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An Audit Report on Child Care Licensing and Statewide Intake at the Department of Protective and Regulatory Services

August 1998

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Key Points Of Report

An Audit Report on Child Care Licensing and Statewide Intake at the Department of Protective and Regulatory Services

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Child Care Licensing

The management control systems which support the Child Care Licensing program are weak and do not enable management to easily determine its efficiency and effectiveness. An updated automated system would support unmet information needs and provide the framework for a comprehensive performance monitoring and evaluation system. Licensing program management is aware of its automation needs and is taking action to address the concern.

- The Child Care Licensing program enforces 12 sets of minimum licensing standards for close to 21,000 child day care facilities and over 3,000 residential child care facilities and child placing agency homes.
- The Child Care Licensing program's outdated automated system provides limited reports and statistics for management decision-making and performance evaluation.
- Regulation of agency foster homes by child placing agencies should be strengthened to ensure a safe environment for foster children.

Statewide Intake

The management controls for Statewide Intake are adequate to ensure the effective and efficient intake of reports of abuse and neglect of children and the elderly. Additional refinements in a few areas would improve the role of intake, as the function is centralized throughout the State.

- As of May 1998, Statewide Intake answered calls 24 hours a day for all Department of Protective and Regulatory Services (Department) programs in four regions and all the State's Mental Health and Mental Retardation facilities. The centralized intake system covered most of the Department programs' after-hours calls in the remaining seven regions, with total statewide coverage planned by the end of fiscal year 1999.
- Clarifying the intake processes covered by Statewide Intake and those completed by regional staff would promote consistent operations and expectations.
- The key performance target, which is continually monitored, is to answer 80 percent of the calls within 60 seconds. Efforts are being made to consistently meet this target.

Contact

Pat Keith, Audit Manager, 479-4700



Office of the State Auditor

Lawrence F. Alwin, CPA

This audit was conducted in accordance with Government Code, Section 321.0132 and 321.0133.

Executive Summary

The State Auditor's Office simultaneously conducted management control reviews of two areas at the Department of Protective and Regulatory Services (Department): the Child Care Licensing program (Licensing) and Statewide Intake (SWI). We found that the management control systems that support Licensing are weak and do not enable management to easily determine its efficiency and effectiveness; however, the management controls at SWI are adequate to ensure the efficient and effective intake of reports of alleged abuse and neglect. Department management has identified some of the control weaknesses and begun corrective actions.

Both Licensing and SWI support the Department's mission of providing protective services to the State's most vulnerable citizens. Licensing staff members are charged with enforcing 12 sets of minimum licensing standards in about 21,000 day care facilities and over 3,000 residential care facilities and agency homes throughout the State. SWI is the centralized call system that receives and processes calls about suspected abuse and neglect of children and the elderly. About 1 percent of SWI calls pertain to suspected abuse or neglect in licensed day care or residential care facilities.

The two entities reviewed are dissimilar in several respects, which may account for the differences noted in their respective management control systems:

- The organizational structures and functions of the two entities differ.
- SWI is supported by sophisticated call center equipment and

technology that enables its management to easily collect performance data and track operations.

- The Licensing program lacks the support of an updated automated system to provide timely information about its regulatory function.

Organizational Differences

The Licensing program has over 400 staff members, located in 11 regions throughout the State and the Department headquarters in Austin. Like the other major programs at the Department, the Licensing program has both policy and field operations components. The policy arm is managed centrally in Austin and reports to the Deputy of Programs. However, the majority of Licensing program personnel work in Regional Operations, which has a decentralized management system and ultimately reports to the Deputy of Regional Operations. Residential Child Care Licensing staff members, about 40 employees, are still managed centrally.

Statewide Intake has only one location, in Austin, which employs around 190 people. SWI is managed by the SWI Program Administrator, with support from a core management group. Organizationally SWI is part of field operations in Region 7 (Austin).

Technological Differences

The current automated system used by the Licensing program, Automated Child Care Licensing Automation Information Management

Executive Summary

(ACCLAIM), diminishes management's ability to appropriately measure effectiveness of program operations and contributes to operational inefficiencies. Critical management data is often unavailable from the outdated system, which cannot be relied upon to provide timely, comprehensive reports.

The Licensing program lacks an effective performance evaluation process. The current evaluation processes are limited in scope and hampered by the restrictions of ACCLAIM to support the program's informational requirements.

By contrast, SWI has a sophisticated call center with current technology that provides detailed performance information used to route calls and monitor and evaluate both individual and system performance. The Rockwell Spectrum Automatic Call Distributor, the Telecenter Systems scheduling and forecasting system, and the Child and Adult Protective System database all facilitate the process of receiving calls of suspected abuse and neglect.

Areas for Improvement

Additional operational changes that would benefit the Licensing program include:

- Strengthening the regulation of agency foster homes administered by child placing agencies
- Consolidating some sets of minimum licensing standards

The role of SWI could be improved by:

- Clarifying the intake processes covered by SWI and those completed by regional intake staff
- Continuing efforts to reduce long wait times experienced by some callers

Summary of Management's Responses

We agree with many of the recommendations and in most cases had already formulated corrective action plans. This audit confirms identified weaknesses and in some cases has resulted in modifications to our corrective action plans that will strengthen our response.

Improvements to Child Care Licensing remain a concern. While we can continue to make incremental improvements, the best solution is development of a new Child Care Licensing application. That solution will provide better information to regulate the child care industry and will also allow us to put better information in the hands of parents. By allowing parents to make informed choices, we provide additional security for the welfare of children.

We thank the State Auditor's staff for their professionalism and their willingness to listen. Their review has provided added value in both Statewide Intake and Child Care Licensing.

Summary of Objective and Scope

The primary objective of these projects was to evaluate and report on the condition of key management controls of the Licensing program and Statewide Intake at the Department.

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The scope of these audits included consideration of Child Care Licensing's and Statewide Intake's overall management control systems: policy management, information management, performance

management, and resource management. Certain Department management controls, which provided administrative support to the Licensing program and SWI, were also reviewed.

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Child Care Licensing Program

A History of Child Care Licensing

On September 1, 1992, child and adult protective programs, including foster care and adoption, and licensure of child care facilities, transferred from the Department of Human Services to the newly created Department of Protective and Regulatory Services (Department). In its less than six years of existence, the Department has undergone a series of changes, both in leadership and organizational structure. There have been seven executive directors since the Department's inception, five acting or interim directors and two appointees. The current executive director was appointed in January 1996. Organizational restructuring accompanied some of the changes in leadership. Centralized management of the major programs was replaced by a decentralized system in fiscal year 1996.

The Department was created without a core infrastructure and therefore has relied on the Department of Human Services to provide support services through a contractual arrangement. Although the Department has developed some of its own support functions in the past few years, its ability to respond is limited because of the lack of direct control over these functions.

The Licensing program has also experienced change. The current Division Director, appointed in November 1997, is the fourth director to serve in that position since fiscal year 1995. The Division Director is responsible for the policy aspects of the program and coordinates with Regional Operations. For many years, the Licensing program was managed centrally, with the State divided into four geographic areas for licensing operations. When the Department reorganized in fiscal year 1996, management of the Licensing program was decentralized into the same 11 regions used by the other main Department programs, Child Protective Services and Adult Protective Services. Currently, in 8 of the 11 regions, the Licensing program administrator has dual responsibility for both Adult Protective Services and day care licensing operations; however, the Residential Child Care Licensing operation is still managed centrally.

Regulated Child Day Care Facilities

- Day Care Centers
- Kindergarten and Nursery Schools
- Group Day Care Homes
- Drop-in Child Care
- Grades Kindergarten and Above
- Registered Family Homes

Regulated Residential Child Care Facilities

- Consolidated Child Care for Basic Child Care, Mental Retardation, Residential Treatment Centers, Halfway Houses and Therapeutic Camps
- Foster Family Homes
- Foster Group Homes
- Child-Placing Agencies
- Maternity Homes
- Emergency Shelters

Overall Conclusion

The management control systems that support the Child Care Licensing program (Licensing) are weak and do not enable management to easily determine its efficiency and effectiveness. Within the past year, management of the Licensing program's centralized policy function (referred to as the Licensing Division) has redefined its operating philosophy to promote a more active enforcement role. Licensing Division management did this after educating the regulated facilities on the applicable minimum licensing standards. However, the management control systems have not been strengthened to assist regulators in implementing the philosophy change or to provide evidence to management that the philosophy is being successfully implemented. Department management has identified some of the control weaknesses and begun corrective actions.

For financial and organizational information about Child Care Licensing, please see Appendix 3.

Section 1: INFORMATION MANAGEMENT

An Updated Automated System Is Needed to Support Unmet Information Needs

One of the greatest challenges currently facing the Licensing program is the lack of an updated, comprehensive, automated system. The current system diminishes management's ability to appropriately measure effectiveness of program operations and contributes to operational inefficiencies. Prior to the audit, the Department had identified numerous weaknesses within its automation and information management processes and had developed an appropriate course of action.

Section 1-A:

Management Has Identified the Need for an Improved Information System

An improved automated system would enhance management's ability to measure the efficiency and effectiveness of the regulatory process. The current automated system, Automated Child Care Licensing Automation Information Management (ACCLAIM) is out-of-date and not easily modified. In addition, ACCLAIM provides very limited reports and statistics for management decision-making and program evaluation; its control weaknesses limit assurance over the accuracy and reliability of data. ACCLAIM also lacks the ability to automate numerous administrative tasks, resulting in operational inefficiencies.

ACCLAIM is a nine-year old system maintained by the Department of Human Services (DHS); it is expensive and difficult to modify. The main reporting facility

within ACCLAIM is also outdated, and DHS has an increasingly difficult time finding skilled workers to perform maintenance activities on the system.

The Department has recognized the limitations of ACCLAIM and has appropriately developed a plan to identify the functional needs, technical requirements, and financial costs of developing and implementing a new automated system for child care licensing. Even if this proposed new system is approved and funded by the Legislature, it may not be operational for at least two to three years. Therefore, the Licensing program must identify and use all information and evaluative reports available from ACCLAIM and take actions to improve controls over ACCLAIM data and files.

