



INDIANA ASSOCIATION OF RESOURCES
AND CHILD ADVOCACY

Fact Sheet in Support of IARCA Position Paper on the Family & Children Fund, 10-31-2016

Funds available per Child in Need of Services (CHINS): Indiana continues to dedicate fewer state funds per child to the care and treatment of children as illustrated below:

Avg. #CHINS/yr ¹	Percent Change	Family & Children Fund ²	Percent Change
SFY 17 Avg. 22,237	10%	\$303 million	-0-
SFY 16 Avg. 20,152	19%	\$303 million	1.3%
SFY 15 Avg. 16,934	21%	\$299 million	-0-
SFY 14 Avg. 13,999	7%	\$299 million	-11%
SFY 13 Avg. 13,074		\$336 million	

Staff Turnover:

- DCS family case manager (FCM) turnover = 24.11%³
- Provider direct care/case manager turnover = 36.0%⁴
- National direct service worker turnover = 25.2%⁵

Salary Comparison:

- DCS FCM Starting Salary = \$35,776; median FCM salary = \$46,631⁶
- Provider Case Manager Average Salary = \$33,451⁷
- Provider Direct Care Worker Average Salary = \$25,293⁸

Risk Factors of Children Served:

Of the 5,848 children that IARCA member agencies assessed at intake under the Outcome Measures Project for 2015, the following risk factors applied:

- Children had an average of 4.3 risk factors each.
- 51.4% were from a single parent family.
- 50.5% had a parent with confirmed substance abuse.
- 39.6% had a parent with a history of incarceration.
- 32.3% witnessed domestic violence.

These risk factors are additional to child neglect (47.2%), child physical abuse (20.1%), and child sexual abuse (14.6%) that children suffered.⁹

¹ Indiana Department of Child Services (DCS) Practice Indicator Reports, www.in.gov/dcs

² HEA 1001 for 2011, 2013, and 2015, Indiana General Assembly; appropriations for Family & Children Fund, State Adoption Services, and Child Welfare State Grants

³ Indiana DCS Report to the Child Services Oversight Committee, October 8, 2015

⁴ Indiana Association of Resources & Child Advocacy, Survey of Member Agencies, compilation of 48 responses, June 2015

⁵ Alliance for Strong Families and Communities, 2014 Turnover Rates in the Human Services

⁶ Indiana State Department of Personnel, www.in.gov/spd

⁷ Indiana DCS, Rate Setting Unit, Salary & Wage Guide CY 2010-CY 2014, published 3-30-2016

⁸ Indiana DCS, Rate Setting Unit, Salary & Wage Guide CY 2010-CY 2014, published 3-30-2016

Changes in Array of Services/Programs:

IARCA and DCS noted a decline in the number of residential and foster care programs filing cost reports for DCS contract and rate-setting purposes as follows:

- **285 residential program types were available in 2012;** 187 were available in 2015.¹⁰ This represents a drop of 98 programs. The number of programs has rebounded somewhat **in 2016, with 206 residential programs having DCS contract rates,** a difference of 79 programs from 2012.¹¹
- **43 foster care agencies provided services to DCS in 2012; 30 provided services in 2016.**¹² This represents a drop of thirteen agencies.

In July 2009, **74% of children** were able to be placed with a family or in a facility in their home county. In July 2016, only **68% of children** were able to be placed within their home county, a decline of 6%. As of July 2016, **5,030 children are placed away from their home counties.**¹³ The problem is more acute in rural areas of the state, where the percentage of children placed away from their home counties is closer to half the children, with ranges from 50.6% to 55.8% (DCS regions 5, 6, 9, 11, and 17). Placements further away mean that family members are less able to visit their children, and it is more difficult for them to engage in their child's treatment.

Additional Funds Needed to Address FLSA Requirements and Staffing Shortages

- IARCA surveyed its member agencies about costs related to implementation of the Fair Labor Standards Act (FLSA) rules regarding overtime, exempt, and nonexempt employees. IARCA received 38 responses representing 42 agencies, a response rate of 49%. For the purposes of reporting total estimated costs, IARCA doubled the numbers to get close to a 100% estimate of costs. Based on that methodology and the survey results, agencies expect to pay \$7.7 to \$17.7 million annually in additional wages and salaries after December 1, 2016, plus an additional \$1.5 million in costs not associated with staff compensation. Agencies reported that they are most likely to spend \$9.8 million in order to comply.¹⁴
- Agencies are experiencing staff turnover and difficulty hiring new employees to work with children who have suffered multiple adverse experiences in their lives. The estimated cost of bringing the over 1,720 private agency case managers to the minimum starting salary of DCS family case managers is approximately \$4 million/year. The estimated cost of bringing 2,000 child care workers to an average salary of \$31,200 (\$15/hour) is \$11.8 million/year.

(Note: While it appears from the appropriations graph that funding for DCS administration was reduced in SFY 2016 and 2017, the reality is that funds were allocated differently to a new account named the DHHS Child Welfare Program. That program involves a federal waiver under Title IV-E which permits DCS to use administrative, training, and services dollars more flexibly. The result is not an actual reduction in any of the previously associated administrative appropriations.)

About IARCA: IARCA's 88 member agencies are serving about 4400 children every day in foster homes, group homes, and residential treatment facilities. An additional 8100 children are being served in their families' homes. Of the 4,852 children discharged from services in 2015, over 77% had a positive educational outcome and 63% achieved their required permanency plan. At 6 months follow-up, 98% of children had not suffered new abuse or neglect; and 85% had not been involved with the courts for new offenses.

⁹ Koch, S.M. and Wall, J.R. The IARCA Outcome Measures Project Executive Summary Report for 2015, Indiana Association of Resources & Child Advocacy (IARCA), Indianapolis, September 15, 2016

¹⁰ Indiana DCS Rate Setting Cost Limit Analysis, Trend Analysis

¹¹ DCS Provider Rate Listing, 12/16/2015

¹² DCS Provider Rate Listing, 12/16/2015

¹³ Indiana Department of Child Services Practice Indicator Reports, www.IN.gov/dcs

¹⁴ IARCA Fair Labor Standards Act (FLSA) Costs Survey, Indianapolis, IN, August 30, 2016