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Report to Congressional Committees

July 2005

DISTRICT OF COLUMBIA

Federal Funds for Foster Care Improvements Used to Implement New Programs, but Challenges Remain

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GAO-05-787

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Highlights

Highlights of GAO-05-787, a report to congressional committees

July 2005

DISTRICT OF COLUMBIA

Federal Funds for Foster Care Improvements Used to Implement New Programs, but Challenges Remain

Why GAO Did This Study

To help improve foster care in the District of Columbia, the Congress provided $14 million for fiscal year 2004 to the Child and Family Services Agency (CFSA), the Department of Mental Health (DMH), and the Metropolitan Washington Council of Governments (COG). These funds were for programs for early intervention, emergency support, and student loan repayments; computer technology upgrades, mental health services, and respite care (short-term care to provide relief for foster parents). GAO was asked to (1) assess whether the federal funds were being obligated and expended by the District government and COG consistent with provisions in the District of Columbia Appropriations Act, 2004, and the spending plans that were submitted to the Congress; (2) determine whether internal controls were operating effectively over the obligations and disbursements; and (3) assess the extent to which the District government and COG have implemented the foster care improvement programs and initiatives specified in the act and spending plans.

GAO received written comments from CFSA, DMH, and COG. The agencies generally agreed with GAO's findings and conclusions.

www.gao.gov/cgi-bin/getrpt?GAO-05-787.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Jeanette Franzel at (202) 512-9471 or franzelj@gao.gov.

What GAO Found

The District and COG have used the federal funds for foster care improvements as intended by the Congress and as described in their respective spending plans. As of March 31, 2005, about $13.2 million of the funds provided had been obligated, about $6.2 million of the obligated funds had been expended, and about $722,524 remained unobligated. The unobligated funds for CFSA and DMH, in the amounts of $588,859 and $30,545 respectively, ceased to be available for new obligations after September 30, 2004, and should revert to the general fund of the U.S. Treasury. However, there is no such fiscal limitation on COG's use of the funds it received; thus, its unobligated $103,120 remains available for its foster care improvement program.

Internal controls were generally operating effectively over obligations related to the federal funds at CFSA and DMH. Overall, we found that authorized personnel were processing and approving transactions and transactions were adequately supported. However, we found three instances worth discussion. These involved the need for sufficient documentation, better adherence to operating procedures and greater control over physical assets.

CFSA, DMH, and COG have implemented the programs and initiatives specified in the appropriations act and spending plans; however, it is too early to assess the effectiveness of some and challenges remain for others. Although implementation of the early intervention program was delayed, this program helped about 150 families. Also, the emergency support fund helped about 100 kinship families—relatives who provide foster care. However, it will be a challenge for CFSA to reduce the number of unlicensed kinship homes—one program goal. Although most of CFSA's unlicensed homes are not kinship homes, 265 of the 300 unlicensed homes are not in the District and officials from other jurisdictions will play a role in the licensing process. About 70 percent of CFSA's eligible caseworkers participated in the agency's student loan repayment program. This program was intended to help recruit and retain caseworkers, but CFSA's attrition rate increased from about 15 percent in 2003 to about 18 percent in 2004. CFSA developed an information technology plan that indicates the system upgrades will be completed by the end of 2005, and provided laptops to some caseworkers. DMH increased mental health services available to foster care children; however, it faces ongoing challenges in building its capacity to provide assessments and in securing long-term funding for treatment services. COG established a respite program for foster parents, but few families completed the required licensing process, and fewer placements were made than anticipated. It may be a challenge for COG to recruit, train, and license enough respite providers and convince foster parents to participate.

Contents

Abbreviations

BSW	bachelors of social work
CFSA	Child and Family Services Agency
COG	Metropolitan Washington Council of Governments
CSSP	Center for the Study of Social Policy
DMH	Department of Mental Health
FACES	CFSA's automated case management system
FAPAC	Foster and Adoptive Parents Advocacy Center
FBI	Federal Bureau of Investigation
FFTM	Facilitated Family Team Meeting
ICPC	Interstate Compact on the Placement of Children
ILP	Independent Living Placements
IT	information technology
MRSS	Mobile Response and Service Stabilization
MSW	masters of social work
PASS	Procurement Automated Support System
SOAR	System of Accounting and Reporting

United States Government Accountability Office
Washington, D.C. 20548

July 22, 2005

The Honorable Sam Brownback
Chairman
The Honorable Mary Landrieu
Ranking Minority Member
Subcommittee on the District of Columbia
Committee on Appropriations
United States Senate

The Honorable Joe Knollenberg
Chairman
The Honorable John W. Olver
Ranking Minority Member
Subcommittee on Transportation, Treasury, and
Housing and Urban Development, The Judiciary,
District of Columbia, and Independent Agencies
Committee on Appropriations
House of Representatives

In fiscal year 2003, about 3,000 children in the District of Columbia (the District) were under the care of the city's Child and Family Services Agency (CFSA). Most of these children had been removed from their homes because of abuse or neglect and were being cared for by foster parents or relatives, known as kinship families. These foster children and the families that care for them need various services and support. CFSA is the District government agency with primary responsibility for ensuring the proper care of these children, and it works with several other District agencies to provide essential services to the children and their families. One of these is the Department of Mental Health (DMH), which provides comprehensive mental health services to foster children as well as to other children, teenagers, adults, and families. Mental health services are considered critical for children who have suffered abuse or neglect. Organizations outside the District government also help to support the foster care system. One such organization is the Metropolitan Washington Council of Governments (COG), which works across jurisdictions to address issues facing the metropolitan area, such as an insufficient number of foster parents.

Because CFSA had a history of mismanagement and failed to protect some of the children under its care, the Congress enacted laws and provided funds to help improve the city's foster care system. The District of

Columbia Appropriations Act, 2004,[1] included a federal payment of $14 million for foster care improvements in the District. Funds were provided for (1) CFSA to establish an early intervention program to help reduce the number of children coming into foster care, an emergency support fund to help reduce the number of unlicensed kinship homes, and a loan repayment program to help recruit and retain caseworkers, as well as to upgrade its automated case management system and provide caseworkers with computer technology to help improve case management and caseworkers' productivity; (2) DMH to provide all court-ordered or agency-required mental health screenings, assessments, and treatments to children in CFSA's care; and (3) COG to develop a program with the Foster and Adoptive Parent Advocacy Center (FAPAC)[2] to aid in recruitment of foster parents and provide them with respite care (short-term care provided by individuals licensed to care for foster children when the foster family needs to take a break or attend to other matters). On March 17, 2004, the District received the $14 million federal payment, less a 0.59 percent rescission, for a total of about $13.9 million.[3]

In September 2004,[4] we reported on several CFSA and DMH management issues related to the District's foster care system and the District's and COG's plans for and use of the federal foster care improvement funds. We found that CFSA, DMH, and COG had spending plans that were consistent with the statutory language providing these federal funds and that only a small portion of the foster care improvement funds had been obligated or spent as of June 2004, in part because CFSA, DMH, and COG did not receive the funds until March 2004. Most of the expenditures outlined in the spending plans were for operating costs that would continue indefinitely once the programs were established. At that time, it was uncertain how the District and COG planned to fund some of these initiatives in the long term. We also reported that many steps had been

[1]Pub. L. No. 108-199, Div. C, title 1, 118 Stat. 3, 111 (Jan. 23, 2004).

[2]The Foster and Adoptive Parents Advocacy Center is an organization that assists foster, kinship, and adoptive parents of children in the District of Columbia.

[3]Section 168 of Division H of the Consolidated Appropriations Act, 2004, Pub. L. No. 108-199, included a provision for an across-the-board 0.59 percent rescission to be deducted from the budget authority provided for any discretionary accounting in the act.

[4]GAO, *D.C. Child and Family Services Agency: More Focus Needed on Human Capital Management Issues for Caseworkers and Foster Parent Recruitment and Retention*, GAO-04-1017 (Washington, D.C.: Sept. 24, 2004).

taken to improve the District's foster care system, but that most of the programs and initiatives would need sustained attention and ongoing support to achieve the intended results.

Since the issuance of our September 2004 report, we have, as called for by the appropriations act, reviewed the obligations and expenditures of the fiscal year 2004 federal funds provided for foster care improvements. As you subsequently requested, we have also assessed the status of the programs supported by the foster care improvement funds. Specifically, our objectives were to (1) assess whether the federal funds were being obligated and expended by the District government and COG in a manner consistent with the act's provisions and the spending plans that were submitted to the Congress, (2) determine whether internal controls are operating effectively over obligations related to the federal funds for foster care improvements received by the District and COG, and (3) assess the extent to which CFSA, DMH, and COG have implemented the foster care improvement programs and initiatives specified in the act and spending plans.

To analyze CFSA, DMH, and COG's use of their fiscal year 2004 federal funds for foster care improvements, we reviewed the agencies' spending plans, budget data, and internal reports of obligations and expenditures for the period March 2004 through March 2005. We interviewed financial and program personnel from all three organizations and from the District government's central Office of the Chief Financial Officer to obtain an understanding of the procedures and controls over the use of the funds. In addition, we selected a statistical sample of CFSA and DMH obligation transactions covering the period March 17, 2004, through September 30, 2004, from total obligations to test whether procedures were properly implemented to provide internal control over the use of the funds.[5] We reviewed COG's fiscal year 2004 financial statements audit opinion, conducted walk-throughs of the accounting, payroll, procurement, and payments processes in place, and analyzed its spending plans, budget, and financial documents. To assess the extent to which CFSA, DMH, and COG had implemented the foster care improvement programs specified in the appropriations act, we interviewed knowledgeable officials, reviewed related program policies and protocols, and analyzed program data. We took several steps to assess the reliability and reasonableness of the program data. Overall, we found the data to be sufficiently reliable for the

[5]See appendix I for statistical sampling details.

purpose of assessing the status of the foster care improvement programs. We conducted our work from October 2004 through June 2005 in accordance with U.S. generally accepted government auditing standards. See appendix I for more details on our scope and methodology.