Reporting limitations within ACCLAIM impair performance tracking and program evaluation. Critical data that management needs to measure the effectiveness of the Licensing program is often not available from ACCLAIM. System limitations affect the program managers' ability to assess the effectiveness of their enforcement of certain minimum standards or identify and track statewide patterns and trends. Department and program management identified and documented their informational needs and ACCLAIM limitations in a recent Solicitation For Offer (SFO – 98-009). According to the SFO:

The current level of automation and level of information captured severely limits supervisors' ability to monitor staff, respond to executive management inquiries, respond to legislative requests, respond to the public, and improve the efficiency and effectiveness of their programs.

Although ACCLAIM houses a large array of data, it cannot automatically generate reports relating different data fields within the system. Licensing Division management has identified certain reporting and informational requirements of a new licensing automated system. These include the ability to:

- Determine the relationship between a facility's noncompliance with a specific minimum standard and a serious incident which occurs in the facility. This relationship must be manually determined now. ACCLAIM maintains both sets of data, but cannot produce an automated report that links the two.
- Create an automated, detailed list of "revoked" facilities and providers so that they can be tracked if they move from one region to another.
- Conduct a statewide analysis of child abuse and neglect investigations by facility type, region, and investigation finding. Although this data is currently maintained between the Child and Adult Protective System and ACCLAIM, there is no automated link between the two systems for this purpose. To obtain a comprehensive set of data, this information must be manually compiled.

The new automated system should also be capable of generating reports that link minimum standards violations and related response or corrective action taken. These reports would provide information to management about consistency of enforcement as well as effective enforcement actions. Without this information, management cannot ensure consistent actions by regulatory staff.

ACCLAIM has limited performance-tracking capability. The recent SFO identified several examples of ACCLAIM's weak performance tracking and evaluation ability:

- Facility and provider statistical analyses are performed manually because ACCLAIM provides only minimal historical data and comparative analysis tools necessary for tracking trends and statistics. Again, ACCLAIM cannot generate relationship patterns between data fields.
- Worker productivity information—including the number of facilities visited, travel time, percentage of facilities in different levels of monitoring, and number of days a specific follow-up action is overdue—are not easy to measure within ACCLAIM.
- Legislative information requests are often compiled manually by Licensing Division staff, due to unavailable statistical data.

ACCLAIM does not consistently provide accurate, dependable data. Lack of confidence in the consistent accuracy and reliability of ACCLAIM data restricts its usefulness and fosters inefficiency. For example, the number of licenses issued, complaints, and serious incidents is being manually tabulated by Residential Child Care Licensing (RCCL). While this data can be obtained from ACCLAIM, management lacks confidence in the accuracy of the system's data. We noted that one monthly RCCL workload report, generated by ACCLAIM to provide a "snapshot" of staff's caseload, erroneously showed a clerical worker and two supervisors, all non-direct delivery staff, as having assigned caseloads.

A small sample of data verified during the course of our audit work revealed numerous errors within ACCLAIM. When we traced selected data from 20 day care facility and registered family home files and 10 residential child care licensing files, we noted these errors:

- Three instances in which a minimum standards violation had not been entered into ACCLAIM
- Two instances where an incorrect application date was entered into ACCLAIM
- Three instances where the approved ages for care on the facility license did not match the ACCLAIM system for the "ages of care"

In addition, we noted numerous inconsistencies in the data entry of minimum standards violations when we reviewed various reports from ACCLAIM. Problems with the accuracy and reliability of ACCLAIM data appear to stem at least in part from the lack of data entry verification and system edits to verify data integrity; however, these problems impair management's ability to accurately and efficiently assess program operations.

Currently, Licensing program staff members spend significant amounts of their time performing administrative tasks, which would be facilitated by a better automated environment. These tasks include:

- Completing inspection forms
- Entering data into ACCLAIM
- Compiling statistical reports
- Maintaining worker activity logs
- Reviewing files
- Manually maintaining a work calendar to track monitoring visits

These inefficiencies might be reduced with a new automated system.

Some of the general automation needs identified by the Licensing Division, which would improve efficiency and effectiveness, include:

- Automating numerous administrative tasks
- Providing consumers with access to detailed child care facility/provider information
- Developing an automated interagency child care system that maintains child care facility and provider data from all relevant child care regulating agencies and jurisdictions (Department, Texas Workforce Commission, Department of Human Services, Texas Department of Health, and State Fire Marshal's Office)
- Providing remote worker access to the new automated system
- Designing and developing a data warehouse containing historical and statistical data to track trends and performance by facility and provider
- Designing and developing worker productivity and program performance information

Section 1-B:

Utilization of all Available Management Information Would Enhance the Ability to Analyze the Regulatory Operation

The Licensing program has not been able to utilize all of the data currently available within ACCLAIM for the following reasons:

- An agencywide strategic initiative to improve the reliability and consistency of data has taken precedent over Department program requests for specialized

management reports. Consequently, the Forecasting and Program Statistics Division has been unable to handle requests for certain management reports in a timely fashion.

- The current reporting facility within ACCLAIM does not provide a “user-friendly” format for all reports. Limitations with the report format capabilities were also noted for specialized reports we requested during the audit.

We requested and received from the Forecasting and Program Statistics Division a number of reports not currently produced for the Licensing Division. Periodic compilation and review of such reports should enhance program analysis and decision-making. These include:

- **A report stratifying the number of noncompliances (violations) by each minimum standard, for each facility type** - Although the Licensing Division indicates that this report had previously been requested, apparently the report has not been produced. This report would enable management to determine the minimum standards with the highest number of violations.
- **A report listing facility types with the highest numbers of violations** - However, since some violations are more critical than others in protecting the health and safety of the children, factors other than the sheer number of violations must also be considered, such as the significance of the violation.
- **A report listing facility types with the highest numbers of validated complaints such as abuse and neglect or serious injury.** (See Appendix 3.5.)
- **A report identifying the types of validated complaints** - This report would show validated complaints such as abuse and neglect, serious injury, or critical injury that most frequently occur at each facility type.

Reports listing the facilities with the highest numbers of complaints and number of violations per facility were produced for us on electronic files.

Regular analysis of these types of reports should benefit management of the Licensing program by:

- Identifying policies and procedures or minimum standards needing clarification or improved definition.
- Linking monitoring visits and the level of risk at various types of facilities.
- Identifying the most problematic facilitates to enhance Licensing Division planning and resource allocation. However, to accomplish this, Licensing Division management should determine the feasibility of programming ACCLAIM to identify the minimum standard violations that are most critical to the health and safety of the children.

- Identifying training needs for staff and child care facilities and providers.

The information in these reports would also benefit the general public by helping parents obtain good information and make informed decisions when selecting a day care facility for their children.

Section 1-C:

Improve Access and Data Integrity Controls in ACCLAIM

ACCLAIM contains control weaknesses that can reduce the accuracy and reliability of system data. These weaknesses are:

- **Limited and inconsistent verification of data entered into ACCLAIM** - Independent data verification is restricted to only a portion of the facility case records selected for review during a periodic case reading process. (The case reading process is informal and inconsistent, and data verification, if any, varies by region.) There is no system edit to verify that staff members are entering certain data, such as violations, consistently and in the prescribed format. We noted data entry errors and omissions when tracing a sample of data between the facility case records and ACCLAIM.
- **Lack of access controls over certain system files that produce performance measure and quality assurance data** - Over 200 Licensing program staff members have the ability to access and modify significant data fields within these files. These files are located within the ACCLAIM reporting facility, the DHS mainframe software that stores and formats aggregate data for ACCLAIM and produces reports. For example, the data fields in the system files that could be altered include dates (time frames), type of complaint, priority of a complaint, type of visit, and type of monitoring plan. (Staff members are not able to add or delete facility records, and therefore cannot affect the number of inspections, visits, or facilities.)
- **Lack of an automated audit trail to identify the user that enters and modifies data and notes the date** - The need for an automated audit trail is even more important since there is currently no system edit that restricts the modification of facility data between regions. Consequently, there is an even greater risk of improper modifications of facility data. Manual logs are maintained to record certain modifications of data, but these logs are not periodically reviewed. The Licensing Division has recently developed an edit, which will record the most recent user that modified a data screen and the date of the modification; however, this edit is not scheduled for implementation until the end of fiscal year 1998.

A Department internal audit report (Report No. 94-036, prepared by DHS under contract with the Department) in October 1994, initially identified some of the weaknesses listed above.

Proper verification of data entry, as well as restriction of access to critical system files, helps to maintain the accuracy, completeness, and integrity of the data and prevent unauthorized changes. Without independent data verification, there is an increased risk that errors could occur and remain undetected. For example, complaints received may not get recorded, or the data could be entered incorrectly without detection. Audit trails help ensure accountability for all access and changes to sensitive data and information.

Inaccurate data or data that is improperly modified can reduce the accuracy and reliability of data that is used for internal quality assurance purposes, as well as data used for performance measure reporting. The ability of Licensing program staff and management to make appropriate decisions in relation to program evaluation and take appropriate action in relation to child care facilities and providers is negatively impacted by inaccurate data. Accurate and reliable information is also essential for parents (or consumers) who need to make accurate and educated decisions about the most appropriate child care facilities in which to place their children.

Recommendation:

Licensing Division management is encouraged to continue refining long-term information needs for the proposed new automated system. This includes further identification of the types of reports, performance measures, quality assurance measures, and other data that would assist the Licensing Division in managing and evaluating the regulatory program and meet the informational needs of external users.

Management's Response:

The Department has long recognized the need for a more sophisticated automated system for the licensing program. When the current Child and Adult Protective System (CAPS) was originally planned, Child Care Licensing was included. Later, when the scope of the project was reduced to a manageable level, Child Care Licensing was removed from the project. During fiscal year 1996, the Child Care Licensing Division began planning for a new system, and included a request for funding the system in the Legislative Appropriation Request (LAR) for the 75th Legislature. Money was provided for equipment, but not for application development. Through a joint effort of the Department and the Texas Workforce Commission funding was provided to produce a high level planning document to obtain federal approval for developing an automated system. This is a thirty day project which will plan for the staged development of an automated system. Currently, an automated system is a part of the Department's LAR for Fiscal Year 2000 - 2001. Funding of this initiative will determine the scope of the project. If funding is provided, it is anticipated that the system will be on-line by the end of 2001.

