jo Hancock, representing self**, offered comments on the Arizona Department of Child Safety.

**Kari Hancock, representing self**, offered comments on the Arizona Department of Child Safety and answered questions posed by the Committee.

**Kendall Seal, Vice President of Policy, Center for the Rights of Abused Children**, distributed and explained a handout entitled "Support Reauthorization of the Department of Child Safety" (Attachment C).

Ms. MacDonnell answered additional questions posed by the Committee.

**Arlena Willes, representing self**, offered comments on their personal experience with the Arizona Department of Child Safety and submitted a copy of her testimony (Attachment D).

**Crystal Nuttle, representing self**, offered comments on the Sunset Review of the Arizona Department of Child Safety and submitted a copy of her testimony (Attachment E).

### **Discussion and Recommendation**

The Committee offered comments.

**Chris Gustafson, Chief Legislative Liaison, Arizona Department of Child Safety**, answered questions posed by the Committee.

The Committee offered additional comments.

**David Lujan, Arizona Department of Child Safety**, answered questions posed by the Committee.

The Committee offered additional comments.

**Representative Montenegro moved that the Senate Health and Human Services Committee of Reference and House Health and Human Services Committee of Reference recommend that the Arizona Department of Child Safety be continued for 4 years until July 1, 2028.**

**The motion CARRIED with a roll call vote 12-2-3 (Attachment 1).**

Senators Epstein and Gonzales, Representatives Parker and Willoughby, Senators Shope and Borrelli explained their vote.

Co-Chair Shope announced that agenda items 4 and 5 would be moved to the January 11<sup>th</sup> Committee meeting.

Attached are forms noting the individuals who submitted a speaker slip on the agenda items (Attachment F).

There being no further business, the meeting was adjourned at 2:25 p.m.

Respectfully submitted,

Brigid Fitzgerald  
Jenn Dickey  
Committee Secretary

(Audio recordings and attachments are on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at <http://www.azleg.gov>)





# Arizona Department of Child Safety Performance Audits and Sunset Review

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Presenter: Jeff Gove

Date: January 3, 2024



# Arizona Department of Child Safety



- Established in 2014 to protect children in Arizona
- David Lujan serves as Executive Deputy Director
- Auditor General conducts special audits assigned by Legislature annually
- Department's first sunset review this year

# Key statutory responsibilities



- Investigate alleged abuse and crimes against children
- Placement and services for children in out-of-home care
- License foster homes and child welfare agencies
- Provide medical care for children in foster care
- Develop a case management data system (Guardian)
- Provide information to juvenile court and other entities

# Presentation overview



- Background information
- Problems identified
- Why the problems matter
- What led to the problems
- Key recommendations



# Licensed Foster Care Provider Oversight

September 2023

# Department is responsible for licensed foster care provider oversight

- Investigating licensing complaints
- Enforcement in response to violations
- Ongoing monitoring of licensees and facilities

# Key terms



- **Out of home care**—Placement and services involving a child removed from their home and placed with a relative, licensed foster home, or in a group home
- **Child welfare agency**—Organization licensed by the Department to care for children in a group home or shelter
- **Group home**—Residential facility operated by licensed child welfare agency that provides children 24-hour supervision in group care settings

# Key terms



- **Foster home**—Residence maintained by a licensed foster parent to care for children
- **Licensing agency**—Organization contracted by the Department to help prospective foster parents apply for a foster home license, and to monitor foster home activities
- **Permanency**—Permanent, legal placement of child after they are removed from their home



# Problems identified



Department problems related to investigating, taking enforcement action against, and monitoring licensed providers for children in out-of-home care could result in children being in risky or unhealthy environments

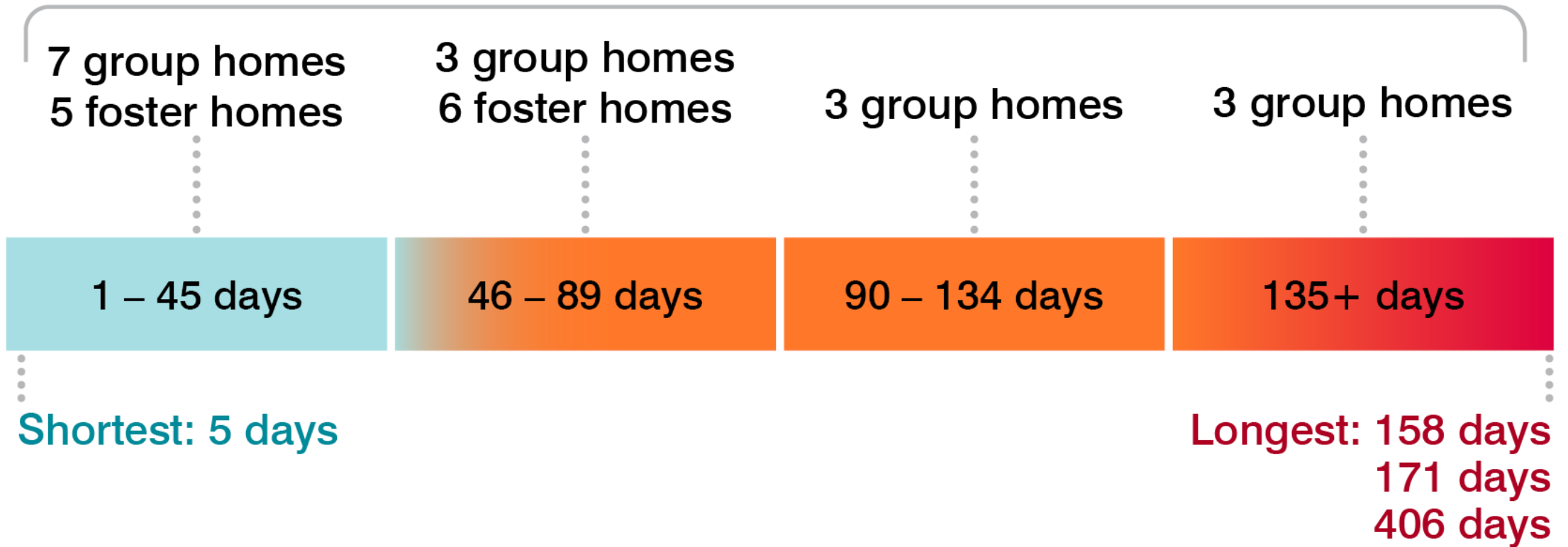
# Case example



- Group home staff member assaulted another and left children unattended in public
- Department took total of 160 days to complete investigation and determine no action necessary because staff involved resigned or were fired
- Department did not verify children received mental health services, interview children, or consider past incidents and violations when determining enforcement action





