

**DEPARTMENT OF HUMAN SERVICES
FISCAL YEAR 2016 BUDGET TESTIMONY
APRIL 29, 2015**

EXECUTIVE SUMMARY

DEPARTMENT MISSION AND FUNCTION

Mission: To provide and promote safety, permanency and well-being for children at risk of abuse, neglect and delinquency.

Description of Major Services: The Department of Human Services (DHS) is responsible for investigating reports of child abuse and neglect. In addition, through contracts with social service agencies, DHS provides a wide range of prevention services, in home safety and non safety services, foster care, other placement services and juvenile justice services. DHS is also responsible for operating the Philadelphia Juvenile Justice Services Center. DHS' primary goal is to strengthen and stabilize families.

PROPOSED BUDGET HIGHLIGHTS/FUNDING REQUEST

Budget Highlights: The total FY16 Proposed Operating Budget is slightly lower (0.1%) than the FY15 Current Projection. The increase since FY14 is related to the increase in the number of children in placement.

Fund	Class	FY14 Actual	FY15 Current Projection	FY16 Proposed Budget	FY16-FY15 Change	FY16-FY15 Percent Change
General	100	22,776,786	23,817,687	24,637,310	819,623	3.4%
	200	76,267,118	77,931,501	76,779,935	(1,151,566)	-1.5%
	300/400	979,940	1,027,501	1,312,076	284,575	27.7%
	Total	100,023,844	102,776,689	102,729,321	(47,368)	0.0%
	Positions	382	451	449	(2)	-0.4%
Other*	100	104,669,472	111,014,684	116,949,046	5,934,362	5.3%
	200	375,934,050	458,262,753	451,172,464	(7,090,289)	-1.5%
	300/400	2,567,388	2,015,178	2,707,544	692,366	34.4%
	Total	483,170,910	571,292,615	570,829,054	(463,561)	-0.1%
	Positions	1,182	1,390	1,390	0	0.0%
All	100	127,446,258	134,832,371	141,586,356	6,753,985	5.0%
	200	452,201,168	536,194,254	527,952,399	(8,241,855)	-1.5%
	300/400	3,547,328	3,042,679	4,019,620	976,941	32.1%
	Total	583,194,753	674,069,375	673,558,375	(510,929)	-0.1%
	Positions	1,564	1,841	1,839	(2)	-0.1%

* Other Funds includes: County Liquid Fuels Tax Fund, Special Gasoline Tax Fund, Healthchoices Behavioral Health Fund, Hotel Room Rental Tax Fund, Grants Revenue Fund, Community Development Fund, Car Rental Tax Fund, Housing Trust Fund, Water Fund, Water Residual Fund, Aviation Fund, and Acute Care Hospital Assessment Fund.

Staff Demographics Summary (as of December 2014)

	Total	Minority	White	Female
Full-Time Staff	1,535	1,290	245	1,114
Executive Staff	36	26	10	24
Average Salary - Executive Staff	\$102,551	\$102,977	\$101,445	\$102,524
Median Salary - Executive Staff	\$98,751	\$98,651	\$98,851	\$98,751

Employment Levels (as of December 2014)

	Budgeted	Filled
Full-Time Positions	1,841	1,535
Part-Time Positions	0	0
Executive Positions	37	36

Contracts Summary (*as of December 2014)

	FY10	FY11	FY12	FY13	FY14	FY15*
Total amount of contracts	\$70,502,519	\$66,736,765	\$11,675,627	\$10,981,264	\$13,075,473	\$7,361,090
Total amount to M/W/DBE	\$2,692,510	\$2,222,120	\$3,780,081	\$4,134,509	\$3,880,931	\$1,921,091
Participation Rate	4%	3%	32%	38%	30%	26%

PERFORMANCE, CHALLENGES AND INITIATIVES

DEPARTMENT PERFORMANCE (OPERATIONS)