The Child Care Licensing, Information Technology, and Regional Operations Divisions will continue to plan for an automation system which will meet the needs of the program. The system will be developed in stages, which will allow for adaptation

as the Department identifies additional needs and/or makes changes in program direction. Initial plans include the production of reports which will address performance measures and quality assurance as well as have a data base which can be accessed by other child services, state agencies, consumers, and providers. In addition the system will:

- Provide accessible and user friendly information to assist parents in making well-informed decisions about child care facilities;*
- Facilitate more efficient and more thorough monitoring of facilities and family homes;*
- Enable accurate, consistent, and relevant data sharing between agencies to reduce the number of duplicative functions; and*
- Provide a more comprehensive analysis of licensing data which will support risk based enforcement of minimum standards, performance monitoring and quality assurance strategies.*

Recommendation:

The Licensing and Forecasting and Program Statistic Divisions should work together to maximize the use of available data and reports, to enhance the Licensing Division's program evaluation and regulatory efforts. As part of this effort, Licensing Division management should also determine the feasibility and cost-benefit of programming ACCLAIM to identify the minimum standard violations that are most critical to the health and safety of the children.

Management's Response:

The Licensing Division works well with the Forecasting and Program Statistical Division (FPSD). FPSD receives requests for data from all programs, and these requests are prioritized based on the most critical needs in the Department. ACCLAIM data and case records are accessible to all licensing managers for use in monitoring the Division's evaluation and regulatory efforts. Currently, staff have the ability to examine aggregate data to search for trends on a statewide basis using ACCLAIM data.

Although the Licensing Division has the ability to use ACCLAIM to identify those minimum standard violations which are most critical to the health and safety of children, this is a very labor intensive process. In addition, information from this system does not include explanatory information which is vital in understanding the nature of the violations, and, consequently, the standards data alone could be very misleading.

This is an old system which needs replacement. Further investment in this system would be a costly and questionable use of funds in light of the plan to have the new system on line by the end of 2001. Currently, licensing managers use all available ACCLAIM data to the extent that it is practical, given the limitations of the system. Modifications would have to be negotiated with the Department of Human Services (DHS) whose staff are highly involved in year 2000 efforts and the Texas Integrated Eligibility/Enrollment System (TIES).

Recommendation:

The Licensing program should ensure a periodic and independent verification of critical data between facility case records and ACCLAIM or any other systems providing critical information, such as the Child and Adult Protective System.

Management's Response:

The Department is committed to assuring that accurate data which matches the information in the case records is entered in the ACCLAIM system. At both the day care direct delivery and residential child care licensing level, supervisors currently strive to ensure accurate data entry through case reading, monitoring monthly activity reports, on-the-job training, and by providing feedback to staff through conferences and the more formal performance evaluation process. All errors noted during the course of the audit have been corrected in the ACCLAIM system. From a systems point of view, the Department will pursue a review of edits and other systematic and automated methods for catching inaccurate entries as they occur. Cost effective changes will be adopted.

Recommendation:

The Licensing Division should consider refining formal guidelines related to the appropriate format of data, such as minimum standard violations, entered into ACCLAIM. The Licensing program should also emphasize the importance of accurate data entry to staff through the issuance of policy statements and staff training.

Management's Response:

The Department agrees with the recommendation that continued emphasis be placed on accurate data entry. The Licensing Division will review policies and guidelines related to data entry and formatting to determine where further clarification may be required during the first quarter of fiscal year 1999. The Division will also periodically re-emphasize the necessity for accurate data entry to Licensing Program Administrators and to the Residential Child Care Licensing Division Administrator to assure they understand the importance of this system as a management tool.

Upon the release of a related policy, Regional Operations and regional management will implement a process that ensures that the policy is disseminated appropriately, emphasizes the directives by all levels of management, incorporates the requirements into the performance expectations of staff, arranges for training when appropriate, and educates all staff to the importance of timely and accurate data entry.

Recommendation:

The Department is encouraged to:

- Consider the cost-benefit of implementing a system edit within ACCLAIM that rejects data, such as the minimum standards, that are not entered in the appropriate format.
- Restrict access to critical data files that produce performance measure and quality assurance data, such as staff members having “read only” access to these files.
- Ensure prompt implementation of the edit, which is under development, that will record the most recent user modifying certain screens. Also, the Licensing Division should consider developing and implementing an edit that would restrict access between regions for the modification of facility data.
- Ensure that any future automated systems developed for the Licensing Division are designed and developed with appropriate system edits and data integrity checks. Include feedback from the Internal Audit Division about the adequacy of system controls.

Management's Response:

The Licensing Division will work with Information Technology and DHS to determine if it is cost beneficial to implement the system edits as suggested by January 1, 1999. Consideration will also be given as to the systems edits and data entry checks that could reasonably be incorporated into the proposed automation system. This will include examining the cost benefit of maximizing data accuracy and security while at the same time ensuring the necessary flexibility for staff to provide coverage of cases regardless of location. This will be accomplished throughout the staged implementation of the proposed automation system, to be completed by the end of 2001.

The edit to record the most recent user modifying certain screens was implemented on July 17, 1998. The decision not to limit data element access was deliberate and was based on the program's unique needs. Because the licensing program is relatively small, there is a continual need for staff to cover caseloads outside of their assigned areas. Residential Child Care Licensing staff cover cases throughout the state; therefore, limiting their access to one area or region would prohibit them from

entering and adjusting data as needed. Day Care Child Care Investigators must also be able to enter data across regional lines to record their inspections and citations. An edit restricting access between regions would be too limiting in those instances in which staff cover multiple areas.

Section 2: PERFORMANCE MANAGEMENT

A Comprehensive Performance Monitoring and Evaluation System Is Needed

The Licensing program lacks an effective performance evaluation process to determine to what extent it is achieving its goals and objectives, which are ultimately to protect the health and safety of children. The current evaluation processes are limited in scope and hampered by the lack of a good automated system to support the program's informational requirements.

Section 2-A:

Performance Evaluation Processes Should Be Improved to Provide More Information to Managers About Regulatory Effectiveness and Staff Performance

The Quality Assurance (QA) process and its reports are not used consistently and do not provide qualitative information to supervisors about facility compliance with licensing standards or staff performance. The QA process is field operations-based and consists of ten performance measures. These measures track compliance with required time frames for issuing new licenses, monitoring current licensees, and investigating complaints. The QA reports are generated quarterly, reviewed in the state office, and distributed to regional managers. According to Licensing Division management, the design of the QA process was constrained by the limited information system available to the Licensing program.

Although the state office monitors the QA reports for statewide compliance with required time frames, there are no set guidelines for use of these reports by program managers in the regions. Nor is there a direct link between the information produced by the QA reports and identification of training needs at a statewide, regional, unit, or individual level. For example, the reports do not identify which specific staff member, standards, facilities, policies, or procedures would benefit from additional scrutiny, clarification, or training.

Regional supervisors told our auditors that they would like to have management reports available that:

- Report time frames before the due dates have been missed or met.
- Address the quality of monitoring visits and investigations.
- Provide qualitative information concerning poor facility performance.
- Address performance variances.

- Provide information on a field unit and employee level (QA information is now reported on a regional level).
- Contain accurate and complete data.

ACCLAIM cannot generate reports that meet the criteria listed above.

How the QA reports are used in the field to monitor program and staff performance is left to the discretion of both day care licensing regional managers and supervisors and RCCL supervisors. In the absence of formal guidelines, supervisors throughout the State have developed their own ways of monitoring their staff members' efforts to enforce compliance with regulatory standards. These processes include:

- Tracking individual performance in meeting required time frames through specially generated reports
- Accompanying staff on monitoring visits
- Questioning staff about missed monitoring, inspection, and investigation deadlines
- Reviewing facility case files

In *Evaluating Social Programs at the State and Local Level*, editor Ann Bonar Blalock states that the purpose of program evaluation is “to determine to what extent a program is achieving its broader legislative intent in terms of producing the expected effects on the individuals or other entities for whom the program was created.” She further states:

Evaluation is the systematic collection, analysis, and interpretation of information to answer questions about the efficiency and effectiveness of program implementation and impact. Evaluation focuses not only on what is happening in a program, but also why and how. The emphasis is on studying relationships among different aspects of a program.

Licensing program management needs the ability to monitor and analyze the outcomes as well as the outputs of its licensing efforts. Accurate and comprehensive feedback about operations is needed to adjust and continually improve regulation of day care and residential care facilities. In the absence of a good automated system with the ability to meet all its information needs, the Licensing program must rely on evaluation and analysis of available performance data.

Section 2-B:

Enforcement Criteria Could Be Refined to Ensure Consistent Regulatory Decision-Making

Once a day care or residential care facility is licensed, its monitoring (inspection) schedule is determined by risk-based criteria which consider number and type of prior violations, timeliness of corrective actions, and the quality and experience of facility

staff. Day care licensing representatives use standardized forms on their monitoring visits, which promote statewide consistency. Other aspects of the regulatory process are not as well-defined or based on complete information.

The policy and procedure handbook to support the residential care facility regulators has not been completed. RCCL staff, who enforce the six sets of residential care facility standards, also lack standardized forms to guide them through a monitoring visit. Minimum standards and reading guides are the primary source of documentation and procedures used by staff members on their facility monitoring visits. Standardized monitoring forms and an implementation handbook would provide guidance to RCCL staff and contribute to more consistent regulation statewide.

The new day care facility policy and procedure handbook does not provide strict guidelines about implementing specific types of corrective actions, the required time frames for corrective actions, or specific follow-up measures. The policy and procedures handbook, designed to support day care licensing staff, has recently been revised. Although updated to reflect recently revised day care standards, our comparison of the old and new versions revealed only minor differences. Department management stated that it does not want the handbook to be too prescriptive. Management expressed support for Licensing program staff to use “professional judgement” in dealing with standards violations.