# Department was slow to investigate complaints


## Number of licensing complaints




# Department did not interview all children involved in complaints

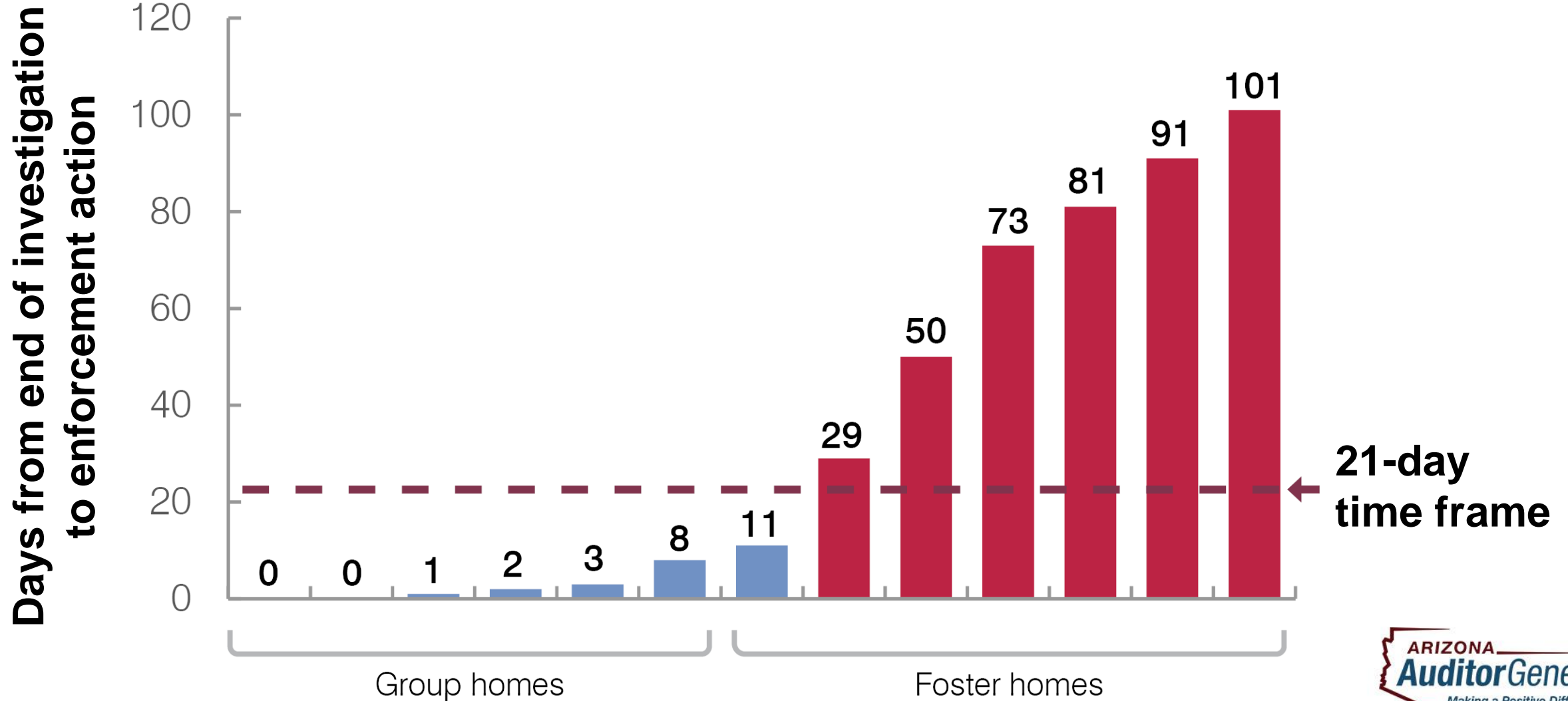


Complaint	Children involved	Licensee
1		Foster home
2		Group home
3		Group home
4		Group home

 Not interviewed

 Interviewed

# Department was slow to take enforcement action



# Department did not effectively use enforcement action

## Authorized enforcement actions for validated complaints

### Child welfare agencies/group homes



### Foster homes



# Department did not effectively use enforcement authority



For 6 validated group home licensing complaints, Department:

- Did not require corrective action plans for 3 group home complaints
- Did not require a corrective action plan for a home whose staff allegedly provided marijuana to children

# Department did not consider violation history of licensees

## Licensing complaint history

Licensee	Considered past valid complaints?	Number of past valid complaints
Group home	No	12
Group home	No	10
Group home	No	44
Group home	No	17
Group home	No	4
Group home	No	28



# Department did not monitor group homes



- None of the 35 group homes we reviewed were monitored during a 16-month period
- Staff reportedly visited facilities as part of licensing complaint investigations or license renewal visits
- During audit, Department took steps toward developing a monitoring process

# Why this matters



- Licensees may continue operating with unhealthy or risky environments
- Compromised investigation outcomes of licensing violations could pose risks to children
- Licensees' systemic problems or areas of noncompliance could remain uncorrected