Results in Brief

The District and COG have obligated and expended federal funds for purposes consistent with the provisions of the appropriations act and their respective spending plans. As of March 31, 2005, about $13.2 million of the funds provided had been obligated; about $6.2 million of the obligated funds had been expended, and about $722,524 remained unobligated. The unobligated funds for CFSA and DMH, in the amounts of $588,859 and $30,545 respectively, ceased to be available for new obligations after September 30, 2004, and should revert to the general fund of the U.S. Treasury. When funds were disbursed to COG from the District, these funds lost their federal payment character; thus, there is no fiscal limitation on COG's use of its $103,120 in unobligated funds.

Internal controls were generally operating effectively over obligations related to the foster care improvement funds at CFSA and DMH. Overall, we found that authorized personnel were processing and approving transactions in accordance with District policies and procedures, and that transactions were adequately supported at CFSA and DMH. However, in our testing at these two agencies, we found three instances worth discussion. These involved the need for sufficient documentation, better adherence to operating procedures, and greater control over physical assets. We did not conduct detailed transaction testing at COG because it received an unqualified opinion on its fiscal year 2004 financial statements and the auditor did not identify any reportable instances of internal control weaknesses or noncompliance with laws and regulations under *Government Auditing Standards*.[6]

CFSA, DMH, and COG have implemented the programs and initiatives specified in the appropriations act and the spending plans; however, there has not been enough time to assess the effectiveness of some of them and challenges remain that could affect the success of others.

[6]GAO, *Government Auditing Standards 2003 Revision*, GAO-03-673G (Washington, D.C.: June 2003).

- CFSA's early intervention program and its emergency support fund helped about 150 families by providing funds to pay rental fees and utilities and buy furniture and other items. However, implementation of the early intervention program was delayed due to the need to train the parties involved with the family meeting component of the program and, according to agency officials, there has not been enough time to determine whether the program has been effective.

- One goal of the emergency support fund is to help CFSA reduce the number of unlicensed kinship foster homes. As of April 2005, CFSA had children in more than 300 unlicensed foster homes, just as it did in 2003, but according to agency officials most of these were not kinship homes. Nonetheless, because most of the unlicensed homes are located outside the District, it will be a challenge for CFSA to ensure that managers in other jurisdictions take timely and adequate steps to help license them.

- About 140 of the 190 eligible caseworkers participated in CFSA's student loan repayment program; however, $400,000 was not used because, according to agency officials, the federal funds were not available until after the height of their recruitment season and some caseworkers were reluctant to commit to working at CFSA for several years, as required by the program. It is too soon to tell whether the student loan repayment program will help improve retention in the long-term, but CFSA's attrition rates increased from 15 percent in 2003 to nearly 18 percent in fiscal year 2004.

- CFSA developed an information technology plan and purchased and distributed laptops to some caseworkers. The system upgrades will not be completed until December 2005 and it is not clear when all caseworkers will receive laptops.

- DMH has increased the mental health services available to foster care children, including the number of assessments completed and the treatment services offered through the mental health system. However, the department faces ongoing challenges in building the capacity to provide needed assessments and in securing long-term funding for treatment.

- COG worked with FAPAC to establish a respite program, but its implementation was hampered because the plans did not factor in enough time for training families or completing background checks. As of June 2005, while 106 children had participated in six Saturday daytime respite programs, only seven families had completed the licensing process and were therefore eligible to provide overnight respite. COG has taken steps to improve the program, but the organization may find it a challenge to recruit, train, and license enough qualified persons to volunteer to serve as respite providers and to convince foster parents to participate.

We received written comments from CFSA, DMH, and COG. CFSA agreed in general with our findings and provided comments and additional information. DMH's comments addressed information on delays in assessments and service delivery capacity. In its comments, COG said that recruiting the families to provide respite has not been a challenge. COG also said that the challenge has been keeping volunteers' level of enthusiasm through the arduous and lengthy licensing process. In addition, CFSA and FAPAC provided technical comments to clarify the report. We have incorporated this information as appropriate. See appendixes II, III, and IV, respectively, for the written comments from the CFSA, DMH, and COG.

Background

The child welfare system is designed to promote the well-being of children by ensuring their safety and by strengthening families to enable them to successfully care for their children. Generally, families become involved with the child welfare system after a report of abuse or neglect has been made and confirmed. When agency officials determine that a child may be further harmed or mistreated if left in the home, the child is placed in foster care.

The federal government has allocated about $7 billion each year to investigate abuse and neglect of children in this country, provide placements to children outside their homes, and deliver services to help keep families together. Part E of title IV of the Social Security Act (title IV-E), as amended, is a major source of federal funding and is primarily used to pay for the room and board of children in foster care.

Child welfare caseworkers are at the core of the child welfare system. They are responsible for overseeing individual cases and for performing many critical tasks such as arranging placements when children must be removed from their homes, visiting children and foster families, maintaining records on each case, and coordinating with other agencies to obtain services for the children and their families. Child welfare agencies face challenges in recruiting and retaining caseworkers. We previously reported that low salaries hinder agencies' abilities to attract and retain them.[7] We also found that high caseloads, administrative burdens, a lack of supervisory support, and insufficient time for training were issues that affected caseworkers' abilities to work effectively and their decisions to stay in or leave the child welfare profession.

CFSA is responsible for managing the child welfare system for the District and it relies on services provided by other District government agencies in order to achieve its mission. For example, the Fire Department and the Health Department inspect homes and facilities where foster children are placed as part of the licensing process to ensure these homes are safe, and the Department of Mental Health provides mental health services to children in CFSA's care. In addition, CFSA works with child welfare agencies in other states to arrange for placements of the District's children in cases where the most appropriate foster or adoptive family lives outside the District. CFSA also works with private agencies to place children in foster and adoptive homes, and with private vendors to obtain needed services and supplies. CFSA uses an automated case management system, known as FACES, to track each child's case, including services rendered or supplies obtained. FACES is also used to record and authorize payments for such services through an interface with the District's core financial management system, known as SOAR. CFSA receives title IV-E funding as well as other federal, local, and private funds to support its programs.

CFSA had a history of managerial deficiencies that led the U.S. District Court for the District of Columbia to issue a remedial order in 1991 to improve the performance of the agency, and then in 1995, due to insufficient evidence of program improvement, the agency was placed in receivership.[8] After almost 6 years of federal receivership, CFSA was reorganized as a District cabinet-level agency. Since that time, it has worked to improve services and promote the safety and well-being of children and families. The U.S. District Court appointed the Center for the Study of Social Policy (CSSP) to monitor and assess CFSA's performance. CSSP and we have reported that the management and operations of CFSA

[7]GAO, *Child Welfare: HHS Could Play a Greater Role in Helping Child Welfare Agencies Recruit and Retain Staff*, GAO-03-357 (Washington, D.C.: Mar. 31, 2003).

[8]The receivership was an arrangement in which the U.S. District Court appointed a person to temporarily manage the agency with broad authority to ensure full and expeditious compliance with requirements established by the court.

have improved since the receivership, but also found that matters of concern remained.[9]

The District's mental health agency was similarly placed in receivership for over 5 years, from 1997 to 2002.[10] As originally established, the District's mental health system was not organized or funded to meet the particular needs of children, youth, and their families. When DMH took the place of the Commission on Mental Health Services in 2001, it had too few providers to accommodate the needs of the District's foster care children. Mental health services—both assessments and treatment—are considered critical for children who have suffered abuse or neglect; therefore, to better connect foster care children with such services, CFSA began to contract directly with mental health providers.

Over the years, the Congress has enacted laws and provided funds to help improve the District's child welfare system. For example, the District of Columbia Family Court Act of 2001[11] established the D.C. Family Court dedicated solely to matters concerning the District's children and families. The D.C. Family Court has jurisdiction over cases involving alleged child abuse and neglect, juvenile delinquency, domestic violence, child support, and other family matters. In addition to establishing the Family Court, the Congress authorized funds to the District in fiscal year 2002 for the completion of a plan to integrate the District's computer systems with those of the D.C. Family Court and for CFSA's caseworkers to help

[9]GAO, *D.C. Child and Family Services: Better Policy Implementation and Documentation of Related Activities Would Help Improve Performance*, GAO-03-646 (Washington, D.C.: May 27, 2003); Center for the Study of Social Policy, *LaShawn A. v. Williams: An Assessment of the District of Columbia's Progress as of September 30, 2003 in Meeting the Implementation and Outcome Benchmarks for Child Welfare Reform* (Washington, D.C.: Feb. 9, 2004).

[10]The U.S. District Court for the District of Columbia placed the D.C. Commission on Mental Health Services, DMH's predecessor agency, in receivership in 1997. The first receiver began his appointment in October 1997 and resigned in March 2000. The court then issued a consent order establishing a transitional receiver to develop a plan for the District to resume full control of its mental health system. This transitional receivership was terminated in May 2002, and the court appointed a monitor to oversee the District's implementation of the plan.

[11]Pub. L. No. 107-114, 115 Stat. 2100 (Jan. 8, 2002).

implement family court reform.[12] Also, the District of Columbia Appropriations Act, 2004,[13] included a fiscal year 2004 federal payment of $14 million to CFSA, DMH, and COG for improvements to specific foster care programs.[14] The federal funds were supplemented by private funds for CFSA's early intervention program and COG's respite care and foster parent recruitment program. In February 2004, the District and COG submitted their respective plans to the Congress, outlining how they intended to use the foster care improvement funds. Table 1 summarizes the purposes for the funds as designated in the appropriations act and the planned expenditures as listed in the spending plans.

[12]Pub. L. No. 107-96, 115 Stat. 923, 929 (Dec. 21, 2001). For more details on the planned reform practices in the District's Family Court, see GAO, *D.C. Family Court: Additional Actions Should Be Taken to Fully Implement Its Transition*, GAO-02-584 (Washington, D.C.: May 6, 2002).

[13]Pub. L. No. 108-199, Div. C, title 1, 118 Stat. 3, 111. (Jan. 23, 2004).

[14]Subsequently, for fiscal year 2005, the Congress provided about $5 million in additional funding for foster care improvements in the District. These federal funds were made available for specific programs to CFSA, DMH, and COG until expended. The appropriations act provided (1) $3,250,000 for CFSA's early intervention program, the emergency support fund, and technology upgrades; (2) $1,250,000 for DMH to provide all court-ordered or agency-required mental health screenings, assessments, and treatments for children under the supervision of CFSA; and (3) $500,000 for COG to continue a program in conjunction with the Foster and Adoptive Parents Advocacy Center, to provide respite care for and recruitment of foster parents. Pub. L. No. 108-335, 118 Stat. 1322, 1326 (Oct. 18, 2004).