Reliance on the regulators’ professional judgement may be justified in a regulatory environment where supervisors have complete information with which to monitor field operations. Having more prescriptive regulatory guidelines does not eliminate the need for regulators to use good professional judgement. Without more specific enforcement guidelines and good automated support to provide meaningful evaluative reports, the Licensing program will have difficulty implementing and evaluating a more stringent regulatory environment.

Section 2-C:

Regulation of Agency Foster Homes by Child Placing Agencies Should Be Strengthened

Licensing inspections and investigations conducted within the past two years indicate that many child placing agencies (CPAs) are not meeting their duty to ensure that agency foster parents meet and maintain compliance with minimum licensing standards. RCCL management has identified many problems associated with CPA regulation and has begun formulating a strategy to address these concerns. With the emphasis on placing foster children in smaller, more homelike settings, and the increase in the number of foster children requiring more specialized care, the number and use of CPAs in Texas have grown. In recent years, placements of foster children into foster homes through private CPAs have increased relative to direct placements into foster homes by Child Protective Services.

RCCL staff members have reported the following concerns:

- CPAs verify foster homes that do not meet minimum standards.
- Foster parents, unable to meet standards under one CPA's supervision, transfer to another agency with few if any questions asked by the new agency.
- Foster children, particularly children in "therapeutic" care, are not receiving recommended services or treatment.
- Foster home records rarely include documentation that minimum standards were evaluated or the outcome of the evaluation.
- CPA staff may correct specific noncompliances identified during inspections or investigations but make no effort to correct the system(s) responsible for the noncompliance.

Although various Department staff members may occasionally visit a CPA foster home, only the CPAs are required to inspect their foster homes for compliance with health and safety standards. RCCL staff members rely on complaint investigations, resulting from allegations, and problem areas identified during CPA monitoring visits to determine the need to visit a CPA foster home.

Child Protective Services residential contract managers monitor the CPAs' compliance with the terms of their contracts with the Department and communicate with RCCL staff about their visits. Child Protective Services caseworkers, whose primary client is the child, are required to visit a foster child in his or her foster home setting once a quarter, but do not inspect the foster home for health and safety standards.

Monitoring CPAs is different from monitoring other types of licensed facilities in that the regulators rely heavily on the review of a CPA's records for assurance that its foster homes are complying with required health and safety standards. RCCL staff members are not required to make unannounced inspection visits to CPAs. The frequency of RCCL staff visits to CPA offices are based on the individual CPA's assigned monitoring plan. RCCL staff visits to the CPAs' foster homes are infrequent and not required. During CPA monitoring visits, RCCL staff usually review a randomly selected sample of children's records, foster home records, and agency personnel records.

RCCL management reported that allowing CPAs to develop their own systems for evaluating and monitoring their agency homes has fostered inconsistency and a lack of regulatory controls. While CPAs will continue to be responsible for ensuring that all applicable minimum licensing standards are met by their foster homes, RCCL has drafted a proposal to require better and more standardized documentation by the agencies of their regulatory efforts.

The risk associated with the lack of direct regulation of CPA foster homes is heightened by a potential conflict of interest. Some CPAs have limited staff and therefore lack the ability to segregate the staff responsibilities for recruiting and training foster families from those of regulating the foster homes to ensure a healthy and safe environment for the children. The challenge for CPAs is to recruit and retain foster home clients, determine that their clients are meeting minimum licensing standards, and ensure that foster children are in a safe environment that meets their therapeutic needs. Because CPAs rely on foster families to generate revenue, and there is a current shortage of qualified foster families to care for abused and neglected children, the monitoring of foster homes and the role of the CPA regulator become even more critical.

Recommendation:

Pursue ways to standardize corrective actions to ensure a more consistent statewide approach to licensing standards violations.

Management's Response:

One goal of the Department is to enforce regulations in a fair, uniform, and consistent manner. It is critical that corrective actions be based on a consistent evaluation of relevant risk factors including the seriousness of the violation and the compliance history. It would not be in the best interest of the program or providers if, in a effort to be consistent, corrective action decisions were to be prescribed based solely on which licensing standard was violated. Division staff will continue to work with field staff to ensure that licensing policies and corrective actions are clearly stated and consistently applied to minimize risk to children. A review of those policies will be completed by the end of the second quarter of fiscal year 1999.

Recommendation:

Complete the RCCL handbook, which will outline the policies and procedures required to enforce minimum licensing standards for residential care facilities. Include standardized monitoring forms to support a more consistent regulatory effort throughout the State.

Management's Response:

Divisional staff are in the final stages of completing the comprehensive CCL handbook which will include both day care and residential policies and procedures. RCCL has operated for many years using formal and informal policy clarifications. Standardized monitoring forms are currently utilized by RCCL staff. Reading guides, which notate all standards that require documentation, are used as a tool to help ensure that all minimum standard requirements are evaluated during a two year

period. The information from the reading guides, along with information gathered during interviews with staff and children and observations, are recorded on the Form 2809-Report of Findings or in a letter which includes several clearly defined elements from the form. The form or letter, which is provided to the facility administration as written notice of standard violations, also details areas where licensing representatives have given technical assistance and/or provides information related to corrective or adverse action if applicable.

Recommendation:

The Licensing Division should define interim and final outcome measures by which to evaluate both inspection and investigation regulatory efforts. Interim outcomes allow for adjustments in operations.

Management's Response:

The Division will continue to evaluate and refine interim and final outcome measures for the program in order to maximize their usefulness in evaluating inspection and investigation activities. During the first quarter of fiscal year 1999, a workgroup, comprised of staff from both day care and residential child care, will be formed to address this responsibility.

Recommendation:

Encourage regional supervisors to track individual staff performance through standardized reports showing the inspector's or investigator's performance in meeting required time frames. Use this information to develop individual performance goals. Set efficiency goals based on review of best individual practices.

Identify "best practices" used by regional supervisors to review staff performance. Encourage consistent use of these practices statewide.

Management's Response:

Information necessary to determine performance of staff is currently available in the ACCLAIM system and coupled with information gathered from inspections, administrative reviews, and feedback from providers, is used to evaluate staff performance. Regional Operations, in partnership with regional management, will ensure that the standardized reports currently available are consistently and appropriately utilized and will work towards the development of more useful, comprehensive, and proactive tools to manage performance and workload during fiscal year 1999.

The sharing of innovative and best practices, including those related to performance measurement, has been a routine and common management initiative for many years in the CCL program, high-lighted and encouraged as a key activity at regular, statewide supervisory and manager training meetings which were held in a centralized location. Travel restrictions have modified that approach. While some sharing and exchange of ideas occurs at the Program Administrators meetings held every two months, Regional Operations and Licensing will work together on ways of accommodating this activity more frequently and in a way that more staff can participate. Together we can define strategies for more consistent statewide application of best practices, particularly related to staff performance.

Beginning immediately, RCCL supervisors will identify best individual practices and use these practices to develop efficiency goals. Individual staff performance will be evaluated against these goals using information from ACCLAIM, as well as other sources. No later than the first quarter of fiscal year 1999, RCCL supervisors will incorporate the Division's efficiency goals into each staff's performance plan. The supervisors will develop criteria for acceptable levels of performance and will apply these consistently across the units.

Recommendation:

Standardize a reporting mechanism for all CPAs to use when monitoring their agency homes. This will simplify the inspector's role and allow comparative data on the facilities to be more easily collected and evaluated.

Management's Response:

In fiscal year 1997, RCCL staff recognized the need for more consistent reporting from Child Placing Agencies (CPA) regarding their findings as they monitored their agency foster homes. Efforts begun during fiscal year 1998 resulted in the development of a standardized reporting format for use by the CPAs. An initial explanation of this format will be presented to CPA administrative staff at the Child Care Administrator's Conference in October 1998. Throughout the remainder of fiscal year 1999, RCCL representatives will be available to provide technical assistance to CPAs as the reporting system is implemented.

Recommendation:

Require that a sample of CPA foster homes, based on a risk analysis, be visited by RCCL representatives on a regular inspection cycle.

Management's Response:

Beginning in fiscal year 1997, RCCL recognized the need for a different approach to the regulation of CPAs, including the need to conduct more routine inspections of CPA foster homes. However, due to limited staffing levels in RCCL and expanding workload (e.g. there are over 7,000 homes verified by CPAs including the CPS program), the sample size must be small. Throughout fiscal year 1999, the RCCL Division Administrator and supervisors will continue to look for ways to maximize the benefits of inspecting a risk based sample of CPA foster homes without decreasing RCCL's effectiveness in monitoring other types of care.

Section 3: AGENCY ADMINISTRATIVE FUNCTIONS

The Licensing Division's Budgeting and Human Resource Management Processes Should Benefit From Improvements Under Way at the Department Level

Agencywide issues related to budgeting and human resources processes were previously identified by the Department and are currently in the process of being addressed. These issues affect all of the Department's programs, including the Licensing Division. Outdated time studies affect the Licensing program's ability to ensure appropriate staffing and funding levels for the programs. In addition, significant changes in the organizational structure of the Department's human resource management function and automated system conversions have limited the Department's ability to obtain useful reports for human resource management purposes.

Section 3-A:

Continue Efforts to Create a Sound Methodology to Support Current Licensing Staffing and Funding Levels

The Department is taking corrective action to improve its budgeting processes. The Department's programs, including Licensing, recently completed work measurement studies that can be used to determine overall staffing and funding levels as well as regional budgeting and staffing allocations. Prior to this time, a work measurement study had not been performed for the Licensing program since 1985. Without a current work measurement study, the Department cannot ensure that Licensing program staff levels are appropriate or properly support its Legislative Appropriations Request.

The results of the recently completed work measurement studies are now undergoing evaluation and analysis. The Department plans to use the results of the studies to project program staffing needs and ultimately the program funding requirements for the fiscal years 2000-2001 Legislative Appropriation Request. The Department does not anticipate that the results of the time study will be incorporated into the formulas used for allocating regional budget and staff for fiscal year 1999.