Performance Trends: Based on the point-in-time data, the dependent placement population has been increasing since FY14, and slightly less than one third of dependent children in care have been in care for more than two years. The rise in the dependent placement population is a negative trend that DHS hopes to address through the Improving Outcomes for Children (IOC) system transformation where the primary goal is to maintain children at home in their own communities (more information on IOC can be found in the Accomplishments & Initiatives section below). The FY16 goal for the dependent placement population reflects the negative trend of a larger dependent placement population due to new child welfare laws that expand the definition of child abuse and the definition of a perpetrator, as well as increase the number of mandated reporters and the penalties for failure to report. Additionally, the number of children discharged to all types of permanency dropped when compared between the first half of FY14 to the first half of FY15, another negative trend that DHS hopes to reverse through the IOC's secondary goal to increase permanencies. The FY16 goal has been adjusted to reflect this negative trend. The percent of discharges to adoption increased slightly from the first half of FY14 compared to the first half of FY15, a positive trend that DHS hopes to maintain in FY16. The percent of permanency discharges to reunification dropped between the first half of FY14 and the first half of FY15 meaning that fewer children are returning to their families, a negative trend. DHS hopes to increase permanency discharges to reunification to 65% in FY15 and FY16. The percentage of children in congregate care placement (group or institutional level care) has decreased, a positive trend for DHS. The level of approval for new congregate care placements has been raised to ensure that the placement setting is the most appropriate. Data for the first two quarters of FY15 also shows that the number of children in out-of-state dependent placement remained stable, a positive trend for DHS. The majority of these children were in care with extended family through kinship care, and they were able to maintain familial connections instead of residing in out-of-state congregate care. The number of youth in delinquent placement decreased between the first half of FY14 compared to the first half of FY15, another positive trend. This may indicate that prevention services, alternative treatment services and diversion programs are providing resources for youth who do not pose threats to public safety.

Performance Measure	FY08	FY13	FY14	FY14- FY13 Change	FY14 Q1-Q2	FY15 Q1-Q2	FY15- FY14 Q1-Q2 Change	FY15 Goal	FY16 Goal
Dependent placement population (as of the last day of the quarter)	5,740	4,291	4,473	N/A	4,375	4,894	N/A	4,500	4,800
Number of children discharged to permanency (All Types)	2,140	1,229	1,221	-0.7%	649	478	-26.3%	1,300	1,100
Percent of permanency discharges to adoption	16.6%	28.6%	31.8%	11.3%	30.2%	32.5%	7.5%	32.0%	35.0%
Percent of permanency discharges to Reunification	66.7%	62.7%	59.7%	-4.8%	61.3%	57.4%	-6.3%	65.0%	65.0%
Percent of dependent children in care more than two years (as of the last day of the quarter)	32.3%	29.4%	31.5%	N/A	31.3%	30.0%	N/A	30.0%	35.0%
Congregate Care population: percent of children in care (as of the last day of the quarter)	25.5%	21.7%	19.1%	N/A	20.1%	14.5%	N/A	14.0%	13.0%
Dependent out-of-state population (as of the last day of the quarter)	143	51	45	N/A	44	41	N/A	45	45
Delinquent placement population (as of the last day of the quarter)	1,657	1,155	952	N/A	1,023	857	N/A	950	900

N/A - Rate of change cannot be calculated as these measures are point-in-time and some children may be counted in both periods.

DEPARTMENT CHALLENGES

FY15 was a pivotal year for the Department of Human Services. During this year, DHS opened five new Community Umbrella Agencies (CUAs). Additionally, we saw large increases in calls to the hotline, number of investigations, cases accepted for service and placements. Specifically, we saw the following growth:

- Hotline calls increased 68% when comparing February 2014 to February 2015
- Investigations are projected to be up 13% between FY14 and FY15
- The total number of active cases is up by 46% when comparing February 2014 to February 2015
- Placements are up 18% when comparing February 2014 to February 2015

DHS is continuously monitoring this growth and the potential fiscal impact. As DHS moves towards the final implementation stages of IOC, the goal is to stabilize the system. DHS is working on strengthening and expanding its hotline and investigation sections. Additionally, DHS has increased the ability to provide technical and practice assistance to the CUAs. DHS is focusing on keeping children safely in their own homes and communities and is working diligently to achieve permanency for children who have remained in the placement system.