Table 1: Purposes and Plans for the Fiscal Year 2004 Foster Care Improvement Funds

	Public law 108-199		Spending plans	
Organization and total funding	Purpose of funding	Federal funds	Proposed expenditures	Description
Child and Family Services Agency **$9 million**	To establish an early intervention program to provide intensive and immediate services to foster children.	$2 million	$700,000	Personnel costs (salaries & benefits)
			500,000	Training and communications
			200,000	Meeting expenses (e.g., facilities & transportation)
			530,000	Services for children and families that are not currently available at sufficient levels (e.g., substance abuse treatment)
			70,000	Overhead
	To establish an emergency support fund to purchase necessary items to allow children to remain in the care of a licensed, approved family member.	$1 million	$920,000	Emergency expenses for relatives (e.g., furnishings & home repairs)
			73,000	Personnel costs (salaries & benefits)
			7,000	Overhead
	To establish a loan repayment program for caseworkers.	$3 million	$2,750,000	Student loan repayments for qualified caseworkers with master's and bachelor's degrees to accept and extend their tenure with the District
			250,000	Contract for loan repayment program design and administration
	To upgrade (FACES) computer database and technology as well as to provide computer technology for caseworkers.	$3 million	$2,170,000	Upgrade FACES to Web-based architecture
			830,000	Computer technology for social workers (e.g., new laptops or tablet PCs)
Department of Mental Health **$3.9 million**			$300,000	Staffing of project team to oversee the implementation and coordination of all program services outlined below
	To provide all court-ordered or agency-required mental health screenings and assessments for children under the supervision of CFSA.		1,030,000	Costs for expanded hours of psychiatrists and psychologists

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Organization and total funding	Public law 108-199: Purpose of funding	Public law 108-199: Federal funds	Spending plans: Proposed expenditures	Spending plans: Description
			70,000	Staff and home visits/assessments
			47,000	Supplies and materials
			1,725,000	Mobile crisis and community-based intervention teams to provide immediate assistance
				Community support teams to provide a range of interventions to high risk children involved in multiple systems
				Community treatment setting for older adolescents who are aging out of care
				Specialized therapy and child traumatic stress treatment
			150,000	Staffing coordination between DMH and CFSA
			578,000	Training
Washington Metropolitan Council of Governments **$1.1 million**	To develop a program in conjunction with the Foster and Adoptive Parents Advocacy Center to provide respite care for and recruitment of foster parents.	Although COG presented a detailed spending plan, it did not include a breakdown of expenditures. The plan indicated that COG would (1) provide services for resource parents caring for children in the D.C. child welfare system, (2) recruit and train respite care families to care for foster children covering emergency, planned, or ongoing respite care situations, and (3) assist CFSA in developing a recruitment video and purchasing media ads targeted to demographics most likely to look after special needs children in foster care.		

Source: District of Columbia government and the Metropolitan Washington Council of Governments.

CFSA, DMH, and COG Obligated and Spent Funds for Purposes Consistent with the Appropriations Act and Spending Plans, but Some Funds Were Not Used

We found that CFSA, DMH, and COG obligated and expended the federal funds provided for foster care improvement for purposes consistent with the appropriations act and organizations' spending plans. The funds were used for authorized expenses such as repairs for foster homes, student loan repayments, psychiatric evaluations, staff salaries for the family team meeting project, and training and education materials. For a comparison of agency spending plans to provisions of the appropriations act, see table 1. Additional information about the programs is provided in later sections of this report.

On March 17, 2004, the District received the $14 million federal payment, less a 0.59 percent rescission, for a total of about $13.9 million.[15] The District sent COG a payment of $1,093,510, as specified by the appropriations act. The availability of the federal payment of funds received by the District for foster care improvements was limited to fiscal year 2004. Any unobligated balances of funds after September 30, 2004, were no longer available for the District's use and should revert to the general fund of the U.S. Treasury. When the District disbursed funds to COG for its use, the funds lost their federal payment character; thus there is no fiscal time limitation on the use of the federal funds provided to COG.

As we previously reported,[16] only a small portion of the federal funds for foster care improvements had been obligated or spent as of June 30, 2004.[17] At that time, over $12.4 million of the $13.9 million provided remained unobligated. However, as of September 30, 2004, the District agencies and COG had obligated about $12.6 million of their funds. Since then COG has obligated an additional $599,000, bringing the total amount of funds obligated as of March 31, 2005, to $13.2 million. As of March 31, 2005, about $6.2 million of the total obligated funds had been expended and about $722,524 remained unobligated. The unobligated funds for CFSA and DMH, in the amounts of $588,859 and $30,545 respectively, ceased to be available for new obligations after September 30, 2004, and should revert to the general fund of the U.S. Treasury. COG's $103,120 in federal funding remains available for use in the respite program for foster parents of District children. Table 2 provides details on the amounts of the organization's obligations as of March 31, 2005.

[15]Section 168 of Division H of the Consolidated Appropriations Act, 2004, Pub. L. No. 108-199, included a provision for an across-the-board 0.59 percent rescission to be deducted from the budget authority provided for any discretionary accounting in the act.

[16]GAO-04-1017.

[17]GAO-04-1017.

Table 2: Funds Received, Obligated, and Unobligated by CFSA, DMH, and COG, as of March 31, 2005

Organization	Funds received	Total funds obligated	Obligations as a percentage of funds received	Funds not obligated	Funds unobligated as a percentage of funds received
CFSA	$8,946,900	$8,358,041	93.4%	$588,859	6.6%
DMH	3,876,990	3,846,445	99.2	30,545	0.8
COG	1,093,510	990,390	90.6	103,120	9.4
Total[a]	**$13,917,400**	**$13,194,876**	**94.8%**	**$722,524**	**5.2%**

Source: GAO analysis of data from the District of Columbia government and the Metropolitan Washington Council of Governments.

[a]Numbers do not sum to totals because of rounding. Percentages may not sum to 100 because of rounding.

Internal Controls Are Generally Operating Effectively

In our testing at CFSA and DMH, we concluded that internal controls were in place over obligations of the funding provided to both District agencies to ensure that the federal funds were expended appropriately for their intended purposes. Consistent with standards for internal control in government,[18] the agencies' internal controls comprise a series of appropriate actions and activities conducted throughout the agencies' operations on an ongoing basis. Internal control activities we tested include (1) adequate segregation of duties so that no one person can approve as well as execute a transaction, (2) approval of transactions by appropriate supervisory officials, (3) sufficient documentation of transactions, and (4) physical control over negotiable assets. Agency fiscal officers are charged with providing oversight to ensure that controls are adequate to provide reasonable assurance[19] that funds obligated and expended are used effectively and as intended, according to the spending plans and the appropriations act.

[18]Internal control is an integral component of an organization's management that provides reasonable assurance that the following objectives are being achieved—effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. GAO, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999).

[19]No matter how well designed and operated, internal controls cannot provide absolute assurance that all agency objectives will be met. Management should design and implement internal controls based on the related cost and benefits. Therefore, internal control provides reasonable, but not absolute assurance of meeting agency objectives. GAO/AIMD-00-21.3.1.

To test specific control activities at CFSA and DMH, we selected a statistical sample of obligation transactions covering the period March 17, 2004, through September 30, 2004, in the sum of about $11.9 million[20] from foster care improvement obligations of about $12.2 million. In addition, we tested the District's supporting documentation for the $1.1 million transfer to COG. Based on the results of our tests, we concluded that internal controls are generally operating effectively.[21] Two key internal control activities were built into the requisition and purchasing processes by the Office of the Chief Financial Officer and Office of Contracts and Procurement. We found that key duties and responsibilities associated with the sample transactions were divided (segregated) among different staff members so that no one person could both approve and fully execute a transaction. Moreover, we found that key documents, such as requisition and purchase orders, were authorized and executed by staff members acting within the scope of their authority, and that the documents supported the purpose and amount of the transaction. However, in conducting our tests, we found three instances worth discussion. These involved the need for sufficient documentation, better adherence to operating procedures, and greater control over physical assets.

The first instance involved documentation that did not fully describe the transaction and a negotiable asset that was potentially vulnerable to misuse or fraud. In the transaction we tested, CFSA had recorded an obligation in the emergency support fund in the amount of $9,375 for the purchase of gift cards to be used to purchase clothing for foster children. The transaction was part of a requisition that totaled about $99,000 for the purchase of gift cards from several vendors. While the approval of the gift card purchase was adequately documented, it was unclear whether the gift cards were ever received because the District did not provide us documentation of their receipt of the cards during the time of our review. We were also unable to determine, based on District records, whether the District had paid for the cards. District officials told us that the gift cards had been received, paid for, and had not been activated for use. However, without an invoice or receiving document, we could not verify that the gift cards were

[20]The sample was selected based on a dollar-unit sampling methodology which, by its nature, will tend to select large dollar unit items. See appendix I for statistical sampling details.

[21]We are 95 percent confident that the upper error limit overstatement of obligation transactions with ineffective controls is not more than $1.2 million. This estimate does not exceed the tolerable amount in error of $2.0 million.

received or paid for, or whether the cards had been activated. In its comments on a draft of this report, CFSA provided additional documentation, including the vendor invoice and financial system reports showing receipt of the gift cards and the payment made.

While gift cards provide the flexibility to respond quickly to emergency needs, adequate documentation and sufficient physical controls are essential to provide accountability over their use and to ensure the propriety of transactions. Gift cards, similar to cash, can easily be used for improper purchases—such as purchases excessive in cost, for purposes other than that stated, or for personal use. Purchased gift cards need to be properly inventoried and stored, similar to the cash in an imprest fund.[22] When the gift cards are distributed, the number and dollar amount of the cards taken from the inventory should be noted as should the identities of the employees who received the cards. Employees should be required to provide receipts for items purchased with gift cards. Periodic surprise audits of the gift card funds would also help to safeguard the gift cards inventory. In its comments on a draft of this report, CFSA described its procedures to track, monitor, and manage the distribution process of the gift cards, including several actions recently taken and planned actions designed to improve procedures in this area.