Section 3-B:

Ensure Continued Program Support During Times of Organizational or System Change

Since the beginning of fiscal year 1998, the Department reorganized its human resource management function and converted to a new automated payroll and personnel system. Effects of these changes have been felt by all Department programs.

Corrective action is in progress to address the unavailability of certain human resource management reports for analysis and decision-making. For most of fiscal year 1998, the Department's programs, including Licensing, did not have access to certain automated reports that facilitate effective management of staff. Periodic reports to track staff vacancies, status of personnel evaluations, projected promotions, and staff turnover have not been available since November 1997, due to significant reorganization of the human resources function and conversion to the Uniform Statewide Payroll and Personnel System (USPS). The Department has been aware of this issue and is incrementally developing and refining these reports on a priority basis. The Department indicates that periodic reports for tracking staff vacancies and personnel evaluations should be available by the end of fiscal year 1998, with the remaining reports available by mid-fiscal year 1999.

Without regular vacancy reports, program managers could not easily monitor staffing levels and have had to rely on manual staff counts to determine vacancies. Timely notification of staff vacancies allows a prompt recruiting and hiring effort. Also, managers have not been able to monitor the timeliness of personnel evaluations or track personnel turnover rates. When managers are able to track performance evaluation due dates, they can help ensure the timeliness of the evaluations. This feedback encourages good staff performance, provides a foundation for future human resource decisions, and is a means of identifying training needs.

Recommendation:

Once the new work measurement study data has been thoroughly analyzed and validated, the Licensing program should use this data as quickly as possible for determining appropriate staffing levels and budgetary allocations. Strive to incorporate the results of the new study into the regional funding formula process for fiscal year 1999.

Management's Response:

Analysis of the Child Care Licensing component of the fiscal year 1998 work measurement study is currently underway. As this is the first time-study of Child Care Licensing activities since 1985, the agency is closely examining and validating the results and conclusions supported by this data. The staff responsible for this study project that the results will not be ready or available for use in time to incorporate what we learn into the allocation methodology of funds and staff for fiscal year 1999.

Regional Operations fully intends to use the results in the allocation of resources to the regions in the fiscal year 2000 allocation. In the short term, as soon as data becomes available, Regional Operations will begin to analyze the implications of this information as it relates to workload and resource allocation. Should adjustments be needed, modifications will be made during the year. The Department will use data from the workload study in the preparation of the Legislative Appropriations Request.

Recommendation:

Management should consider the impact that the proposed new automated system could have on the results of the recently completed work measurement study. When a new system is implemented, a new work measurement study or reevaluation of the current study may be necessary, due to potentially significant changes in the amount of time staff members spend on different activities.

Management's Response:

The Department supports the continued use of workload measurement studies in order to keep current with changing and evolving program requirements, including the development of the new automated system.

The Department is committed to consistency across regions and enhanced quality of service delivery in this and all other program areas. We will continue to support and work toward clearly articulated performance standards, effective mechanisms for measuring performance at all levels, and better management tools particularly in the area of data and automated systems to support the critical work carried out in the field.

Recommendation:

During future periods of reorganization and system conversions for a critical function such as human resources, the Department should strive to ensure continuity in terms of providing important management information. Although not all problems and situations can be anticipated, better planning should ensure a smoother transition and avoid prolonged reporting gaps.

Management's Response:

The Department acknowledges that problems were encountered in converting to a centralized human resource system in such a short period of time. This centralization was undertaken during a time when the Department was also undergoing a reduction in administrative staff. The transfer of payroll functions from the Department of Human Services and the conversion to the Uniform Statewide Payroll and Personnel System (USPS) occurred at the same time.

Since the reorganization, the Divisions of Internal Audit and Management Analysis have worked with Human Resources Division to develop corrective action plans. In addition, a new Director, with a proven record in identifying and resolving systemic problems, has been hired. The Department will consider lessons learned during this reorganization in the planning of future conversions.

Section 4: CONTROL ENVIRONMENT

Consolidation of Some Sets of Licensing Standards Would Simplify the Review Process

The Licensing program is responsible for enforcing 11 sets of licensing standards and standards for registered family homes, each of which must be comprehensively reviewed every six years. While the Licensing program has complied with regulations concerning the licensing application processes for the various types of facilities, most standards review processes are not current.

Section 4-A:

Controls Over the Licensing Application Process Are Adequate and Consistent With the Child Care Licensing Laws

The State's laws for day care and residential care facility regulation contain requirements for processing licensing applications. Our review determined that the Licensing program complies with these regulations by:

- Consulting potential applicants through group meetings and orientation classes
- Reviewing licensing applications for completeness within 15 working days of receipt
- Completing acceptable applications and issuing provisional licenses within 60 days
- Issuing permanent licenses to applicants demonstrating continual compliance with appropriate standards within the six-month provisional license period

Section 4-B:

Consider Consolidating Some Sets of Minimum Licensing Standards

The minimum standards for eight sets of child care licensing regulations have not been publicly reviewed in over ten years. The State's Human Resources Code, Chapter 42, Section 42.042 (b) states that "the Department shall conduct a comprehensive review of all rules and standards at least every six years." Minimum

standards reviews for the following types of day care and residential care facilities are not current:

- Consolidated Child Care Minimum Standards for Basic Child Care, Mental Retardation, Residential Treatment Centers, Halfway Houses, and Therapeutic Camps
- Foster Family Homes
- Foster Group Homes
- Emergency Shelters
- Kindergarten and Nursery Schools
- Group Day Care Homes
- Drop-In Child Care
- Grades Kindergarten and Above

The process to review and possibly revise child care standards has proven to be cumbersome and lengthy for the Department. For example, the process to revise the Minimum Standards for Day Care Centers approved by the 75th Legislature took seven years. Standards revisions proposed by the Department must undergo scrutiny from the State Advisory Committee on Child Care Facilities as well as the regulated facilities and various public interest groups. Recommended changes must be evaluated and approved by the Department's Board of Directors before becoming effective.

The large number of sets of child care standards adds to the burden of the review process. There are a total of 12 sets of standards—11 sets of licensing standards and another set of standards for registered family homes. A Department task force acknowledged this problem after undertaking an agencywide functional review in fiscal year 1996. The task force recommended consolidation of facility minimum standards into five sets for the following facility types: child placing agencies, 24-hour emergency care, 24-hour residential care, home-based day care, and facility-based day care. Although consolidation of sets of standards has not yet occurred, the Licensing Division is developing some alternatives to address this recommendation.

The purpose of minimum licensing standards is to protect the health, safety, and well being of children in and out of home care. The process of reviewing and revising these standards helps ensure that prevailing health and safety issues are addressed and that current trends related to a child's welfare are considered and incorporated into law. Telephone calls to child care licensing programs in five other populous states revealed a range between five and nine sets of licensing standards. Florida currently has five sets of standards similar to the ones proposed by the Department's task force. Consolidation of the various sets of standards would reduce the time and resources required reviewing and revising minimum standards at least every six years, as required by law.

Recommendation:

Consolidate the sets of minimum day care licensing standards and residential care licensing standards. Consolidation should streamline the process of proposing, commenting, and adopting rules required for each set of outdated standards.

Management's Response:

The Division has plans to address the issue of consolidating standards in both day care and residential care. Program Specialists have been determining which standards can be consolidated in rule material as well as the minimum standards. The plans are to go forward with this consolidation process during fiscal year 1999. As a part of this process, staff will assure that the provider community and legislative leadership are aware of and participate in the process.

Section 5: RESOURCE MANAGEMENT

Controls Over the Licensing Fee Collection Process Are Adequate

The Department has an inter-agency contract with the Department of Human Services (DHS) for the collection of its licensing fees. Our review of DHS's fee collection process found adequate controls in place to ensure that fee receipts were properly controlled, safeguarded, and posted to the appropriate account. We specifically noted that DHS had:

- Documented procedures for fee collection
- Appropriate segregation of duties among staff assigned to receive, post, and verify fees; correct data entries; prepare receivable statements; and reconcile deposits

Statewide Intake

A History of Statewide Intake

Statewide Intake (SWI) is a centralized call center that receives reports of alleged abuse and neglect, toll-free 24 hours a day. Initially, only reports of child abuse were taken, but over time, in response to legislation and public awareness campaigns, calls reporting abuse and neglect of disabled adults, elderly persons, and those receiving services in Texas Department of Mental Health and Mental Retardation (MHMR) facilities were included.

The Department of Protective and Regulatory Services' (Department) centralized intake function is designed to increase responsiveness to the community. The intent is to improve (1) the consistency of the information provided to the public and (2) the criteria used to prioritize calls for investigation. Centralization should improve the appropriateness of the prioritization decisions. A fewer number of more uniformly trained intake workers take calls and make these determinations. Training of intake workers is done by full-time, on-site training resources. By concentrating the intake function in one central unit in Austin, regional program staff members are freed to concentrate on investigations, permanency, adoption, and other casework duties.

In March 1993, a pilot program was conducted in Region 7 (Austin) to test the future centralized intake of all calls, from throughout the State, alleging abuse and neglect. Expansion of the statewide intake system has progressed such that as of May 1998, Statewide Intake included:

- Permanent coverage across all Department programs, 24 hours a day, for Regions 6 (Houston), 7 (Austin), 8 (San Antonio), and 11 (Edinburg)
- Coverage for all Adult Protective Services (APS) and all after-hour Child Protective Services (CPS) reports for Regions 4 (Tyler) and 5 (Beaumont)
- Coverage of all MHMR facilities in all regions, 24 hours a day
- Coverage for all CPS and APS after-hour reports for Regions 2 (Abilene) and 9 (Midland)
- Coverage for all APS after-hour reports and all CPS after-hour reports for all Region 3 (Arlington) counties except Tarrant and Dallas

The next region to be completely covered by SWI is Region 3 (Arlington), with transition scheduled for September 1, 1998. The Department plans to incorporate the remaining regions for all programs, all hours, by the end of fiscal year 1999.