ACCOMPLISHMENTS & INITIATIVES

Improving Outcomes for Children (IOC): The IOC system transformation is based on a belief that a community neighborhood approach with clearly defined roles between county and provider staff will positively impact safety, permanency, and well-being of the children and families that are involved with DHS. IOC is a single case management system in which a family will have one case manager who is responsible for the provision of ongoing services. Previously, several social workers may have provided services to one family and as a result, there was little coordination of those services. Under the new system, because one social worker is accountable for the entire family, needed services are expected to be better recognized, coordinated and delivered through strong community partnerships. The case manager will be employed by a Community Umbrella Agency (CUA) that is located in the community where the family lives. Under IOC, the City is divided the City into 10 geographic regions with one CUA assigned to each region. IOC is designed for families to receive their services in the community whenever possible.

The four goals of IOC are:

1. More children and youth maintained safely in their own homes and communities;
2. More children and youth achieving timely reunification or other permanence;
3. A reduction in the use of congregate care; and
4. Improved children, youth, and family functioning.

IOC began in July 2012 with the selection of the first two CUAs to be based in the 25th and 24th/26th police districts. During FY13, DHS began the transition of cases to the CUAs and all ten CUAs were open as of FY15. During the remainder of FY15 and the first half of FY16, DHS will focus on finalizing the full implementation of IOC with all cases expected to be transferred to the CUAs by the end of December 2015. All new cases accepted for service by the Department are currently transferred to the Community Umbrella Agencies for ongoing service delivery. As of February 2015, our CUAs are servicing over 3000 families. Our goal is to keep children in their own communities. In fact, approximately 46% of the children placed in non-kinship foster care through the CUAs, are placed within 5 miles from their home. When fully implemented, IOC is designed to decrease placement and improve the number of reunifications and other permanencies.

Reduction of Congregate Care and Out of State Placements: Since FY08, the percentage of youth in congregate care – both group homes and institution settings – has decreased from approximately 22.5% to approximately 14.5%. To reduce reliance on congregate care placements, DHS has increased the use of youth driven teamings (where youth are able to bring their support network to the table and play an active role in driving the planning process) to re-connect young people with the people in their own natural networks. DHS instituted a Commissioner approval process, which requires the Commissioner to sanction the use of congregate care placement. Additionally, between 2008 and the end of calendar year 2014, children living in non-relative out of state placements decreased approximately 90%.

Juvenile Justices Services Center: In April of 2013, DHS opened the Philadelphia Juvenile Justices Services Center, a state of the art detention center for youth in Philadelphia. At a cost of \$110 million, the new center is located at the intersection of 48th Street and Haverford Avenue. The 166,000 square foot facility is a LEED (Leadership in Energy and Environmental Design) certified building. Among its many outstanding attributes is a state-of-the art school area with ten classrooms, two full courtrooms, a fully outfitted gymnasium, a healing garden, and outdoor running track. The new center will offer an array of services to young people detained there, among them medical and dental services, education, recreational programming and court services.

Philadelphia Safety Collaborative: In August of 2013, DHS opened the Philadelphia Safety Collaborative with the Philadelphia Police Department, the District Attorney and Philadelphia Children's Alliance. The Collaborative is designed to integrate the investigative process for incidents of sexual and physical abuse. The purpose of this collaborative is to reduce the trauma for victims and their families. During calendar year 2014, the Philadelphia Safety Collaborative served 3,056 children.