In the second instance, on September 28, 2004, DMH generated and issued a purchase order for professional consulting services in the amount of $221,637; however, a detailed contract was not executed until February 2, 2005. District officials told us that, according to operating procedures, there should have been an approved purchase order and signed contract before obligating funds. However, in order to obligate funds by September 30, 2004, the District told us that they issued a purchase order to which the consultant agreed and both parties agreed to finalize the contract later. District officials told us that they believe they had a valid obligation based on the approved purchase order as agreed to by the vendor, provided the vendor could meet all the detailed requirements specified in the purchase order. They further explained that during the months following the recording of the obligation, DMH officials negotiated the final detailed deliverables with the vendor and signed the contract in February 2005.

[22]An imprest fund is a fixed-cash or petty cash fund in the form of currency or coin. The funds are charged against a government appropriation by an agency official and advanced to an authorized cashier. The fund may be revolving, replenished to the level of a fixed amount as spent or used, or stationary such as a change-making fund.

However, the District did not provide us with evidence that the vendor agreed to the purchase order. This type of procurement procedure increases the risk that the District might lose obligated funds if it were to later determine that the vendor could not meet the requirements indicated in the purchase order. While the purchase order could be later cancelled, expiration of the funds would prevent their reobligation. This type of practice increases the risk to DMH that it may improperly record an obligation where no binding agreement may exist at the time of recording the obligation, as required by 31 U.S.C. § 1501(a). See 34 Comp. Gen. 459 (1955).

Finally, a vendor's invoice billed the District for 248 laptop computers. Initial documentation provided to us by CFSA showed a handwritten notation on the invoice by the head of CFSA's Information Technology branch acknowledged receipt of only 247 computers at a cost of $510,796. District officials could not provide documentation to support the number of computers received. Thus, we could not verify the number actually received. Additional documentation provided with CFSA's comments on a draft of this report show that the agency purchased 247 computers with the federal funds for foster care improvements and 1 computer with local funds, for a total of 248 laptop computers. While we did not test the physical control environment at the District, our *Standards of Internal Control* requires agencies to establish physical control to secure and safeguard vulnerable assets to establish accountability, and to properly record transactions.

We did not conduct detailed tests of transactions at COG because those transactions were included in COG's financial statement audit performed by an independent public accounting firm who audits COG's financial statements annually. COG received an unqualified, "clean," opinion for fiscal years ended June 30, 2004, and June 30, 2003. In COG's 2004 financial statements, the Foster Care Improvements federal funding of $1.1 million was recorded in the supplementary information—Project Statement of Revenues, Expenditures, and Changes in Net Assets—and audited as part of the financial audit. Furthermore, the independent auditor did not identify any internal control weaknesses over financial reporting and operations or any instances of noncompliance for purposes of the reports on internal controls and compliance that are required by *Government Auditing Standards*.[23]

[23]GAO-03-673G.

New Programs Have Been Implemented to Improve Foster Care, but Challenges Remain

CFSA, DMH, and COG have implemented the programs and initiatives specified in the appropriations act and spending plans, and some foster families have received needed services. CFSA began its early intervention program a few months later than it had planned. Nonetheless, funds from this program, as well as the emergency support program funds have provided needed services to some families. CFSA also established a student loan repayment program, developed an information technology plan, and provided laptops to some caseworkers. DMH increased the mental health services available to foster care children, and COG and FAPAC worked together to develop a respite program.

However, it is too early to assess the effectiveness of some programs, and challenges remain for others. The long-term effectiveness of the early intervention and student loan programs cannot yet be assessed and the information technology improvements have not been completed. Furthermore, challenges remain that could affect the success of CFSA's emergency support fund initiative, as well as DMH's ability to build capacity to provide needed assessments and to secure long-term funding for treatment. Also, the future success of COG's respite program depends on some factors beyond the organization's control.

Implementation of the Early Intervention Program Was Delayed, Nevertheless Needed Services Were Provided to Some Families

The early intervention program included two key components—the Facilitated Family Team Meeting (FFTM) initiative and funds for various services and supports. According to agency officials, the FFTM initiative is the core of the program. These meetings are intended to give families a voice in decisions about removing a child from the home or changing his or her placement. CFSA planned to begin holding meetings in the summer of 2004, but implementation was delayed until September. CFSA officials stated that much of the delay was the result of time needed to train the parties involved in the program, including caseworkers, judges, and foster parents. CFSA operated a pilot program from September to December 2004 for selected high-risk cases. In January 2005, CFSA began conducting FFTMs for all cases, and as of March 2005, CFSA had held 47 FFTMs for 85 children. Based on the outcome of the FFTMs, CFSA officials are to assess the families' needs and identify services and supports that may enable children to remain safely in their own homes or with their current foster families. Table 3 lists services and supports eligible for program funds.

Table 3: Eligible Services and Supports Provided through the Early Intervention Program

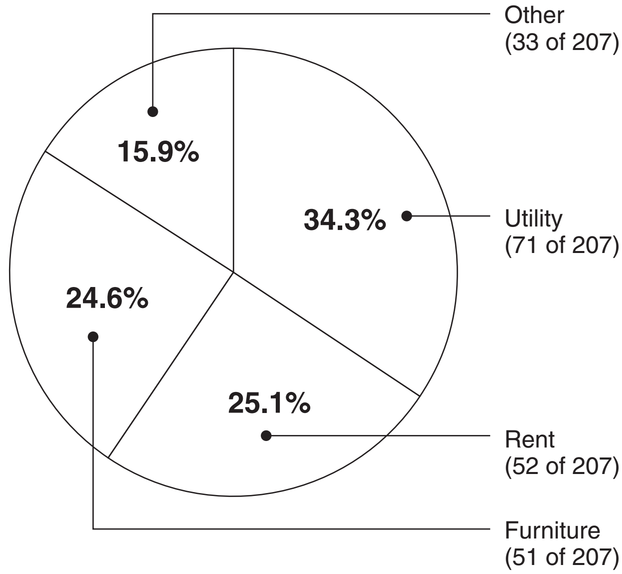
Category	Eligible services/supports
Social services	• Substance abuse treatment • Intensive, home-based services, such as but not limited to: parenting support, behavioral management, homemaker services, crisis intervention, and or medical/behavioral support • Job training and support
Support services	• Equipment to care for disabled children • Temporary transportation of children • Temporary child care • Temporary food assistance • Furniture • Clothing
Housing	• A one-time security deposit or up to 3 months of rental assistance • Temporary assistance with utility bills • Lead abatement • Home repair or maintenance
Special services	• Individualized services that do not fall into one of the categories above but that are necessary to minimize trauma for the children

Source: CFSA program data.

Program data show that as of April 2005, CFSA provided 207 services and supports to 151 families and 386 children with the early intervention program funds.[24] Most of the services provided were related to housing needs such as rent, utility payments, and furniture, as shown in figure 1.

[24]CFSA transferred $75,000 from this fund to DMH for the Mobile Response and Service Stabilization (MRSS) program. The MRSS program provides services to manage crises and prevent children from moving from their biological family or a kinship caregiver into foster care.

Figure 1: Types and Numbers of Services Provided to Families with Early Intervention Program Funds



Source: GAO analysis based on CFSA program data.

Note: Other services provided included food, clothing, day care, transportation, school supplies, one-time emergency room and board, summer camp, vouchers for a baby monitor, and a U-Haul rental truck.

The early intervention program has been operating for several months, but officials said that the effectiveness of the program cannot yet be determined. Agency officials said that CFSA has developed a tracking system to follow the progress of FFTM participants and will have data to determine whether the program has reduced the number of children coming into CFSA's care or the number of times a child's placement is changed.

Emergency Support Fund Provided Critical Services, but the Number of Unlicensed Homes Remained the Same

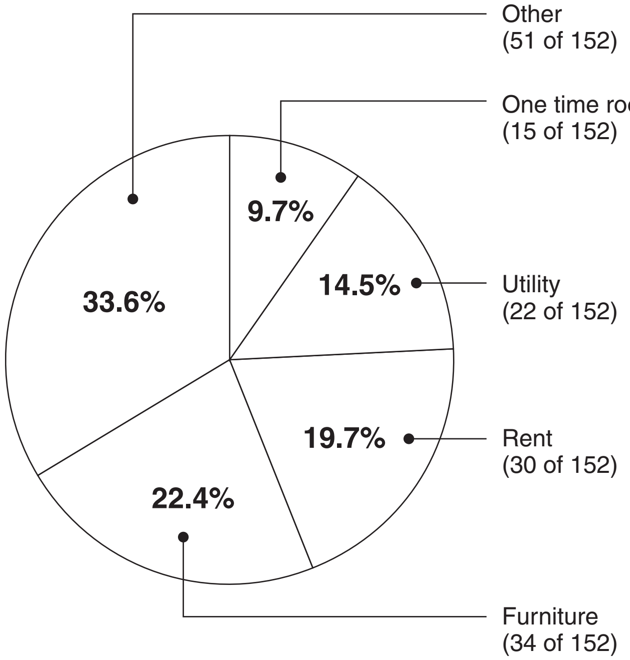
One goal of the emergency support fund is to help facilitate the licensing of family members who are willing to provide kinship homes[25] to care for children who would otherwise go into traditional foster homes or congregate care.[26] According to CFSA officials, the funds could be used to help homes meet established standards by paying for expenses such as lead abatement, home repairs, and renovation. In addition, the funds could be used to purchase services and items such as child care services or clothing, as well as to provide housing assistance in the form of monthly rent (not more than three months) or one-time security deposits.

Although efforts to advertise the funds were limited, several families learned about and received services from this program. Kinship families learned about the availability of funds through information provided by caseworkers, word of mouth from other parents, and announcements in FAPAC's newsletters for foster parents. As of April 2005, 99 families and 189 children had been helped by the emergency support fund and 152 services had been provided. Furniture, rent, and utility assistance were most often provided; however, families received other services as shown in figure 2. FAPAC officials said that the program has been helpful and beneficial in helping kinship foster families become and remain licensed foster families.