The General Appropriations Act, 75th Legislature, does not contain a strategy that encompasses all SWI funding. SWI is included as part of Strategy A.1.1. Automated Intake System: "Provide a comprehensive and consistent system with automation support for receiving reports of children to be at risk of abuse/neglect . . ." The performance measures in this strategy are specific to CPS and do not include APS, MHMR, and Child Care Licensing (CCL) calls taken; however, approximately 70 percent of the calls received by SWI are CPS-related. The various Department programs that benefit from the intake services contribute to the budget of SWI. Salaries and telephone fees are the largest expense categories.

Overall Conclusion

The management controls of Statewide Intake (SWI) are adequate to ensure the effective and efficient intake of reports of abuse and neglect of children and the elderly.

We noted several areas where operational changes could improve the role of intake, including:

- Clarifying the intake processes covered by SWI and those to be completed by the regional intake staff
- Collecting information from the regions that have not yet transitioned to SWI to provide a benchmark for comparison of intake performed by SWI with intake done previously in the regions
- Continuing efforts to reduce occasional long wait times before a call is answered by an intake worker

For financial and organizational information on Statewide Intake, please see Appendix 4.

Section 1: PLANNING

Adequate Controls Facilitate the Transition Process

Statewide Intake has adequate controls over the process of incorporating the regional intake responsibilities, region by region, into the centralized call center in Austin. The goal of the centralized call center is to improve consistency and efficiency of the intake of abuse and neglect reports from locations all across the State. This well-defined transition process includes steps implemented by management of the Department of Protective and Regulatory Services (Department) and by management of SWI. The Department was responsible for:

- **The pilot project in Region 7 (Austin)** - The pilot project was established to determine the feasibility of a centralized call center for reporting alleged cases of abuse and neglect.
- **The development of the Child and Adult Protective System (CAPS) database** - CAPS is the reservoir for all the data on cases of abuse and neglect, and it provides readily accessible information needed by several Department program areas.
- **The Cultural Change Managers** - Their role has been to train staff, write manuals, troubleshoot as needed, and generally facilitate the change to the new CAPS database.

Management of Statewide Intake has implemented the following:

- **The Rockwell Spectrum ACD phone system** - This phone system enhances program evaluation by monitoring the calls and providing information on the calls coming in and the performance of the intake workers.
- **Two new SWI positions** - An Implementation Director and an On-the-Job Training Supervisor (OJT) were added to SWI's organizational structure. Their roles are to facilitate the regional transitions and assist in the training of the intake staff.
- **The SWI Implementation Work Group** - The Work Group is represented by at least one supervisor/program director from each region and chaired by the Implementation Director. It was implemented in spring 1997.
- **Pre- and post-transition meetings** - These meetings are held with the regional staff under the direction of the Implementation Director to prepare the regions for the change and respond to related problems.
- **Consistency Meetings** - These meetings are attended by SWI management and the trainer, intake supervisors, at least one field supervisor, and the program intake policy specialist. They are held for a different program (Child Protective Services, Adult Protective Services, or Child Care Licensing) each month. Issues discussed at these meetings may include priority determination, allegations used, intake guidelines, or other topics.
- **Effective human resource practices** - These practices include hiring, training, monitoring, and evaluating intake staff.
- **Prompt responses to complaints and problems** - Concerns from the regional offices and external stakeholders are quickly addressed.
- **Meetings held by SWI management in multiple regions** - SWI management meets with law enforcement, child welfare boards, and regional staff (outside of transition team meetings) as well as with community groups to explain the program and respond to their concerns.

With all of these controls in place, the change to a centralized calling center appears to have resulted in greater consistency and more efficiency in the State's response to reports of suspected abuse and neglect.

Good Human Resource Management Practices Contribute to the Efficiency and Effectiveness of Statewide Intake

SWI has adequate controls over hiring, training, monitoring, and evaluating intake workers. The Department's human resource management function (HR) has provided only minimal support to SWI, since it is unable to produce accurate and timely turnover or staffing information. However, the ability of SWI to conduct necessary aspects of human resource management has not been negatively impacted by the lack of significant HR support.

The majority of new hires at SWI have previous experience with other programs within the Department, other state agencies, or law enforcement. As of April 1998, SWI employed 142 full-time intake workers.

The hiring process is thorough and focuses on the specific requirements for intake workers and supervisors. HR posts and screens applications before sending them to SWI. The applications are directed to the OJT Supervisor, whose position is especially designed for addressing human resource issues. The selection process includes:

- Reviewing applications specifically for a bachelor's degree in social sciences, excellent Spanish-speaking skills, and at least six months' experience in Human Services
- Interviewing the applicants through oral and written questions with different scenarios of abuse and neglect
- Completing a matrix consisting of 13 categories (such as problem solving, coping strategies, interpersonal skills, writing and interviewing skills, and intake experience)
- Sending a matrix on the applicant's qualifications to HR for approval before offering the applicant the position

Training of the newly hired intake staff members is conducted on site and provides thorough coverage of the possible situations they may encounter. Basic Skills Development is a specialized 20-day course with class instruction, homework assignments, and peer training. The peer training begins the first weekend of the course to acquaint the trainees early in the process with actual calls they will need to be able to handle. At the end of the course, the training specialist completes a personnel folder on each trainee. This folder is transferred to the OJT Supervisor, who shares the information with the intake worker's supervisor. After training, the intake workers also complete a week of on-the-job training.

Monitoring and evaluating the employees is an ongoing process. The supervisors review approximately 75 calls a week from staff in their own unit and other units. This includes all of the reports taken by the new employees to determine that sufficient information was received, the right questions were asked, and the priority determination was appropriate. Feedback is provided on a weekly basis on the intake review feedback forms. All feedback provided to staff is reviewed by the Program Administrator and the Program Director. They also review isolated reports when

needed and provide feedback to staff involved in field concerns. Priority assignments that are in question are reviewed at the monthly Consistency Meetings as well.

Intake Worker Activity Measures

Intalk –Time the intake worker spends on an incoming call

Outtalk –Time the worker spends on an outgoing call (related to a call received)

Call Work – Call related, non-talking intake processing time

Inhold – Time a caller spends on hold after an intake worker has answered his or her call

Monitoring tools employed by SWI include the ability to listen to calls live and to trace calls. The supervisor's computer monitor enables real-time monitoring of staff by displaying the status of the worker, such as intalk, outtalk, call work, and inhold. The monitor also displays several bolded or flashing messages: workers outside of normal expected time frames, the number of calls in

the queue, the delay in seconds, the average speed of answer for the half hour, and the service level.

Intake workers have quarterly evaluations by their supervisors. These evaluations focus on four different sets of tasks:

- Obtaining/assessing information
- Determining priority
- Documenting cases
- Processing cases

The evaluation document lists the number of problems the worker encountered for each task and includes the case number for reference. Another section reviews statistics for intalk, callwork, and inhold times. The evaluation also discusses follow-up items, recorded call reviews (if any were done for that quarter), a summary of performance, and any goals or actions to be taken.

Section 3: POLICIES AND PROCEDURES

Delegation of Intake Responsibilities Should Be More Clearly Defined

The intake responsibilities for the centralized call center and for the regions have not been clearly defined and delineated. The handbooks for each of the three programs, CPS, APS, and CCL, vary in their descriptions of intake and investigation procedures; these descriptions are scant. Overall, policy is not explicit as to what intake procedures will occur at SWI or in the regions.

Regional practices for performing intake can vary throughout the State and within a region; therefore, the transition to SWI can affect each region and parts of a region in different ways. Even though SWI staff members have met with regional staff members to discuss regional transition plans and minutes have been taken at meetings, SWI staff members have not documented specific services that SWI will perform regarding intake. The lack of documentation of services may contribute to some regions' erroneous expectations of services that SWI will perform.

Although a region's intake function may have been officially transferred to SWI, some regional staff continued to perform what they considered to be "intake" activities. Staff from several regions commented to our auditors on differences

between intake activities performed by regional intake staff (prior to transition) and intake activities performed by SWI staff. Communication to the regions of specific intake activities that SWI will and will not perform is critical to planning a smooth transition. Regional management must make staffing and resource allocation decisions in anticipation of the move of its intake function, since regional intake positions (full-time equivalent employees) transfer to SWI as the process becomes centralized. (See table.)

Confusion has resulted in the regional offices as a result of the lack of a clear delineation of which staff (SWI or regional) should

perform specific functions associated with intake. SWI and program managers need to define how much collateral information will be collected, how thorough the history checks will be, and what needs to be done by the regional staff before the investigation stage begins.

The switch from regional intake to SWI appears to have resulted in differences in the assessment of intake priority between the regions and SWI. We conducted a study to determine whether Regions 6 (Houston) and 8 (San Antonio) were changing a significant number of intake priorities originally assigned by SWI. Our analysis indicated that both regions experienced a statistically significant difference in the number of priority changes from before their region's transition to SWI to after. We used activity in Region 7 (Austin) as a basis of comparison since SWI has received all Region 7 calls since 1993. However, Region 7 did not change priorities significantly during the sampled period. This indicates that there could be regional variation in the practice of assigning priority.

Statewide Intake Implementation Strategy		
Region	FTEs* to be Transferred to SWI	Implementation Date
Austin (7)	18.41	1993 pilot project
San Antonio (8)	20.43	11/1/97
Houston (6)	29.27	3/1/98
Edinburg (11)	15.89	5/1/98
Arlington (3)	37.40	9/1/98
Abilene (2)	8.00	1999
Beaumont (5)	8.34	1999
Midland (9)	6.52	1999
Amarillo (1)	9.05	1999
Tyler (4)	10.20	1999
El Paso (10)	7.45	1999
Total	170.96	
* Full-Time Equivalent Employees		

Source: Department of Protective and Regulatory Services

Recommendation:

SWI should compile a specific list of the information its staff members will gather and the duties they will perform. The intake tasks that the regional offices are responsible for should also be determined. Making this distinction will allow the regional offices to better assess their workload and to reallocate their resources more appropriately once transition to SWI occurs.

Management's Response:

The Department agrees. This recommendation has already been implemented for the up-coming centralization of Region 3 (Arlington) and is in the process of being implemented for the six regions remaining to be centralized. As a result of this suggestion made during the course of the audit the SWI Implementation Director and the Region 3 Implementation Work Group discussed the idea during their May 1998 scan call and the concept was supported. A draft SWI Task List was developed and electronically distributed to work group members and presented in the next transition team meeting for Region 3. Region 3 intake management staff are in the process of finalizing the list by adding any other tasks not already identified.