Family Conferencing: In FY16, DHS will continue to implement Family Team Conferencing. These conferences are designed to provide the family with a voice in the child welfare process. Family Team Conferences occur throughout the life of a case at key decision making points, including safety and permanency decisions, child or youth placement moves, changes in service, routine review intervals, and case closings. Family Team Conferences are children and youth centered, family focused structured meetings. Attendees include: parents, youth 12 years of age or older, any supports identified by the parents or youth including family members, and friends, community resources, the CUA and DHS staff, other child, youth, and family serving agencies, and other professionals involved including counsel for parents, children and youth, if they have been identified. Since January of 2013, DHS has held over 6,000 conferences. DHS will continue to hold Family Team Conferences for all families accepted for service and assigned to the CUAs.

International Recognition: DHS was the recipient of the 2013 United Nations Public Service Award, Second Place, for improving the delivery of public services in the European and North American region. More than 600 organizations from 82 countries submitted applications for a United Nations Public Service Award. DHS is one of 47 organizations to be recognized and the only North American entity selected for the 2013 United Nations Public Service Award. The award recognized the transformation of DHS over the past six years, including the implementation of its Improving Outcomes for Children system transformation, a groundbreaking, family-centered neighborhood-based approach to child welfare. The structural and programmatic reforms by DHS have been instituted to increase accountability, improve processes and enhance child welfare and well-being.

STAFFING

DHS currently has 1,535 full time staff. Of this number, 1,290 are minority and 1,114 are female. DHS continues to maintain a very diverse workforce.

Of the full time non-executive staff, 58.2% is African American females and 19.3% is African American males. 2.5% of non-executive staff is Hispanic females and 1.1% is Hispanic males. 1.2% of the non-executive staff is Asian American females and 0.7% is Asian American males.

The DHS Executive Team is also very diverse. 47.25% of the team is African American females and 22.2% are African American males. The Executive team is also 66.7% female and 33.3% male.

DHS also has 77 bilingual employees.

Of the new hires in FY15, 26 are African American, 10 are White, 2 are Asian and 1 is bilingual.

Staff Demographics (as of December 2014)

<i>Full-Time Staff</i>				<i>Executive Staff</i>			
Male		Female		Male		Female	
African-American		African-American		African-American		African-American	
<i>Total</i>	297	894	<i>Total</i>	8	17	<i>Total</i>	
<i>% of Total</i>	19.3%	58.2%	<i>% of Total</i>	22.2%	47.2%	<i>% of Total</i>	
White		White		White		White	
<i>Total</i>	93	152	<i>Total</i>	3	7	<i>Total</i>	
<i>% of Total</i>	6.1%	9.9%	<i>% of Total</i>	8.3%	19.4%	<i>% of Total</i>	
Hispanic		Hispanic		Hispanic		Hispanic	
<i>Total</i>	17	38	<i>Total</i>	0	0	<i>Total</i>	
<i>% of Total</i>	1.1%	2.5%	<i>% of Total</i>	0.0%	0.0%	<i>% of Total</i>	
Asian		Asian		Asian		Asian	
<i>Total</i>	10	19	<i>Total</i>	0	0	<i>Total</i>	
<i>% of Total</i>	0.7%	1.2%	<i>% of Total</i>	0.0%	0.0%	<i>% of Total</i>	
Other		Other		Other		Other	
<i>Total</i>	4	11	<i>Total</i>	1	0	<i>Total</i>	
<i>% of Total</i>	0.3%	0.7%	<i>% of Total</i>	2.8%	0.0%	<i>% of Total</i>	
Bi-lingual		Bi-lingual		Bi-lingual		Bi-lingual	
<i>Total</i>	29	47	<i>Total</i>	1	1	<i>Total</i>	
<i>% of Total</i>	1.9%	3.1%	<i>% of Total</i>	2.8%	2.8%	<i>% of Total</i>	
Male		Female		Male		Female	
<i>Total</i>	421	1,114	<i>Total</i>	12	24	<i>Total</i>	
<i>% of Total</i>	27.4%	72.6%	<i>% of Total</i>	33.3%	66.7%	<i>% of Total</i>	