[25]Kinship homes are those in which a relative or unrelated person with long-standing ties to the child provides care for a child that has been neglected, abused, or is at risk for neglect and abuse.

[26]Congregate care homes include group homes, independent living placements (ILPs), and therapeutic facilities. Group homes provide services to children in large family-type settings, ILPs are monitored apartments for teens who are preparing to live independently, and therapeutic facilities offer specialized medical and mental health care for children and teens. Congregate care facilities are designed to provide placement for children who have not done well in the family setting or for those awaiting placement with traditional foster families.

Figure 2: Number and Types of Services Provided to Families with Emergency Support Funds



Source: GAO analysis based on CFSA program data.

Note: The “other” category includes a wide variety of services such as home repairs, summer camp, CPR/First Aid Certification, vehicle repairs, clothing, and day care services.

While the emergency support fund has assisted some families, the number of unlicensed homes has not changed in the last year. We previously reported[27] that CFSA had taken a number of steps to ensure that children are placed in licensed homes, but as of May 2004, 495 children, or 22 percent of the children in CFSA’s care, were in 308 unlicensed homes. At that time, CFSA officials told us that the majority of unlicensed homes entered the foster care program before new licensing standards were issued, many were kinship homes, and many homes were located in Maryland. Agency officials also said that CFSA was working to correct this situation by examining these homes on a case-by-case basis to identify the specific barrier each home faced in becoming licensed and, if possible, to resolve the issue. As of April 30, 2005, CFSA had children in 309 unlicensed homes. CFSA officials explained that most of the unlicensed homes were

[27] GAO-04-1017.

not kinship homes and therefore federal funds were not available to facilitate licensing of these homes. [28] Further, according to CFSA officials, most of the unlicensed homes were in other jurisdictions—232 in Maryland and 33 in other states. CFSA, like child welfare agencies in other jurisdictions, is faced with challenges when trying to ensure the quality of homes outside their respective jurisdiction. When children are placed in homes in other jurisdictions, the home study process[29] is complicated because the two states' laws and policies must be taken into consideration and there must be coordination between the jurisdictions. The Interstate Compact on the Placement of Children[30] is the bridge that facilitates this process by providing a legal and administrative framework for placing children across state lines for foster care or adoption. However, concerns have been raised by state child welfare officials about the timeliness of home studies and the quality of background checks done by staff in other jurisdictions.

Most Eligible Caseworkers Participated in the Student Loan Repayment Program, but More Could Have Been Supported

About 70 percent of CFSA's eligible caseworkers participated in the student loan repayment program and most were approved for payments of more than $10,000. CFSA determined that only those caseworkers who managed cases were eligible to apply for the program. As of August 2004, CFSA had 310 caseworkers, and according to agency officials, 190 of them managed cases. CFSA officials reported that 138 of its 190 caseworkers and nine of its contractors signed student loan repayment agreements. Most program participants, 99, had fewer than 3 years of service and 48 had 3 years or more of service. The repayment amounts ranged from about $3,000 to about $18,000 with the average at about $15,000. According to CFSA documents, the first payment will be made in July 2005 for those who have

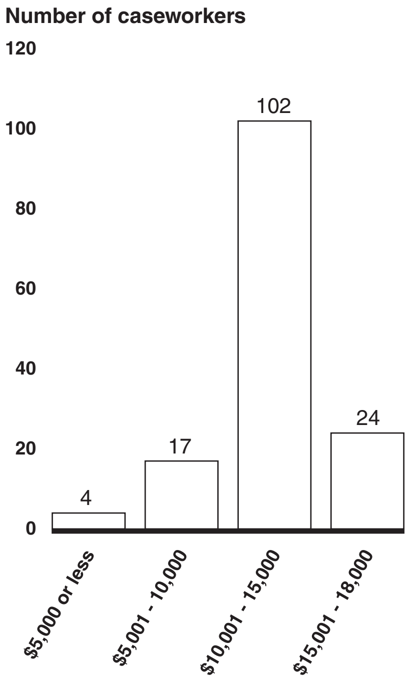
[28] CFSA issues temporary licenses to kinship homes in the District; therefore, these homes are counted as licensed.

[29] A home study is the process of assessing and preparing families to determine their potential to become either foster or adoptive parents.

[30] Interstate Compact on the Placement of Children (ICPC) is a uniform law, enacted in all 50 states, the District of Columbia, and the U.S. Virgin Islands, that governs the interstate placement of children in foster and adoptive homes. Under ICPC, the state from which a child is sent retains jurisdiction over the child and his or her placement. ICPC ensures that children placed from one state into another receive adequate protections, services, and supervision.

met the service requirements.[31] Figure 3 summarizes the distribution of these loans.

Figure 3: Distribution of Student Loan Repayment Amounts



Source: GAO analysis based on CFSA program data.

Although 138 of 190 caseworkers were approved for loan repayments, more could have been supported with the funds available. At the end of the fiscal year, CFSA had about $408,000 remaining of the $3 million designated for the program. CFSA could have entered into agreements with more than 40 caseworkers with bachelor's degrees in social work (BSW) or more than 20 with master's degrees in social work (MSW) or some combination of both. According to agency officials, the agency took several steps to make certain that all eligible caseworkers were aware of the program, and they modified the program in an effort to maximize participation. CFSA

[31]According to the terms of the program, CFSA pays one-half of the repayment amounts at the end of the caseworkers' 3rd year and the remaining half at the end of the 4th year. Those with more than 4 years of service must agree to remain with the agency at least 1 more year.

launched the program in June 2004. CFSA advertised the program through weekly e-mail messages to all caseworkers, distributed flyers, printed notifications in an agencywide newsletter, posted fact sheets on the District government's intranet, and placed notices in local newspapers, including the *Washington Post*. CFSA extended the application deadline by a month and increased the maximum amount of the loan repayment from $5,000 to $10,000 for caseworkers with BSWs and from $10,000 to $18,000 for those with MSWs. As the program is structured, if a caseworker who was approved to receive a loan repayment leaves CFSA before the end of his or her commitment, the agency will have to return the funds to the U.S. Treasury. Agency officials said that one reason more caseworkers did not participate in the program was their hesitance to commit to working for CFSA on a long-term basis. In commenting on a draft of the report, agency officials also said that all of the funds for the student loan repayments were not used because the agency could neither advertise the program nor enroll participants until after March 2004 when the funds were made available, which was after the height of its spring recruitment season at colleges and universities.

Even with this program, attrition rates at CFSA increased. Like other child welfare agencies, CFSA has faced ongoing challenges in efforts to retain caseworkers. In fiscal year 2003, CFSA's attrition rate for caseworkers was about 15 percent. In fiscal year 2004, the rate had increased to about 18 percent. In our September 2004 report,[32] we found a consensus among the caseworkers we interviewed that deficiencies in CFSA's management practices[33] hindered their performance and lowered their morale. In that report, we recommended changes to CFSA management practices. CFSA generally agreed with our recommendations and developed a work plan that included strategies to help retain qualified caseworkers. We have not assessed whether the agency has begun to implement the recommendations. Although the attrition rate has increased, it is too soon to tell whether the student loan repayment program will be effective in the long-term, particularly since all participants had to remain at CFSA at least until July 2005.

[32] GAO-04-1017.

[33] Deficient management practices cited were poor communication, a lack of resources, poor supervision, and no program for rewards and recognition.

Implementation of CFSA's Information Technology Plan Is Not Yet Completed

CFSA developed an information technology plan to upgrade its child welfare information system, known as FACES, to a Web-based system. The information technology plan indicates that the FACES software upgrade component is scheduled to be completed in December 2005. In addition, the contractor may provide maintenance and support services for the new system through September 29, 2008. Table 4 summarizes the key steps in the plan and the related time frames.

Table 4: Key Steps in CFSA's Information Technology Plan, as of June 15, 2005

Task	Planned initiation	Planned completion
Consulting contract for FACES software upgrade	3/30/04	12/20/05
Web application servers and hardware	9/20/04	12/20/05
Web development software	9/20/04	12/20/05
Staff training and materials	9/20/04	12/20/05
Purchase laptops for social workers	5/28/04	9/30/04
Security enhancements	9/20/04	12/20/05
Business continuity enhancements	7/15/04	9/30/04

Source: CFSA program data.

Also, CFSA's information technology plan includes the purchase of laptops for its caseworkers. These laptops are intended to help improve caseworkers' productivity and effectiveness because caseworkers can enter case information data when away from the office. According to the spending plan, CFSA would initially purchase laptops for 75 percent of its caseworkers and in phase two, laptops would be purchased for the remaining 25 percent who had less critical need for field access. However, it is not clear when all caseworkers will receive laptops because the date for beginning of phase two is not listed in either the spending plan or the information technology plan and CFSA officials could not provide a date for this phase.

CFSA purchased and received the initial order of laptops as planned, but the distribution process has taken months. The final contract, signed on September 29, 2004, allowed for CFSA to purchase laptops and related services at a cost of about $2,000 per laptop. On January 27, 2005, documents showed that 247 laptops had been purchased with federal funds—9 for FFTM caseworkers that manage the early intervention program and the remaining 238 to be distributed among CFSA's 310 caseworkers. According to CFSA officials, as of May 2005, 119 laptops had been issued to caseworkers and they expected that all laptops would be distributed by June 2005. CFSA explained that distribution was delayed because initially the laptops did not meet the requested memory specifications. CFSA further explained that after the contractor replaced the memory modules, the agency had to load the software before the laptops were distributed.

Mental Health Assessments and Treatments Were Provided, but DMH Faces Ongoing Challenges

DMH provides assessments for children referred to the agency by CFSA and the Family Court. From August 2004 through February 2005, DMH reported completing 351 assessments of foster care children referred by CFSA. During the same period, CFSA increased the number of cases referred to DMH for assessment from 15 in August 2004 to 68 in February 2005, for a total of 292 referrals over the 7-month period.[34] According to DMH officials, this sharp increase in referrals has raised the average number of days to complete an assessment—beginning with the appointment request and ending with the delivery of a report to the Family Court—above the statutory time frame of 23 days as indicated in the appropriations act.[35] DMH reviewed 82 cases completed from August 2004 through February 2005 and found that their evaluators took an average of 33.5 days—approximately 10 days longer than the statutory time frame—to complete assessments. According to DMH officials, some cases increased the average time frame for completion. For example, one case took 192 days. However, officials also acknowledged that the remaining assessments, while sometimes taking as little as 1 day to complete, were, on average, not being completed within the statutory time frame.