In addition, the basic SWI Task List has been distributed to all Regional Directors. Regional Operations is in the process of soliciting regional responses for tasks not centralized or scheduled for centralization via implementation. Each region will develop a plan for those tasks which will be submitted through the Regional Director to Regional Operations. Initial responses to the use of the SWI Task List have been positive. This will be an effective tool for reducing confusion and increasing efficiencies as the transition process goes forward to completion.

One of the goals of SWI is to consistently apply policy in the assignment and prioritization of intakes. During the transition period, we expect the regional differences in practice of assigning priorities to become evident. In the post transition period, the changes to prioritization made by the regions will decrease as indicated by the Region 7 statistics.

Establish Benchmarks as a Point of Reference

Benchmarking should have been established as a basis for valid assessment of actual performance, compared with projected performance of the centralized intake system. According to David Hutton in *The Change Agents' Handbook*:

Benchmarking is the search for the best practices that will lead to superior performance in some business activity. Benchmarking involves systematically studying how others tackle specific processes, and what levels of performance they achieve. This information enables more challenging goals to be set, and provides valuable insights and ideas for accomplishing these goals.

Internal and external studies were conducted prior to implementation of a centralized call center for the State. However, information on methods used in intake by the regional offices was not collected in order to determine a performance benchmark for the new system. Knowing both what intake processes occur and the methods used at the regional offices will provide a standard for comparison of the intake performed by SWI.

Although it is too late to establish a benchmark for the regions that have been incorporated into SWI, data from the remaining regions should be collected in order to provide a basis for comparison once these regions transition to SWI. The Rockwell Spectrum ACD equipment is not available to the regional offices; however, ways can be developed for gathering performance data. It may not be possible to gather information on every call, but sampling could be done to obtain a better picture of the workload in the regional offices and to establish a benchmark for each region.

Recommendation:

Collect data to establish a benchmark for regions yet to transition to SWI. This data should include the number and type of calls, as this information is available through the CAPS database. Also include the priority designation, any data gathered on the wait time, the amount of talk time, and the time taken to write up the report.

Management's Response:

The Department agrees with the benchmarking concept, although not all of the information cited will be able to be collected and compared. Call wait times and length of talk time are the two primary examples of information not available at the regional or local level, as regional intake systems do not have the capability to track this information, while the SWI system does. To establish such a capability for the

remaining decentralized intake sites, solely for the purpose of benchmarking, is cost prohibitive.

The Department has addressed the assessment of the centralized intake system in the following ways.

- *Prior to implementation, considerable resources were invested to pilot test the centralization of intake. The Department determined that a centralized intake system would enhance accountability, provide consistency, and increase efficiency. With access to a 24 hour, toll-free ability to contact a trained intake professional the Department enhances efficiency by improving responsiveness, achieving consistency, maximizing technology, and minimizing overhead.*
- *By utilizing data available through CAPS, SWI management is able to identify regional intake information for those intake functions still awaiting transition and benchmark these particular activities. A monthly Intake Workload Activity Report identifies numbers of calls, by program and region.*
- *SWI staff have recently participated in an agency work measurement time study (May and June, 1998). From this data, it may be possible to compare SWI data with field data obtained in the regional time studies completed during the same time period.*

Recommendation:

Along with the benchmarking, the SWI program should develop a mission statement and strategic plan, with related performance indicators for which it is held accountable.

Management's Response:

The SWI program will continue to use the Department's mission statement and strategic plan. The program is included in several strategies. For example, "Provide a comprehensive and consistent system with automated support for receiving reports of children suspected to be at risk of abuse/neglect and assign for investigation those reports that meet thedefinition of child abuse/neglect." The SWI program is also included in the Department's business plan as part of Regional Operations.

SWI currently uses a comprehensive system of review and evaluation in regard to performance measures with monthly management data in which the overall operation can be evaluated. This report evaluates SWI performance in the areas of call volume, service level, speed of answer, call handling time and abandonment rate. SWI also prescribes certain performance levels, one of the most important of these is the standard by which SWI strives to measure its responsiveness: "80% of all calls received will be answered within 60 seconds." Other important functions are

tracked, reported and monitored on an on-going basis, including wait time and calls that abandon. Regional Operations and SWI management will examine the viability of expressing performance expectations and measures of these functions, much as we have for the average speed of answer.

In August, 1998 an external consultant with the Incoming Calls Management Institute will be providing training for the supervisory and management teams of SWI. This consultation is being specifically designed for SWI, with an emphasis on essential management and leadership skills needed. The consultation is an effort to strengthen the supervisory team of SWI, emphasizing the call center aspects of the program. Consultation from an external expert knowledgeable in call center management and operations will be used to more effectively address techniques for enhancing responsiveness and improving efficiencies.

Section 5: PERFORMANCE FEEDBACK

Continue Efforts to Reduce Long Wait Times

The auditors reviewed data for three primary hotline queues (English, Spanish, and Law Enforcement) for the months of January through May 1998. (See graphics at Appendix 4.4.) While there is an improvement in SWI service level in the first three months, service level declined in the last two months. However, during the five month period only once was the SWI service level target met (English queue in March). A negative trend was also seen in both "Percent Abandoned" and "Average Answer Speed (in minutes)."

The Rockwell Spectrum ACD collects the average speed of answer and the percentage of calls abandoned as well as other pertinent statistics. Data is collected daily, weekly, and monthly and compiled into various reports for management's use. The key performance target continually monitored by SWI is a service level for 80 percent of the calls to be answered within 60 seconds. During fiscal year 1998, the Department discovered that the Rockwell System had been set to calculate calls answered within 45 seconds. The Department chose not to reset its equipment to maintain consistency during the fiscal year.

In the Statewide Intake Monthly Report for May 1998, data for "All Calls into Statewide Intake Call Center" for the period of March through May of 1998, shows a downturn in service level from a high of 84 percent to 62 percent. SWI management has implemented several strategies, such as adjusting staffing levels and controlled use of overtime, to address anticipated peak call periods.

In order to gain an understanding of public perception of SWI performance, the auditors contacted a number of frequent callers (law enforcement, hospital personnel, and school counselors and nurses), to ask about their experiences with SWI. Our sample included frequent callers from both the regions now covered full time by SWI and those covered only on nights and weekends.

Some frequent callers stated they experienced long wait times, even for those with a dedicated line. Nighttime callers experienced the longest wait times. Some of the callers thought that SWI was an improvement over the old system. Others still preferred calling the regions directly because they liked dealing with regional staff and felt it was not possible for SWI to know all of the local resources.

Recommendation:

The Department should continue to monitor the average speed of answer and the percentage of calls abandoned in order to address the high percentage of calls not being answered within the service level target. The Department should continue to explore other statistical methods in analyzing all available data to better define causes for abandoned calls and long wait times. Necessary corrective action should be implemented.

Management's Response:

The Department agrees with this recommendation. We continue to monitor and track key performance data, especially that pertaining to average speed of answer and the percent of calls abandoned. Our performance in June and July shows an upward turn from the May statistics. In addition, we plan to change the service level setting from 45 to 60 seconds at the beginning of fiscal year 1999.

It should be pointed out that this audit covers a period of time which represents unusual change and disruption due to the on-going and systematic centralization of the intake function from the local level to SWI. During the audit period, two of the largest regions in the state were centralized, adding approximately 26.4% of the total calls statewide to the Austin based site. The number of calls received during the month of May 1998 (over 10,000 on average per week), represents an increase over May, 1997 of nearly 100%. One of the two regions brought with it the largest Spanish speaking population in the state, doubling the number of Spanish speaking calls from the number received in January, just four months earlier. Even so, the service level reached 67% and the average wait time was 1 minute, 34 seconds.

The Law Enforcement queue also reflects significant change, when comparing the audit period with similar months in 1997. During the first five months of 1997, the average number of calls to the Law Enforcement number was 410. During the same five months of 1998, the average number of calls to the Law Enforcement number was 1636. Despite a volume that has quadrupled, the average speed of answer remains consistently under two minutes and the abandonment rate is significantly lower during 1998.

Volume and resources had an impact on SWI's ability to meet key performance measures with several predictable factors contributing:

- *In the process of preparing the public for such a change, the agency must make sure that the public knows, for example, the new number to call. This process has the effect of a full blown public awareness campaign in that the whole issue of abuse and neglect is heightened in the community. Simply posting the toll free intake number acts to stimulate calls that would not normally be made.*
- *The months of May and April are already the highest volume months in the year for intakes. April is Child Abuse Prevention Month and May is Elder Abuse Prevention month and the last month of school during which many teachers make the decision to call in their concerns about those pupils who seem to be at risk and who can become particularly isolated and vulnerable during the summer months.*
- *Staff filling the new vacant positions need to gain experience. Because there is a fine balance to leaving these jobs in the regions until just before the transfer of responsibilities occurs, these new staff are coming right out of training and into production as the next region is being implemented. It will be months before they achieve their full potential. At the very time SWI needs a workforce that is at its most effective and efficient level of productivity, it has an unusually high proportion of trainees who require supervision.*
- *Adding resources through temporary agencies is not an option because of the length of time devoted to training which is necessary for such a sensitive and critical job.*

SWI has attempted to compensate for the unusual, but predictable factors cited above by encouraging tenured, productive staff to work overtime. We experimented with paid overtime which was a very effective strategy.

While the agency fully expects to have difficulty meeting performance standards during the remainder of the implementation period, it is not because there is a lack of management data or that the data is being ignored. The agency will continue to take advantage of the automated system at SWI which has an exceptional capacity for providing management information. In fact, in September management at SWI will begin analyzing a new performance measure designed to measure the average delay experienced by callers whose calls are not answered with the 60 second standard.

Once fully implemented and stable, SWI is committed to achieving a performance level commensurate with its usual high standard.