CONTRACTING

**M/W/DBE Participation on Large Contracts
FY15 Contracts**

Vendor	Service Provided	Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DBE Participation Achieved	\$ Value of M/W/DBE Participation	Total % and \$ Value Participation - All	Living Wage Compliant?
Vision Quest	Placement	\$14,734,218	5/10/12	7/1/12	MBE: 20%-25%	23.60%	\$3,477,576		Yes
					WBE: 20%-25%	0.00%	\$0	23.6%	
					DSBE: 0	0.00%	\$0	\$3,477,576	
Mid-Atlantic	Placement	\$10,862,437	6/5/12	7/1/12	MBE: 20%-25%	0.00%	\$0		Yes
					WBE: 20%-25%	0.18%	\$19,600	0.18%	
					DSBE: 0	0.00%	\$0	\$19,600	
First Home Care	Placement	\$3,969,610	6/5/12	7/1/12	MBE: 20%-25%	0.57%	\$22,674		Yes
					WBE: 20%-25%	0.47%	\$18,574	1.1%	
					DSBE: 0	0.03%	\$1,278	\$42,526	
Cornell Abraxas	Placement	\$2,379,831	5/10/12	7/1/12	MBE: 20%-25%	0.00%	\$0		Yes
					WBE: 20%-25%	0.00%	\$0	0.0%	
					DSBE: 0	0.00%	\$0	\$0	
Eastern Software	Technology	\$2,093,350	4/17/12	7/1/12	MBE: 25%-30%	13.85%	\$290,000		Yes
					WBE: 20%-25%	16.00%	\$335,000	29.9%	
					DSBE: 0	0.00%	\$0	\$625,000	

OTHER BUDGETARY IMPACTS

FEDERAL AND STATE (WHERE APPLICABLE)

If funding from the federal or state government decreased, the City would be required to increase its proportionate share of dollars to purchases services. It is critical that DHS maximizes dollars from the federal and state government in light of the rising number of reports, families being accepted for services and children in placement.

DHS is continuing to monitor placement numbers as they relate to the Department's ability to draw down Title IV-E dollars under the Child Welfare Demonstration Project's cap.