# Four factors contributing to investigation, enforcement, and monitoring problems

1. Department culture of not wanting to take punitive enforcement action against foster and group homes
2. Lack of key data fields needed to track and monitor, and problems with staff data entry in Guardian
3. Lack of policies, procedures, and time frames to guide processes
4. Lack of supervisory review and oversight of processes

# Key recommendations



Department should develop and implement written procedures that include:

- Time frames and guidance for key investigation, enforcement, and ongoing monitoring activities
- Guidance for taking risk-based approach to prioritize licensing complaint investigations
- Guidance for determining when children should be interviewed
- A graduated system of enforcement including specifying violations that would lead to different enforcement actions

# Key recommendations



Department should:

- Further develop and implement policies and procedures for monitoring group homes
- Use Guardian and/or another IT system to:
  - Track key dates in the licensing complaint-handling process
  - Combine multiple licensing complaints it receives for the same licensee into a single complaint entry, and monitoring these complaints

# Department no longer investigates some abuse allegations

- Department no longer investigates allegations of abuse or neglect against group home staff
- Department reported these allegations should be referred to law enforcement but it will conduct licensing complaint investigations related to the allegations
- We recommended it develop written guidance for staff to work with law enforcement during investigations



# Information Provided to Local Foster Care Review Boards and State Ombudsman

July 2023

# Department uses Guardian case management information system



- Receiving reports and tracking investigations of child abuse and neglect
- Creating and storing case documents and case notes



# Department-provided information necessary for local board case reviews

- Local boards, supported by the Administrative Office of the Courts (AOC), review children's progress toward permanency and provide findings and recommendations to the courts
- Department responsible for providing information for local board reviews, such as case plans

# Department developed automated information exchange



# 3 key documents provided through the automated information exchange

1. **Court report**—provides judges with information such as placement, permanency goals, and needed services for children in out-of-home care
2. **Case plan**—outlines goals and tasks to ensure a child achieves permanency
3. **Team Decision Making (TDM) meeting summary**—decisions made about a child's safety, stability, and permanency

# Problem identified



- Department's automated information exchange did not provide complete version of all 3 documents for any of 13 case reviews
- In total, 31 of 39 documents were not provided or were provided incomplete

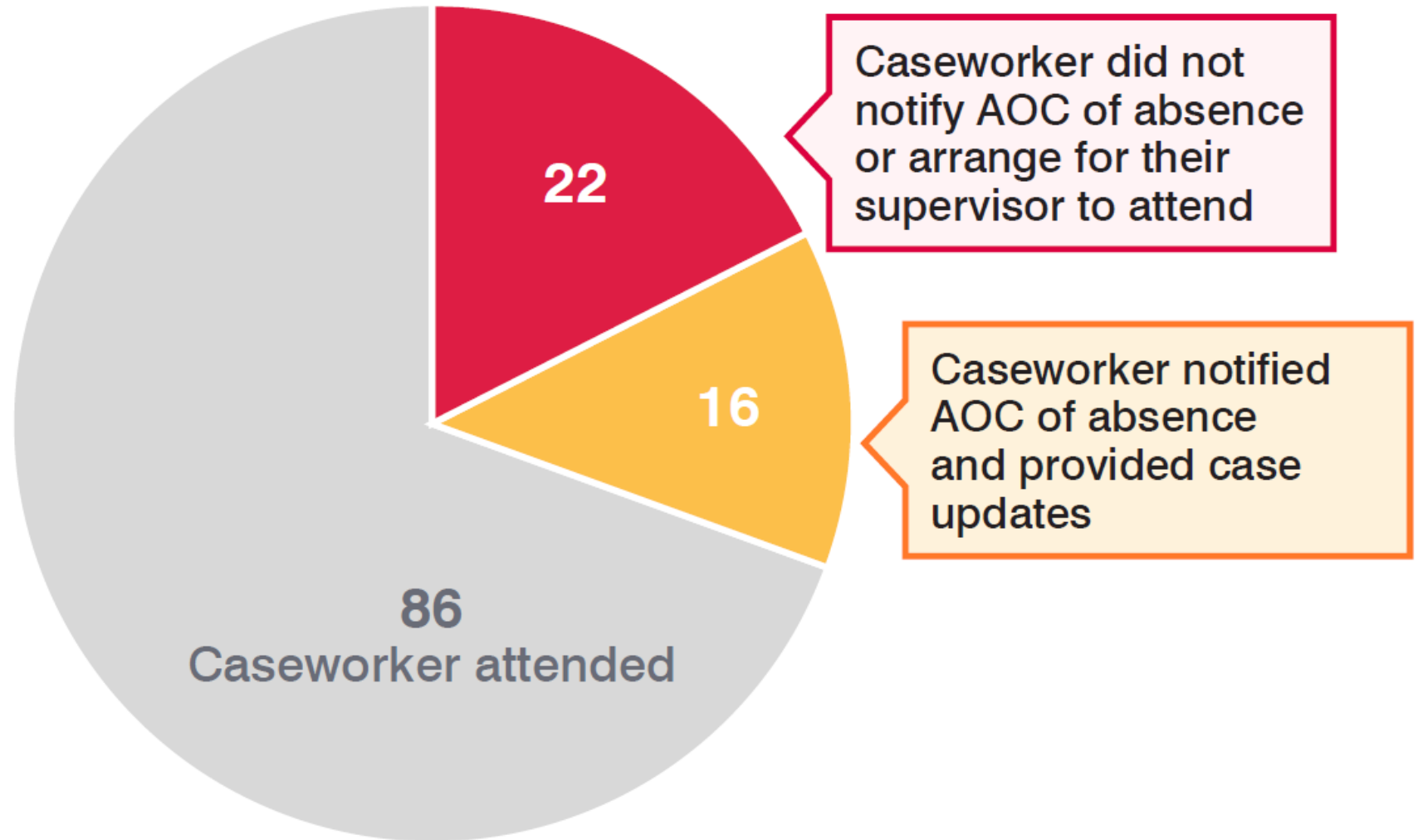
# What led to the documents not being provided or were incomplete