Since our September 2004 report, DMH has continued to build its capacity to provide treatment to foster care children referred by CFSA.[36] DMH has increased the number of outside providers it has certified to deliver

[34]CFSA contractors continued to provide some needed assessments. From August 2004 through February 2005, approximately 40 percent of referrals for assessments were sent to CFSA contractors.

[35]These time frames require DMH to initiate services within 3 days of notification, complete assessments within 15 days of the request, and provide the Family Court with assessments within 5 days of completion. 118 Stat. 116.

[36]GAO-04-1017.

treatment to foster care children from 13 in September 2004 to 20 in February 2005. From August 2004 through February 2005, CFSA referred 430 cases to providers in the DMH network. In January 2005, DMH providers began delivering three new types of treatment to foster care children, (1) multisystemic therapy, (2) intensive home- and community-based services, and (3) mobile response and stabilization services.[37] DMH previously anticipated that 300 to 500 children would receive these three types of treatment within 1 year of the date of the signed agreements with providers.[38] Agreements for these treatment services were signed in late September 2004. As of April 2005, 3 months into implementation of the new types of treatment, 31 children had received multisystemic therapy, 37 had received intensive home- and community-based services, and 24 had received some type of mobile mental health services (see table 5). According to a DMH official, the department expects 300 children to receive services by January 2006.

Table 5: Foster Care Children Receiving Mental Health Treatment

	Number of foster care children served	
Mental health treatment	**As of April 2005**	**Anticipated by January 2006**
Multisystemic therapy	31	64 to 96
Intensive home- and community-based services	37	72 to 90
Mobile response and stabilization services	20 calls (emergency assistance) 4 families (stabilization)	12 to 14 calls per week (emergency assistance) up to 10 cases at one time (stabilization)

Source: DMH and documents from U.S. District Court for the District of Columbia.

In addition to adding providers and new types of treatment, DMH began its initiative to train providers in trauma treatment in March 2005. The first phase of this initiative included a baseline assessment of whether providers

[37]Multisystemic therapy is treatment delivered in homes and the community for foster care youth with complex clinical, social, and educational problems. Intensive home- and community-based services are provided by a team of professionals and are available 24 hours a day and 7 days a week. The mobile response and stabilization services are provided at the site of a child's escalating behavior.

[38]GAO-04-1017.

use treatment practices that reflect current research. In the second phase, DMH began offering training sessions on those treatment practices for DMH's certified providers.

DMH faces ongoing challenges in building the mental health system's capacity to provide timely assessments and in securing long-term funding for treatment services for foster care children. As of April 2005, DMH officials reported that it did not have the capacity to respond to the growing number of referrals for assessments from CFSA.[39] To address this issue, DMH officials stated that the agency was expanding its current contracts with providers and recruiting new providers. However, according to DMH's director, meeting the demand for assessments will remain an ongoing concern. With regard to treatment, DMH is in the process of securing long-term financing for the new services implemented with the federal funds. DMH officials stated that the agency can obtain funds for mobile response and stabilization through the District's Medicaid program.[40] Officials also expect that, upon approval of a requested change to the Medicaid program, DMH will be able to obtain reimbursements for intensive home- and community-based services and mobile response and stabilization services. The director said that, even with the federal funds available through Medicaid, local funds may not be sufficient to meet the treatment needs of foster care children.

COG's Respite Program Was More Challenging to Implement Than Expected

COG, in conjunction with CFSA and FAPAC, developed a respite program for foster parents of the District's children. Under this program, known as "Work of Heart," COG recruited and trained families from the District and other surrounding jurisdictions to provide volunteer respite care. The program was designed to include overnight respite care provided by licensed foster parents, as well as daytime respite programs on Saturdays and Sundays provided by licensed organizations.

[39]According to a Family Court official, the total number of cases being referred for assessments and other services has been constant since receipt of the federal funds in March 2004; however, the number being referred to DMH has increased.

[40]Medicaid is a jointly funded federal-state program that pays for medical assistance for certain low-income families and individuals who meet certain criteria. With federal approval, Medicaid will reimburse states' expenditures for certain types of rehabilitative services such as community-based treatment.

COG used various avenues to recruit parents to serve as respite providers and made several efforts to inform foster parents about the respite program. According to agency officials, to recruit respite providers COG staff attended 10 community fairs, made 11 presentations at churches and businesses, hosted bimonthly informational meetings, and explained the program to CFSA caseworkers. In addition, COG distributed more than 50,000 recruitment brochures and flyers and advertised through local radio, local journals, and newspapers to recruit respite providers. COG also conducted outreach efforts to inform current foster families about the availability of respite services. They sent four mailings to all of CFSA's foster families and instituted an application and approval process. Current foster parents had to complete the application and be approved in order to receive respite services. Furthermore, FAPAC officials coordinated the identification and approval of four licensed organizations to provide the daytime respite programs.

Some respite services have been provided; however, COG's initial goal was not met. We reported in September 2004[41] that COG had set as its goal to provide 700 respite care placements by March 2005, but officials did not know how many parents would need to be licensed to reach that goal or how many children would need care. As of June 2005, 62 respite foster parents had been trained, and 7 had completed the licensing process. Also as of June 2005, 44 foster families and 86 foster children—their ages ranged from 6 months to 17 years of age—had been approved to receive respite. According to COG officials, six Saturday respite programs were held and 106 children participated. For overnight respite, 26 placements were requested and 9 were completed as of June 2005. COG officials said that the other requests were cancelled by the foster parents for various reasons.

COG's initial plan did not adequately consider several factors that hindered the program's implementation. For example, COG officials stated that the initial program goal was overly optimistic because it was based on a long-running program operating in another state but did not account for differences between the District's needs and demographics and those of that state. The COG officials also said that the District's training requirements were longer than projected and some parents who were interested in serving as respite volunteers were hesitant to complete the lengthy application and licensing process. Furthermore, COG officials stated that a major barrier to the program was the 3 to 4 month waiting

[41] GAO-04-1017.

period for FBI clearances, part of the licensing process. A COG official explained that they were working with the Washington FBI field office and the Metropolitan Washington Police Department to finalize a memorandum of understanding that could reduce the time for clearances to 4 to 5 weeks. While this step may help improve the process, the future success of the program depends on some factors beyond COG's control such as the number of qualified people who volunteer to serve as respite providers and the number of foster parents who will participate.

Concluding Observation

CFSA, DMH, and COG have obligated federal funds for purposes intended by the Congress to address long-standing problems in the District's foster care system. The agencies and COG appear to have exercised effective internal controls over the use of those federal funds. All programs called for in the legislation have been implemented to some degree, and services have been provided to some foster children and families in the District. As in child welfare systems across the country, the agencies and organizations working for the welfare of children in foster care face a complex set of challenges. Whether these programs are effective and help improve foster care in the District may not be known for several years.

Agency Comments and Our Evaluation

We received written comments on a draft of this report from CFSA, DMH, and COG. These comments are reprinted in appendixes II, III, and IV, respectively. CFSA and FAPAC also provided technical comments, which we incorporated where appropriate.

In commenting on a draft of this report, CFSA agreed in general with our findings and provided a number of comments and additional information. In response, we made several changes to the report. We revised the report to reflect the additional documentation provided by CFSA showing (1) receipt of the gift cards and the payment made and (2) the purchase of one additional laptop computer. CFSA also described its procedures to track, monitor, and manage the distribution of the gift cards, which we noted in the report. Also, we added a statement in the report explaining how the timing of the receipt of funding impacted CFSA's ability to use all of the funds for the student loan repayment program and revised the information technology section of the report after receiving and reviewing an updated plan from CFSA. In addition, CFSA's comments addressed the goals of the emergency support program and its unlicensed homes. CFSA stated that, while the emergency support funds were used to facilitate licensing of kinship homes, the primary goal of the emergency support program goal was to facilitate placement of children with kin. We did not revise the statement about the program goal, because the appropriations act and the related conference report state that the fund would be used to purchase items necessary to allow children to remain in the care of an approved licensed family member. With regard to its unlicensed homes, we revised the report to reflect some of the information provided by CFSA.

We also received written comments on a draft of this report from DMH that addressed information on delays in assessments and the department's capacity to deliver treatment services. DMH generally agreed with our findings on the provision of assessments, but provided additional information on increases in referrals, delayed assessments, and initiatives to decrease the wait time for assessments. DMH also expressed the view that it has the capacity to utilize Medicaid funding for treatment services. We modified the report to reflect that DMH is in the process of securing long-term funding for treatment services.

In its comments, COG said that recruiting the families to provide respite has not been a challenge. COG also said that the challenge has been keeping volunteers' level of enthusiasm through the arduous and lengthy licensing process. We modified the report to clarify that our conclusion included all aspects of the process associated with licensing respite providers.

We will send copies of this report to the Director of CFSA, the Director of DMH, the Executive Director of COG, and the Chief Financial Officer of the District of Columbia. We are also sending copies to the Honorable Senator Michael DeWine, who was the Chairman of the Subcommittee on the District of Columbia Senate Committee on Appropriations when the act was passed that provided the federal funds; to appropriate congressional committees; and other interested parties. We will also make copies of this report available to others on request. In addition, the report will be available at no charge on GAO's Web site at http://www.gao.gov.

If you or your staff have any questions about this report, please contact Jeanette Franzel, Director, Financial Management and Assurance, at (202) 512- 9471 or FranzelJ@gao.gov, or Cornelia M. Ashby, Director, Education, Workforce, and Income Security Issues, at (202) 512-8403 or AshbyC@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report.

GAO staff that made major contributions to this report are listed in appendix V.

Jeanette Franzel
Director
Financial Management and Assurance

Cornelia M. Ashby
Director
Education, Workforce, and
Income Security Issues

Scope and Methodology

To assess whether the federal funds were being obligated and expended by the Child and Family Service Agency (CFSA), Department of Mental Health (DMH) and the Metropolitan Washington Council of Governments (COG) consistent with the provisions in the District of Columbia Appropriations Act, 2004, and the spending plans that were submitted to the Congress, we interviewed District and COG officials responsible for overseeing, monitoring, and tracking the federal funds received for foster care improvements. We reviewed and analyzed the District and COG spending plans and budgets, and internal reports of obligations and expenditures.