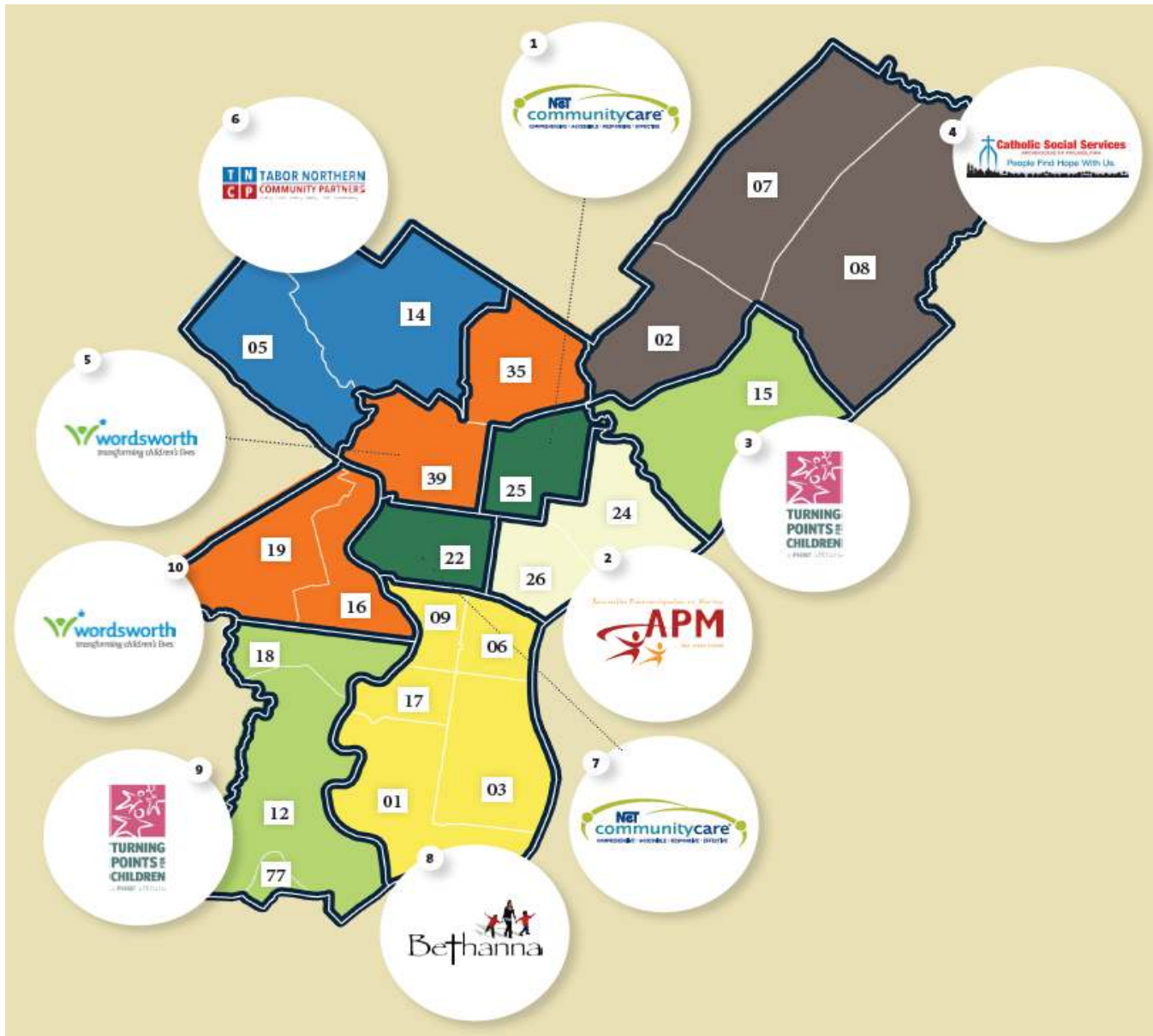
Finally, as DHS is under the Needs Based Budgeting process, DHS also continuously monitors the need for additional state dollars and will work with the Pennsylvania Department of Human Services to request additional dollars if necessary.

OTHER

DHS continues to monitor the impact of the sweeping reforms to the Child Protective Services Law that went into effect in January of 2015. These new laws expanded the definition of child abuse as well as widened the definition of who can be a perpetrator. In addition, the new laws increased the number of mandated reporters and the penalty for not reporting. DHS has begun to and expects to see further increases in the number of reports and investigations as a result of this widened definition of child abuse and who can be a perpetrator. As part of IOC, DHS is strengthening and expanding its investigative sections. In order to ensure quality practice for those cases that are accepted for service, DHS has increased focus on providing technical assistance to the CUAs. DHS placed DHS staff on site at the CUAs to work with and mentor the CUA case managers and supervisors. Additionally, DHS continues to monitor and evaluate providers to ensure quality practice for the children and families that DHS serves.

OTHER RELEVANT DATA AND CHARTS

Below is a map of all ten CUA locations throughout the city.



Region	Community Umbrella Agency (CUA)
Eastern North Philadelphia: 25 th Police District	NorthEast Treatment Centers (NET)
Eastern North Philadelphia: 24 th and 26 th Police Districts	Asociación Puertorriqueños en Marcha (APM)
Lower Northeast: 15 th Police District	Turning Points for Children
Far Northeast: 2 nd , 7 th , and 8 th Police Districts	Catholic Social Services
Logan/Olney: 35 th and 39 th Police Districts	Wordsworth
Northwest Philadelphia: 5 th and 14 th Police Districts	Tabor Northern Community Partners
North Central Philadelphia: 22 nd Police District	NorthEast Treatment Centers
South Philadelphia: 1 st , 3 rd , 6 th , 9 th , 17 th Police Districts	Bethanna
Southwest Philadelphia: 12 th , 18 th , and 77 th Police Districts	Turning Points for Children
Mantua, Overbrook, Wynnefield: 16 th , 19 th Police Districts	Wordsworth