- 15 case documents not provided because AOC staff did not submit valid document requests
- 10 case documents not provided or provided incomplete because of lack of caseworker accountability for storing complete case documents in Guardian
- 4 case documents not provided because Department reported they were not necessary and thus not stored in Guardian
  - Did not notify AOC staff that the documents were not necessary

# Some caseworkers did not follow Department attendance policy



124 case reviews held in June and July 2022



# Why this matters



- Local boards may not have sufficient information to review cases of children in out of-home care and provide this information and recommendations to juvenile courts so judges can make permanency decisions
- Trust and confidence in Department at risk

# Key recommendations



- Provide all applicable case documents to AOC
- Solicit AOC feedback on automated information exchange issues and take steps to address issues
- Ensure caseworkers comply with policies for storing documents in Guardian and case review attendance



# Department's provision of Guardian access to State Ombudsman



- Department provided State Ombudsman with access to case documents/notes as of February 2023
- State Ombudsman and Department disagree on restricted access to the identities of individuals who reported abuse or neglect



# Arizona Department of Child Safety

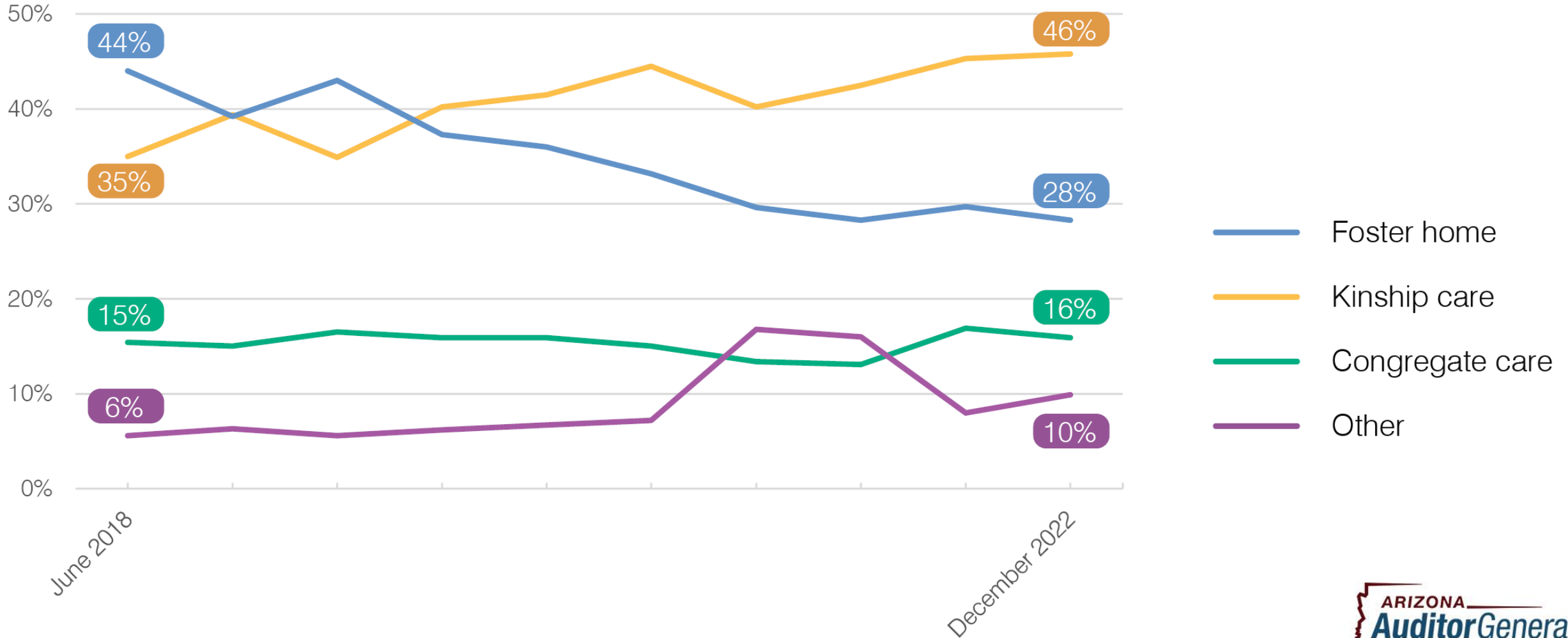
**Sunset Review Report**  
September 2023

# Department has taken steps to help it meet responsibilities



- Developed processes for assessing child safety in response to reports of abuse and neglect
- Coordinated with and conducted reviews of its Department of Child Safety Comprehensive Health Plan contractor

# Department has taken steps to help it meet responsibilities



# Department has taken steps to help it meet responsibilities

- Improved caseworker attendance at local board case reviews since our 2015 and 2016 special audits

# Problem identified

Department has not consistently provided the juvenile court timely reports with quality information

- 69% of 67 juvenile court reports submitted less than 15 days prior to hearings as required
- 17 of 28 judges we interviewed reported issues with report quality

# Why this matters



Untimely or inadequate court reports can delay decisions about children's services and placement in a stable, permanent home

# What led to these issues



Department has not implemented our previous recommendations related to court report timeliness and quality



# Key recommendations



- Ensure caseworkers submit court reports 15 days prior to dependency review hearings
- Work with the juvenile court and stakeholders to improve court report quality
- Work with AOC/judges to determine if 15-day requirement for submitting court reports is appropriate

# Additional recommendation



- Review provider reports uploaded to Guardian but not included in children's case files for the 596 open juvenile court cases and ensure this information is submitted to the juvenile court