To determine whether internal controls are operating effectively, we interviewed financial and program personnel from CFSA, DMH, COG, and from the District government's central Office of the Chief Financial Officer. We reviewed operating procedures and flowcharts to understand the procedures and controls over the use of the funds. To further understand the District's processes for obligating and disbursing funds, we conducted walk-throughs of the procedures with CFSA and DMH financial officials.

We assessed the reliability of the District's foster care obligations data by (1) reviewing existing documentation related to the data sources, (2) testing the data to identify obvious problems with completeness or accuracy, and (3) interviewing knowledgeable agency officials about the data. We determined that the data were sufficiently reliable for the purposes of this report.

We selected a dollar-unit sample at a 95 percent confidence level of CFSA and DMH obligation transactions covering the period March 17, 2004, through September 30, 2004, totaling about $11.9 million from obligations of about $12.2 million to test specific control activities, such as segregation of duties, evidence of approving official review and approval, and adequacy of supporting documentation.[1]

We also reviewed contract files to validate that the responsible designated officials within the agency provided the appropriate budget authorizations to purchase and receive goods and services consistent with the appropriations act and whether the goods or services rendered were properly obtained and the quantity and quality of services were verified.

[1]We are 95 percent confident that the upper error limit overstatement of obligation transactions with ineffective controls is not more than $1.2 million. This estimate does not exceed the tolerable amount in error of $2.0 million.

We did not conduct detailed tests of transactions for COG. An independent public accounting firm audits the financial statements of COG annually and the federal funds provided to COG were included in its fiscal year 2004 audit. COG received an unqualified, "clean," opinion for fiscal years ended June 30, 2004, and June 30, 2003. COG's fiscal year 2004 foster care improvements funds were recorded in the supplementary information to its fiscal year 2004 financial statements, specifically its Project Statement of Revenues, Expenditures, and Changes in Net Assets—and audited as part of the financial audit. Furthermore, the independent auditor did not identify any internal control weaknesses over financial reporting and operations or any instances of noncompliance for purposes of the reports on internal controls and compliance that are required by *Government Auditing Standards*.[2] We did conduct walk-throughs of COG's accounting, payroll, procurement, and payment processes. In addition, we obtained and analyzed the COG spending plans, and budget and financial documents related to their portion of the federal funds.

To assess the extent to which CFSA, DMH, and COG have implemented the foster care improvement programs and initiatives specified in the appropriations act and spending plans, we gathered and analyzed data from various sources. We interviewed agency officials from CFSA, DMH, COG, and Foster and Adoptive Parents Advocacy Center (FAPAC) that were responsible for each of the programs and initiatives. Several of these officials also responded via e-mail to several questions regarding the program. In addition, officials from CFSA, DMH, and FAPAC prepared written statements for congressional hearings that addressed these programs, and we obtained and analyzed these statements. We reviewed program policies, protocols, and plans as well as the legislation and the spending plans. Generally, the legislation or the plans identified CFSA's goals and desired outcomes for the programs. Data on the number of participants in the student loan repayment program was as of September 2004, which was the deadline for the program. We obtained program information on the status of the other programs as of April 2005 or June 2005. This information included budget documents, expenditure reports, and data on services provided to children and families. We compared this information to the programs' plans and goals in order to assess the extent to which the programs and initiatives were implemented, achieved established goals, or led to other outcomes.

[2]GAO-03-673G.

We took several steps to assess the reliability and reasonableness of program data and found the program data to be reasonable and sufficiently reliable for the purposes of providing information on the status of the programs and initiatives supported by the federal foster care improvement funds provided in fiscal year 2004. To assess the data on the services provided by the early intervention program and emergency support fund, we interviewed officials responsible for compiling the data and compared it to relevant financial transaction records. We did not contact individual families to determine whether they received the services or products, but we asked officials from FAPAC about the foster and adoptive parents' views about the programs in general and the services provided. To evaluate the student loan repayment data, we interviewed program officials and compared the data to the numbers previously reported by CFSA and determined that the various subcategories—such as the number of participants by loan repayment amounts and by years of service—equaled the total. We also compared the totals to the financial obligations but could not compare the data to individual payments because CFSA had not made any payments to caseworkers as of the date of our review. To corroborate the data on mental health services provided to foster care children reported by DMH, we interviewed the officials from the department who were responsible for compiling the data. In addition, we checked the reported data against information provided in DMH testimony before the Senate Committee on Appropriations, reports submitted to the U.S. District Court for the District of Columbia by the monitor of the District's mental health system, DMH grant agreements, and data provided by CFSA. Finally, we interviewed Family Court officials to corroborate assessment time frames reported by DMH. Data on the respite program were generally provided by COG and corroborated by officials from FAPAC. Upon completion of these steps, we determined that the above-mentioned data were sufficiently reliable for the purposes of this report.

We conducted our work from October 2004 to June 2005 in accordance with U.S. generally accepted government auditing standards.

Comments from the District's Child and Family Services Agency

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Child and Family Services Agency

Office of the Director

June 20, 2005

Jeanette Franzel
Director
Financial Management Assurance
Government Accountability Office
Washington, D.C. 20548

Dear Ms. Franzel:

Thank you for the opportunity to provide comments on the draft report titled *District of Columbia: Foster Care Improvements Funds Used to Implement New Programs but Challenges Remain* (GAO-05-787). We are pleased that the GAO has found that the District appropriately used the federal funds that were provided for foster care improvements and that internal controls at Child and Family Services Agency (CFSA) were effective in managing the federal dollars. We agree in general with the findings of the report, but do have a number of comments.

First, it is important for the report to emphasize at the outset that, due to delays in passage of the District of Columbia's budget, the federal dollars were not made available to the District until mid March, more than six months into the fiscal year, and that the dollars provided to the District could not carry over into FY 05. This created significant challenges to the District, and is largely the reason CFSA was not able to obligate all its funds.

This is particularly true in the area of student loan repayment program, where the District did not obligate about $400,000 (or approximately 67%) of the total amount unobligated by CFSA. Thus, we believe that rather than attributing return of some of the loan repayment program funds solely to the reluctance of workers to commit to a specific tenure with CFSA (Draft Report at pps. 5, and 21-23), the report should be modified to reflect what is the more significant reason: We could neither advertise the program nor enroll participants in it until after the funds were made available. This meant we could not advertise the program to candidates during the height of our spring recruitment season in colleges and universities. Additionally, workers who were already on board at the Agency were forced to make relatively quick decisions about their willingness to commit for a four-year term, and others who may have wanted to participate were unable to get the necessary proof of outstanding loans in the time available. While we would have liked to utilize all of the funds, we believe enrolling 70% (140 of 190) of eligible social workers in under six months, when Congress anticipated we would have almost 12 months to do so, is a tremendous accomplishment. Further, had we been able to carry over the funds to FY05, we would have been able to use the program as

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part of our current recruitment efforts. For these reasons, we request that the draft report at pages 5 and 21-23 be revised to reflect these comments.

Second, we believe some corrections need to be made in the sections of the report surrounding the technology dollars (pages 5, 14-15 and 23-25). Pages 5 and 25 of the report incorrectly report that the upgrade project continues until September, 2008, when the Plan calls for the technology upgrades to be completed by September, 2006. Similarly, our contract has a detailed timeline for the deliverables, and the business continuity enhancements have been completed with the exception of the installation of new switches at one of three locations. The database software upgrade to Oracle Version 9i is complete, new KMV switches and racks have been installed, new network testing software is in use, and most of joint work with the District's Technology Office has been completed to install new switches and routers. The only exception is a delay in installing new switches in one of three locations because of complications with procuring the necessary cooling equipment. Planning is proceeding for the installation of the emergency power at the data center, but is should be emphasized that actual installation was never planned to be funded with the FY 04 federal appropriations.

On page 14 of the draft report, also dealing with the technology dollars, GAO states that the vendor billed the District for 248 computers, but that we only received 247 computers. As explained by email dated June 6, 2005, CFSA ordered 247 laptops with the federal dollars, received 247 laptops and paid for 247 laptops. We also purchased one laptop with local dollars, for a total of 248 laptops. See attachments 1-6, faxed to Norma Samuels. These records from our PASS contract system clearly show 247 computers were ordered, received and paid for with federal dollars, and that 1 additional computer was ordered, purchased and paid for with local dollars. Therefore, we believe, pages 14, 24 should be corrected to reflect the foregoing.

Turning now to the emergency support program, draft report at pages 5 and 19-21, the report states that one of the goals of the emergency support fund was to help CFSA reduce the number of unlicensed homes, but that little progress has been made on that issue.[1] We believe that it is more accurate to state that the primary goal of the emergency support fund was to facilitate placement of children with kin, as reflected in both the language of the appropriations as well as in the Mayor's Plan. Certainly, some of the funds were used to facilitate licensing of kin, but because many of the still unlicensed homes are non-kin homes, the federal funds were not available to facilitate licensing of those homes. Importantly, for at least the last several years CFSA has not placed children in unlicensed homes, absent a specific court order, and we have made significant progress in licensing homes. Our management reports show that in June 2003, only 56% of our foster homes were licensed, whereas now 78% of our foster homes are licensed. The report is correct in acknowledging the difficulties we are having in getting Maryland homes licensed as we do not have licensing authority there: In the District, 90% of foster homes are licensed, whereas only 73% are licensed in Maryland.

The draft report also at page 15 raises a concern about the clothing voucher cards purchased with federal dollars. As a part of the FY 2004 Federal Funds for Foster Care Improvements, the Agency obligated approximately $99,000 to nine (9) different vendors to purchase clothing cards in an effort to assist the Agency in responding quickly to emergency needs. Included in the obligations was a purchase order to Sears for $24,675 for several different denominations of clothing cards, one of

[1] It should be noted that the majority of currently unlicensed homes are homes that had been licensed but which license was not timely renewed. In contrast, in 2003, the majority of the unlicensed homes had never been licensed.