# Additional recommendations



- Ensure it licenses only qualified adoption and child welfare agency applicants
- Develop and implement conflict-of-interest policies and procedures
- Revise its action plan for developing and implementing IT security policies and procedures to specify additional details and other information about risk areas outlined in the plan

# Status of prior audit recommendations

13 special audit reports since 2014 related to:

- Staff retention, recruitment, and training
- Substance abuse treatment program
- Methods for calculating caseworker caseloads
- Practices for classifying and locating children missing from care

As of July 2023, 62% of recommendations implemented

# Department has not fully implemented 42 of 58 prior audit recommendations

6 special audit reports issued between 2016 and 2021 made 58 recommendations related to:

- Practices for helping children achieve permanency
- Practices for classifying and locating children missing from care
- A differential response system intended to divert lower-risk abuse and neglect allegations from investigations to service provision



# Arizona Department of Child Safety Performance Audits and Sunset Review

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Presenter: Jeff Gove

Date: January 3, 2024



# Department of Child Safety Continuation Hearing

January 3, 2024

Joint Committee of Reference

Health and Human Services

*Safety · Compassion · Change · Teaming · Advocacy · Engagement · Accountability · Family · Equity*



# Agency Highlights

- Out of Home Care has been reduced by almost half since agency inception
- High rate of Kinship Care (58% third in the nation)
- 70% of children exit care to live with parent or relative (reunification, guardianship, adoption)
- 96% of positions filled
- Hotline procedures more objective, reducing unnecessary intrusion into families
- National model for integrated health care





# Progress

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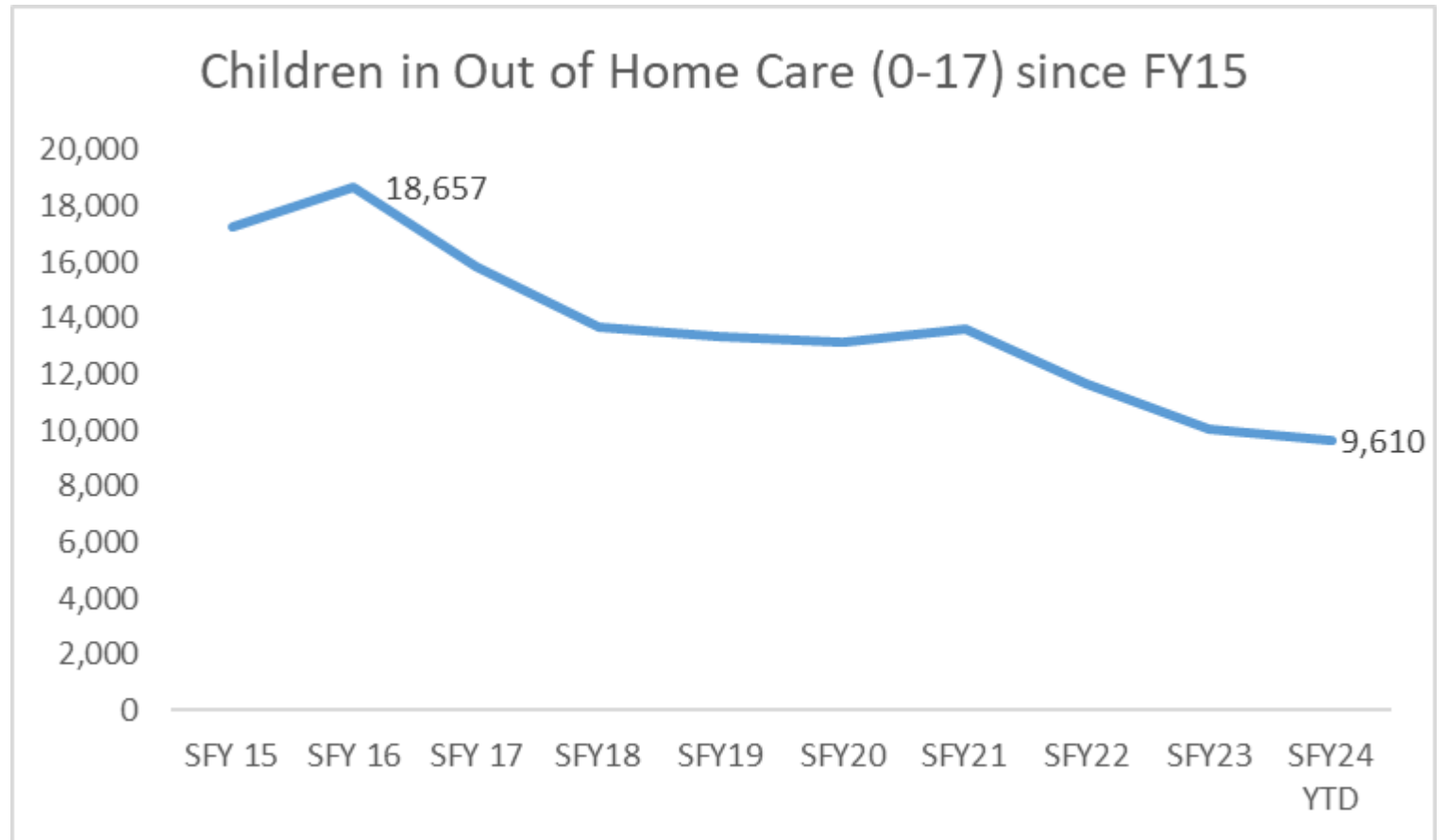
# Out Of Home Children Have Declined Across the Board

	<b>FY 15</b>	<b>Oct-23</b>	<b>Change</b>
Total in Out-of-Home Care	17,264	9,610	-44%
Unlicensed (Primarily Kinship)	7,532	4,555	-40%
Family Foster Home	6,685	2,860	-57%
Congregate Care - Shelter Care	353	26	-93%
Congregate Care - Group Home	1,682	1,188	-29%
Congregate Care - QRTP Group Home <sup>1</sup>		333	
Congregate Care - Residential Treatment	334	194	-42%
Runaway/Missing	309	143	-54%
Service Authorization Pending	341	310	-9%

1-Qualified Residential Treatment Programs (QRTP) were introduced in 2021 in the Families First Prevention Services Act



Children in Out of Home Care (0-17) has declined 50% since FY 2016



# Backlog Decline and On-Time Response

- DCS Open Investigations in FY 15 were 32,662 and in FY 23 7,458
- On-time response rates increased from 71% to 96%

Report Response Time	SFY 15	SFY23
Priority 1 - 2 Hour Response Time	85.1%	93.4%
Priority 2 - 48 Hour Response Time	74.5%	96.8%
Priority 3 - 72 Hour Response Time	61.2%	96.2%
Priority 4 - 7 Day Response Time	74.6%	96.3%
Total	71.0%	96.0%



# Kinship Caregivers

- Agency priority is kinship first, if possible
- Legislation removed barriers to licensing kinship caregivers
- Stipend increased to \$300 from \$75 per child per month
- Department awarded kinship supports services contract to begin in February 2024



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# Welcome Center



- A new state of the art center in Maricopa County for children who enter foster care
- Provides a safe, temporary space to assess children's needs
- Collaborative effort over three administrations and community partners



# Social Security Benefits

- HB2559 sponsored by Chairman Montenegro
- Arizona is the first state in the nation to outlaw the use of a child's Social Security benefits as a form of reimbursement for care AND to require DCS to help youth search for eligible benefits they may receive.
- Stopped recouping payments July 1, 2023 on orders of CEO Lujan
- States are reaching out to DCS to learn more about how to implement similar policy



# Extended Foster Care Model

- FY 24 Budget included monies to establish a new extended foster care program
- Program awarded to 6 vendors, launched in November 2023
- Goal is to increase the number of youth participating in extended foster care through case management, training programs and other opportunities
  - Improve outcomes for youth entering adulthood
- Working on developing aggressive and realistic performance metrics with professors at Arizona State University





# Team Decision Making (TDM) Reforms

- Ensure TDMs engage families in collaborative problem solving
- Encourage families to bring members of their community to the meetings for support
- TDM Facilitators will not have case information prior to the meeting
  - Prevents assumptions about the family, increases impartiality
- Worked with national group to implement fidelity and monitoring of TDM model
- Training for all staff on new TDM protocols



# Challenges

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# Group Home Placements

- As Out of Home Care population declines, options for family like settings become more challenging
  - Older youth and large sibling groups
- DCS can no longer substantiate abuse claims in group homes
  - Legislation to be introduced by Chairman Shope to fix issue and allow DCS to once again substantiate abusive group home workers
- New DCS solicitation requires smaller staffing ratios in group homes by age
- Cost of congregate care is increasing, competition with federal government and other state agencies



# Guardian Case Management System

- New leadership at DCS
- Onboarded new vendor (IBM) with strong governance and operational oversight
- Completed comprehensive assessments, fixing development infrastructure problems
- Adopted Human Centered Design approach to work with various users including community stakeholders and provider partners
- Implemented a planning process for enhancements with a goal of increasing usability, transparency, and partnership with stakeholders like the Foster Care Review Board.



# Missing/Runaway Children

- DCS will create special positions focused solely on coordinating with law enforcement to find missing and abducted children
- Partnerships with the US Marshall's as well as relationships with Phoenix PD, Maricopa County Sheriff, Tucson PD and Mesa PD
  - Largest law enforcement agencies in state
- Staff training on Human Trafficking is currently being improved as it relates to missing children
- Working with other state regulatory entities to ensure all group homes are in compliance with DCS procedures



# Audit Findings

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# Court Reporting and FCRB Partnership

- Agency working to improve timeliness of court reporting
- Agency will address staff participation at FCRB hearings
- Agency working with the courts to improve process and create more informative and concise reports
- FCRB now have access to Guardian and has reported positive experiences



# Licensed Caregiver Oversight

## Response Highlights:

- The Department will develop and implement procedures or standard work for time frames for each key licensing complaint investigation and enforcement steps. The Department also agrees to take enforcement actions consistent with these time frames.
- The Department will develop procedures and guidance for addressing licensing complaints. This will include when necessary to interview children, utilize existing interviews and documentation.
- The Department will develop and implement a graduated system of enforcement actions for validated group home licensing complaints and include guidance for staff specifying the violations that would lead to different enforcement actions.
- Pass legislation to restore the Department's ability to substantiate abuse by group home staff.





# Sunset Overview

## Response Highlights:

- The Department will provide additional guidance regarding timely submission of court reports to field supervisors and Program Managers such as adding court report submission due dates to weekly huddle meetings, clinical supervision and 1:1 coaching with DCS Specialists.
- The Department will standardize the process for tracking upcoming review hearings and court report submission deadlines and will revise standard work, as necessary.
- The Department will support legislative changes if recommendation to modify court report submission time frames if 15 days is not deemed appropriate.
- Ensure DCS staff has conflict of interest training.



# Commitments

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# A More Collaborative DCS

- Working with Parents and Youth with Lived Experience with DCS
- Engage with the Civic and Faith Community
  - DCS can better engage in a community if they understand its needs
- Collaborative, more transparent approach with the Legislature and public
  - DCS will work with you to answer questions and formulate policy changes as needed
- Ensure Arizonans receive responses to their concerns in a timely manner



# Thank you

*Safety · Compassion · Change · Teaming · Advocacy · Engagement · Accountability · Family · Equity*





# Arizona State Legislature

1700 West Washington  
Phoenix, Arizona 85007

June 23, 2023

Director David Lujan  
Arizona Department of Child Safety  
3003 N. Central Ave  
Phoenix, AZ 85012

Dear Director David Lujan:

The sunset review process prescribed in Title 41, Chapter 27, Arizona Revised Statutes, provides a system for the Legislature to evaluate the need to continue the existence of state agencies. During the sunset review process, an agency is reviewed by legislative committees of reference (CORs). On completion of the sunset review, the CORs recommend to continue, revise, consolidate or terminate the agency.