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which was $9,375 for 75 gift cards at $125.00. The report states that GAO was unable to determine if the cards were received and paid for. Attached for your review are the following items, which establish the cards were bought and paid for:

1. PASS print out reflecting that the purchase order was approved in PASS, the dollar amount, the vendor, and the different denomination of gift cards purchased, attachment 7;

2. PASS print out reflecting that the gift cards were received in PASS, which authorizes the finance office to pay, attachment 8;

3. Invoice from Sears, attachment 9;

4. SOAR print out reflecting the check number and check date paying SEARS for the gift cards, attachment 10.

Further, we have to following systemic procedures in place to track, monitor and manage the distribution process of the gift cards. (See page 15 of the draft report). The request for a gift card is initiated by the social worker who completes the spending application after the need is identified, and in some cases is reflected in a court order. For those applications for amounts up to $1000, the social worker's supervisor reviews and approves the application. For amounts between $1001-$5000, the application must be reviewed by, and approved by, the Program Manager, and for amounts, between $5001 to $10,000, approval is required by the Program Administrator. For all applications over $10,000 approval of the Deputy Director for Program Operations is required.

Once the appropriate level of review and approval is obtained, the spending application is reviewed against the federal criteria by one of two trained program staff. Following the review, if approved, the application is forwarded to the Finance Office staff, who again review it against the federal criteria. They check for accuracy and compliance with flex funds and if approved, they issue gift card. We plan to reassign responsibility for issuing the gift cards to specifically designated Program staff this month, so Program staff have ready access. Gift cards are recorded according to the case name and number associated with each request, the vendor, number on each gift card, the full amount as well as the worker who received them. The requesting social worker is required to provide a signature, authorizing the receipt of the gift cards. The gift cards at this time are temporarily maintained within the Finance Office in a safe designated for gift cards whose sole purpose is for use with the Flex Funds Spending. As of last week the Agency was provided with a key to secure gift cards separately and to allow the approver of the applications within the Office of the Deputy Director of Program Operations (ODDPO) to distribute. The same procedures conducted within the Finance Office will take place within ODDPO for distribution of gift cards. There is only one designated person with a key who has access to the safe and will track all use of agency gift cards.

Finally, we have the following specific suggested language changes to the draft:

- On page 2, at the top, we believe the reference to the Agency's history of mismanagement should be revised to reflect more clearly that the mismanagement is historical and not current, thus we suggest the phrase be revised to state "Because CFSA had a history of mismanagement and failed

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to protect some of the children under its care which led to the appointment by the federal court of a receiver ....";

- On page 5, the third bullet, second last line, the number 18% should be changed to 17%. Further it should be noted that some of this attrition was desirable as some low performing workers were terminated or encouraged to resign;
- On page 7, the first full paragraph is a bit confusing, and the last sentence is an overstatement. We think this paragraph needs to clarify the time frame in which that earlier assessment was made. Further, the last sentence is no longer accurate, and therefore could be misleading, so we request that this sentence be stricken. This is particularly true since caseloads now have been significantly reduced, for an average caseload in Investigation of 1:13.2; in adoptions, 1:9.6; and in In-Home/Reunification, 1:15, though we recognize that we are not yet at court mandated levels for every worker. Further, our Training Program is now consistently viewed by workers as an agency strength. (The content is essentially repeated on page 23 and we believe changes are needed there as well.)

We thank you for the opportunity to submit these comments and additional documentation, which we expect will meet the GAO's needs. Please contact my Chief of Staff, Janet Maher, at 442-6160, if you need additional information.

Sincerely,

Janet Maher for

Brenda Donald Walker
Director, CFSA

Cc: Neil Albert, Deputy Mayor for Children, Youth and Elders
Janet Maher

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Comments from the District's Department of Mental Health

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF MENTAL HEALTH

Office of the Director
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(202) 673-3433 (fax)

June 20, 2005

Ms. Jeanette Franzel
Director
Finance Management Assurance
United States Government Accountability Office
441 G Street, NW, Room 501 7B
Washington, DC 20548

RE: Comments Concerning GAO Draft Report: DISTRICT OF COLUMBIA: Foster Care Improvement Funds Used to Implement New Programs but Challenges Remain (GAO-05-787)

Dear Ms. Franzel:

Thank you for the opportunity to provide written comments on the above-referenced draft report of June 13, 2005 concerning the federal payment for foster care improvements in the District of Columbia.

On behalf of the Department of Mental Health (DMH), I want to address two items in the report: delays in assessments at DMH's Youth Forensic Service Division/Outpatient Clinic (referred to hereinafter as the "Assessment Center") and service delivery capacity.

The GAO's report accurately reflects "the sharp increase in referrals at the Assessment Center," but it is important to record that the Assessment Center experienced a 72% increase in assessments, increasing from the monthly average of 26 assessments during 2004 to an average of 74 assessments per month during the period covered in your report (October through April 2005). With this increase, the average turnaround time (time from appointment request to report to Court) rose from 22 days in October 2004 to a high of 58 days in February 2005, with an average of 33.5 days.

Ms. Jeanette Franzel
June 20, 2005
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A small number of cases tipped this average unfavorably. For example, delays in the case you referenced (192 days) were caused by the fact that the client missed two scheduled appointments, which meant that the case went through three scheduling cycles. The Assessment Center staff reschedule appointments at the request of the client, social worker or judge. The request could come immediately after the missed appointment, weeks after or at the next court hearing, all of which affect the wait time. During the report period, there were a total of 10 cases where there was at least one missed appointment and most of those with more than one appointment missed.

DMH has undertaken several initiatives to bring the wait time down to the reasonable and mandated 23-day turnaround. DMH is recruiting a fulltime staff psychiatrist who will have dedicated hours at the Assessment Center and help to assure both continuity and availability of adequate psychiatric coverage. In addition, DMH has retained an expert forensic psychiatrist who has, this week, conducted an on-site review of related processes and will shortly be making recommendations concerning potential opportunities for increased efficiency.

We would like to clarify several points concerning the GAO's references on page 27 of the report about the challenges that DMH faces in building capacity to deliver services. DMH already has the capacity to utilize Medicaid funding for the new services once the providers become certified as Medicaid providers. All three new providers have made application to become certified and we are fairly confident they will be certified by October 1, 2005. However while the Congressional appropriation could not have been used as "local match" for these services, it was used very successfully for "start-up" funding for the three new services. DMH is pleased that Mayor Williams included "local funds" in his budget for FY 2006 so that DMH can successfully bill Medicaid for these services in FY 2006. DMH is also in the process of revising its service regulations to take advantage of new knowledge about how best to organize service arrangements for these clinical services.

Further, as you have stated, DMH will need additional local funding for match if it is to expand the services started with this federal appropriation. These local funds are needed to meet the projected long-term needs of youth in foster care who could benefit from the Multi Systemic and Intensive In Home Therapies and the mobile crisis and stabilization services.

We would like to thank the GAO staff for their thoroughness and professionalism in their review of this new program over the past year. DMH is strongly committed to the programs started with the funds provided by Congress. While it is early, perhaps too early to determine the long-term success of the program, the GAO has helped us

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Page 3

assess our progress and challenges in a very focused manner that in turn will help us reach our two long-term goals. Our long term goals are for DMH to expand critical services and provide highly valued assessments to help the Family Court Judges render better decisions about the lives of children and families.

Thank you for the opportunity to provide additional background on our utilization of these funds. Please feel free to direct any questions you have regarding these comments to Marcia Jones, my Chief of Staff at (202) 673-3538 or Marcia.Jones@dc.gov.

Sincerely yours,

Martha B. Knisley
Director

cc: Neil Albert, Deputy Mayor, Children, Youth, Families and Elders
Brenda Donald Walker, Director, DC Child and Family Services Agency
Shauna Spencer, Acting Director, DMH Children's Services
Kris Laurenti, Program Manager, DMH Assessment Center
Marcia Jones, DMH Chief of Staff

Comments from the Metropolitan Washington Council of Governments

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Manassas
Manassas Park
Prince William County

June 20, 2005

Jeanette Franzel, Director
United Stated Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Franzel:

Thank you for the opportunity to respond to the report on the District of Columbia's Federal Funds for Foster Care Improvements. It has been a very challenging and exciting year for the Metropolitan Washington Council of Governments as we developed and implemented the respite and recruitment program serving the District's foster children.

We would like to address the report's statement, "It may be a challenge for COG to recruit enough respite providers and convince foster parents to participate". Recruiting the families to provide respite has not been a challenge. We have been pleasantly surprised about the response to our recruitment efforts. To date, we have received more than 2,000 telephone inquiries regarding the respite program. We have had six weekend-long training sessions in which 83 families were trained to be volunteer respite providers.

The challenge has been keeping volunteers' level of enthusiasm through the arduous and lengthy licensing process. It has taken anywhere from three to six months to get background criminal clearances for the interested respite providers. They also must have home inspections, a physical examination, and other requirements that can be overwhelming and time-consuming to individuals who just want to help a foster child on a weekend. Still, we have seven families fully licensed and 40 families just waiting for clearances, with other inspections and paperwork completed.

In addition, word about COG's respite program is spreading at a swift pace among foster families and we have had an increase in respite requests. So far, more than 250 respite placements have been provided. This number includes overnight, enrichment and day respite programs.

It has been a privilege to serve the District's most vulnerable citizens. We would like to thank the US Congress for this opportunity to implement this essential, effective, innovative service. We look forward to continuing this effort.

Sincerely,

David Robertson
Executive Director

777 North Capitol Street, N.E. Suite 300 Washington, D.C. 20002-4290
Telephone (202) 962-3200 Fax (202) 962-3201 TDD (202) 962-3213 Internet http://www.mwcog.org

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GAO Contacts and Staff Acknowledgments

GAO Contacts

Jeanette Franzel at (202) 512- 9471 or FranzelJ@gao.gov

Cornelia M. Ashby at (202) 512-8403 or AshbyC@gao.gov

Staff Acknowledgments

The following individuals also made important contributions to this report: Norma Samuel, Carolyn Taylor, Carolyn Yocom, Susan Barnidge, Sharon Byrd, Jacquelyn Hamilton, Maxine Hattery, Deborah Peay, Vernette Shaw, and Sandra Silzer.

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