The Joint Legislative Audit Committee (JLAC) has assigned the sunset review of the Arizona Department of Child Safety to CORs comprised of members of the Senate Health and Human Services Committee and the House of Representatives Health and Human Services Committee. JLAC has directed the Auditor General to conduct a performance audit of the Arizona Department of Child Safety.

Pursuant to A.R.S. § 41-2954, the COR is required to consider certain sunset factors in deciding whether to recommend continuance, modification or termination of an agency. In addition to the sunset factors, which are addressed in the Auditor General performance audit, please provide your agency's written response to the required factors as listed below:

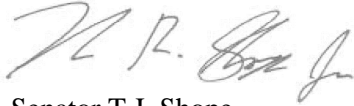
1. The extent to which the agency potentially creates unexpected negative consequences that may require additional review by the COR, including increasing the price of goods, affecting the availability of services, limiting the abilities of individuals and businesses to operate efficiently and increasing the cost of government.
2. The extent to which the agency has addressed deficiencies in its enabling statutes.
3. The extent to which the agency has determined whether the Attorney General or any other agency in Arizona has the authority to prosecute or initiate actions.
4. The consequences of eliminating the agency or consolidating it with another agency.

Your response should be received by September 1, so that we may proceed with the sunset review and schedule the required public hearing. Please submit the requested information to:

Michael Madden  
Arizona State Senate  
1700 West Washington  
Phoenix, Arizona 85007

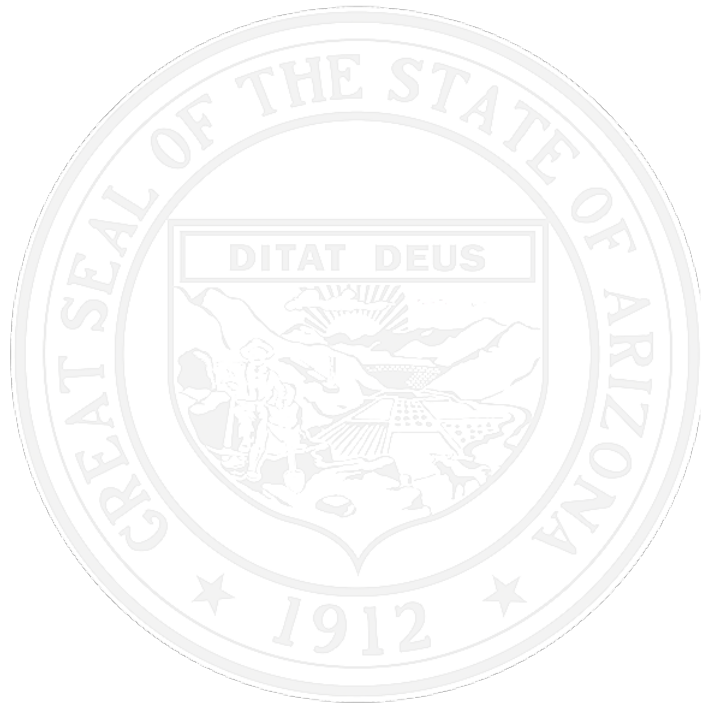
Thank you for your time and cooperation. If you have any questions, please feel free to contact me at (602) 926-3012 or Michael Madden, the Senate Health and Human Services Committee Research Analyst, at (602) 926-3072.

Sincerely,



Senator T.J. Shope  
Senate Health and Human Services Committee, Chair

cc: Representative Steve Montenegro, House Health and Human Services Committee, Chair  
Ahjahna Graham, House Health and Human Services Committee, Analyst





**ARIZONA**  
DEPARTMENT  
*of* CHILD SAFETY

David Lujan, Director  
Katie Hobbs, Governor

Senator T.J Shope  
Arizona State Senate  
1700 West Washington  
Phoenix, Arizona 85007

Chairman Shope,

Thank you for your letter dated June 23, 2023 regarding questions for the legislative committee of reference (COR). The Department of Child Safety has read the letter and submits back the answers below.

**1. The extent to which the agency potentially creates unexpected negative consequences that may require additional review by the COR, including increasing the price of goods, affecting the availability of services, limiting the abilities of individuals and businesses to operate efficiently and increasing the cost of government.**

A.R.S. § 8-453 (B) states the Department of Child Safety's primary purpose is to protect children. This is achieved by investigating reports of abuse and neglect and promoting and supporting the safety of a child in a safe stable family or other appropriate placement. The department does not believe that this purpose negatively affects the price of goods, availability of services, or any individual's ability to operate a legal business in Arizona.

**2. The extent to which the agency has addressed deficiencies in its enabling statutes.**

The Department reviews its enabling statutes annually and proposes changes to clarify and enhance the Department's ability to carry out its mission. An area that has recently been identified is A.R.S., § 8-453(A)(6), which requires the Director to "Petition, as necessary to implement the case plan established by A.R.S. § 8-842 or 8-845, for the appointment of a guardian or a temporary guardian under Title 14, chapter 5. ..." The existence of the reference to a Title 14 guardianship is not a deficiency in the Department's enabling statutes, but is likely unnecessary, as the Department does not seek these types of guardianships.

The statute references two different types of guardianships: "a guardian" references the appointment of a permanent guardian pursuant to A.R.S. § 8-872 through 8-874; the second type is "a temporary guardian" pursuant to A.R.S. § 14-5204 through 14-5213.

The Department does not pursue Title 14 guardianships as the permanent guardianship statutes in Title 8 provide better permanency options for a child. § 8-873 states that a parent may file a petition to revoke a permanent guardianship only if the parent can prove there has been a significant change of circumstances and revocation is in the child's best interests. 8-873(B) requires the court to appoint a Guardian ad Litem for the child to assist in determining whether revocation is in the best interests of the child. Furthermore, the court must find by clear and convincing evidence that a parent has remedied the circumstances which required the original

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appointment of a permanent guardian and that the revocation is in the child best interests. § 8-872 provides the Department with further flexibility as a permanent guardianship may be granted prior to an adjudication of dependency. There are also provisions for a successor permanent guardianship if a parent remains unable to safely care for a child but the current guardian is unable to continue in that capacity.

In comparison, § 14-5212 permits a court to terminate a guardianship without inquiring whether the parent has provided evidence indicating that the circumstances causing the original guardianship have been remedied. The only standard required is that revocation is in the best interests of the child. Further, the court may, but is not required to, appoint an attorney for child. In essence, a temporary guardianship is based primarily on the consent of a parent and merely requires a parent to withdraw their consent in order to disrupt the child's placement with a temporary guardian, regardless of parental fitness.

Because Title 14 guardianships are rarely, if ever, ordered in dependency cases (although they are sometimes ordered prior to a dependency filing) as an alternative to the Department taking custody of a child, the Department has not pursued legislation to modify or remove Title 14 temporary guardianships from statute. Although the Department does not pursue Title 14 guardianships, other parties in the case may request these types of guardianships. While the Department might oppose a Title 14 guardianship, in favor of a Title 8 guardianship, other parties to the case may prefer a less restrictive option, and those decisions should be left to the court.

### **3. The extent to which the agency has determined whether the Attorney General or any other agency in Arizona has the authority to prosecute or initiate actions.**

Pursuant to A.R.S. §8-435(G), Department of Child Safety is represented in all administrative and judicial proceedings by the Attorney General's (AG) office. The Director is permitted to retain in-house legal counsel, aka General Counsel, to provide legal advice. If a conflict arises during the course of litigation, the AG has the authority to retain outside counsel to represent the Department under A.R.S. §41-192(E).

A.R.S. §8-811 outlines the administrative procedures that pertain when the Department proposes to substantiate a finding of neglect, abuse, or abandonment against a parent, guardian, or legal custodian. Other administrative proceedings include appeals by foster parents, group homes, child placing agencies, child welfare agencies, and adoption agencies. The AG represents the Department in such proceedings and will also continue representation if an applicant files for judicial review of an administrative proceeding, as well as any appellate court actions that may arise in this area.

The AG represents the Department in judicial matters which primarily cover dependency proceedings outlined throughout Title 8, but particularly from A.R.S. §8-821 through §8-874. This includes filing petitions to terminate the Parent-Child Relationship and Permanent Guardianship. The AG continues its representation all the way through the appeals process, when appropriate.

Finally, the AG provides legal advice in areas such as drafting and approving legislation and rulemaking. The AG will also provide general legal advice when determining proper application of law outside the dependency arena. For example, the AG will assist with the Department's responses to requests for public records, compliance with privacy laws, and general policy questions.

The County Attorney (CA) has a more limited role. They primarily participate in adoption proceedings, pursuant to A.R.S. §8-127 which requires them to file petitions to adopt on behalf of the Department if so requested.



The Department is not a law enforcement agency and does not submit allegations for criminal prosecution, therefore no agency has the authority to prosecute actions on its behalf.

#### **4. The consequences of eliminating the agency or consolidating it with another agency.**

The Department of Child Safety is the only agency in the state of Arizona charged solely with protecting children, one of the most vital parts of state government. As of June 2023, there are 10,074 children in out of home care because they are in immediate or impending danger of severe harm if they remain in the care of their parents or guardian. An additional 4,222 children are receiving in home services from the Department, without which the children may be in immediate or impending danger of severe harm in the care of their parents or guardian. No other agency or political unit is currently able to handle the social service and legal complexities of a large volume of child welfare cases. The Department's caseworkers are trained to understand the home environment and when or, just as importantly, when not to remove a child from a home.

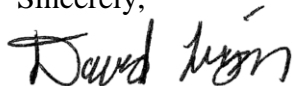
Previously a part of the Department of Economic Security, the Department was first established on January 13, 2014 when Governor Brewer issued Executive Order 2014-01 eliminating Division of Children Youth and Families and establishing the Division of Child Safety and Family Services to oversee and direct all administrative, programmable and management functions of the state child welfare program, including CPS, foster care, adoption and the Comprehensive Medical and Dental Program.

The Department was then formally established by act of the Arizona Legislature on May 29, 2014. The intent of the standalone agency was to allow greater oversight and attention to child welfare issues as well as to reduce the open cases of abuse and neglect that had been the focus on public attention. The Department has reduced its number of open cases of abuse and neglect from a high of 32,663 in 2015, to the current 9,100. It has also safely reduced its number of children in out of home care from a high of 18,287 to 10,074, without seeing an increase of families being re-reported to the Department, or children re-entering care. These successes highlight the value of having DCS as a standalone state agency. Consolidation into another agency was proven in the past not to work, and would run counter to the goals of the legislature.

The work of the Department of Child Safety may be challenging, but The Department also makes a real and meaningful impact in the lives of children. In the Department's most recent semiannual report, 1,389 children were adopted and 1,915 were reunified with families. While there is always more that can be done to improve the safety of children, the Department believes that it is well positioned with its current framework to help Arizona's children.

If you have any further questions please feel free to contact me or the Department's Chief Legislative Liaison, Chris Gustafson at [Christopher.Gustafon@azdcs.gov](mailto:Christopher.Gustafon@azdcs.gov).

Sincerely,



David Lujan  
Director