Appendices

Objectives, Scope, and Methodology

Objectives

The primary objective of these projects was to evaluate and report on the condition of key management controls of the Child Care Licensing program (Licensing) and Statewide Intake (SWI) at the Department of Protective and Regulatory Services (Department).

Management controls are the policies, procedures, and processes used to carry out an entity's objectives. They should provide reasonable assurance that:

- Goals are met.
- Resources are efficiently used.
- Reliable data are reported.
- Laws and regulations are complied with.

Management controls, no matter how well designed and operated, can only provide reasonable assurance that the entity's objectives will be achieved. However, monitoring established controls can assist in detecting and correcting weaknesses in a timely manner.

Scope

The scope of these audits included consideration of Child Care Licensing's and Statewide Intake's overall management control systems: policy management, information management, performance management, and resource management. Certain Department management controls, which provided administrative support to Licensing and SWI, were also reviewed.

Consideration of the policy management systems included a review of:

- Processes used to create, monitor, and evaluate operating plans
- Processes used to create, monitor, and revise budgets
- Processes used to create, implement, evaluate, and revise policies and procedures
- Processes used to select, train, and evaluate employees

Consideration of the information management systems included a review of:

- Processes for identifying, collecting, classifying, evaluating, maintaining, and updating information
- Information systems
- Existing management reports

- Timeliness, accuracy, and availability of information

Consideration of the performance management systems included a review of:

- Processes used to develop, track, and use performance measures
- Processes used to evaluate programs and to ensure quality of regulation and services performed

Consideration of the resource management systems included a review of processes used to ensure that fee receipts are properly controlled, safeguarded, and posted.

Methodology

The audit methodology consisted of gaining an understanding of how each control system was supposed to work. In select areas, tests were then performed to determine if the control systems were operating as described. Finally, the results were evaluated against established criteria to determine the system's adequacy and identify opportunities for improvement.

Information collected to accomplish the audit objectives included the following:

- Interviews with Department, Licensing, and SWI management and staff
- Interviews with staff at the Legislative Budget Board and the Sunset Advisory Commission
- Interviews with members of special interest groups
- Interviews with appropriate subject matter experts
- Documentary evidence, including:
 - State statutes, regulations, and rules
 - Department documents, plans, policies, procedures, manuals, reports, publications, minutes, and other written materials
 - Various audit and management reports from both internal and external sources

Procedures and tests conducted:

- Review of performance monitoring and evaluation processes
- Review of licensing regulatory cycle
- Review of intake staff selection and training processes
- Testing of compliance with applicable statutory requirements
- Analysis of intake prioritization changes

Criteria used:

- State Auditor's Office Accountability Methodology
- Statutory requirements

- Guidelines offered by external subject matter experts and reports

Other Information

Fieldwork for both projects was conducted from March 1998 through May 1998. The audits were conducted in accordance with applicable professional standards, including:

- Generally Accepted Government Auditing Standards
- Generally Accepted Auditing Standards

No significant instances of noncompliance with these standards occurred.

The audit work was performed by the following members of the State Auditor's staff:

Child Care Licensing audit:

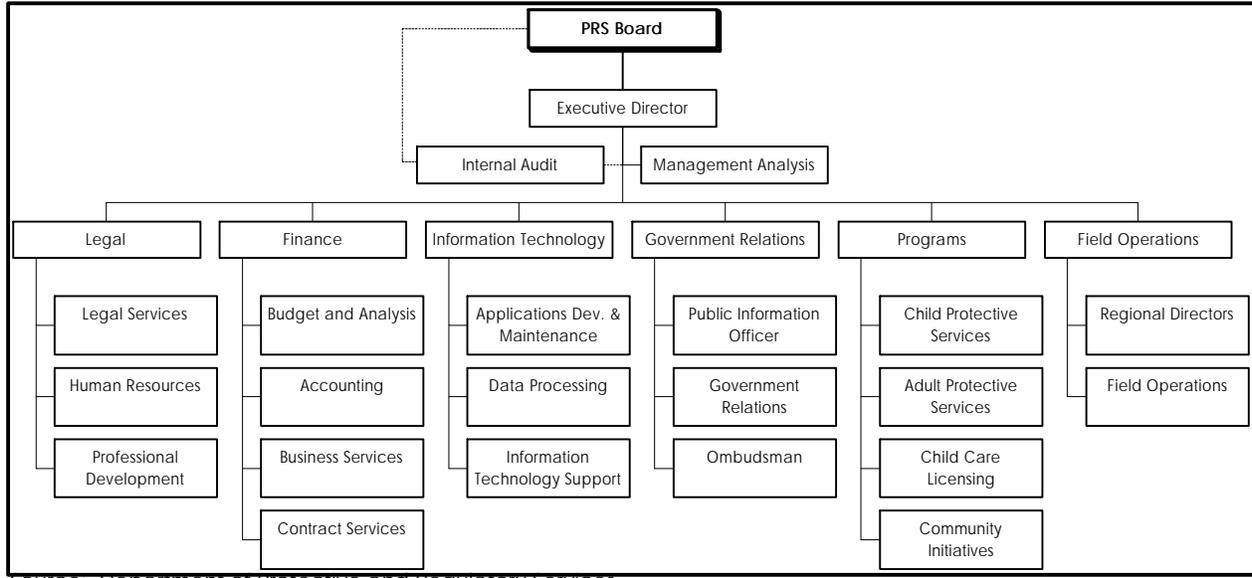
- Babette Laibovitz, MPA, CGFM (Project Manager)
- Enrique Aleman, Jr., MPA
- Victoria Harris
- Whitney Hutson-Kutz, CPA
- Abayomi A. Owolabi, MBA, MBA, HCM
- Bruce Truitt, MPAff (Quality Control Reviewer)
- Pat Keith, CQA, MBA (Audit Manager)
- Deborah Kerr, Ph.D. (Audit Director)

Statewide Intake audit:

- Babette Laibovitz, MPA, CGFM (Project Manager)
- Margene Beckham, MBA, CGFM
- Sandy Bootz, M.Ed.
- Laura A. Reyes
- Bruce Truitt, MPAff (Quality Control Reviewer)
- Pat Keith, CQA, MBA (Audit Manager)
- Deborah Kerr, Ph.D. (Audit Director)

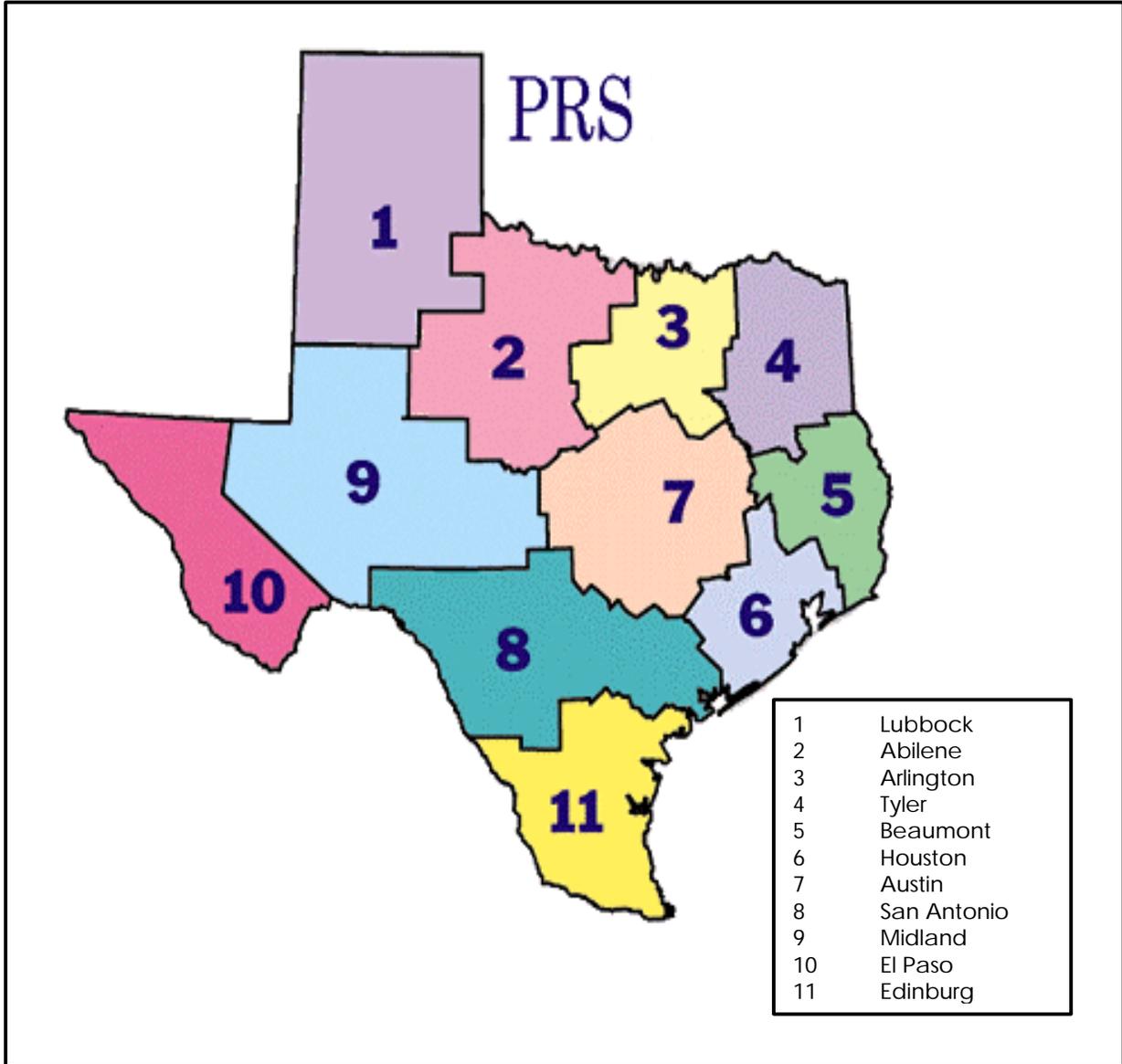
Department Information

Appendix 2.1: Organizational Chart



source: Department of Protective and Regulatory Services

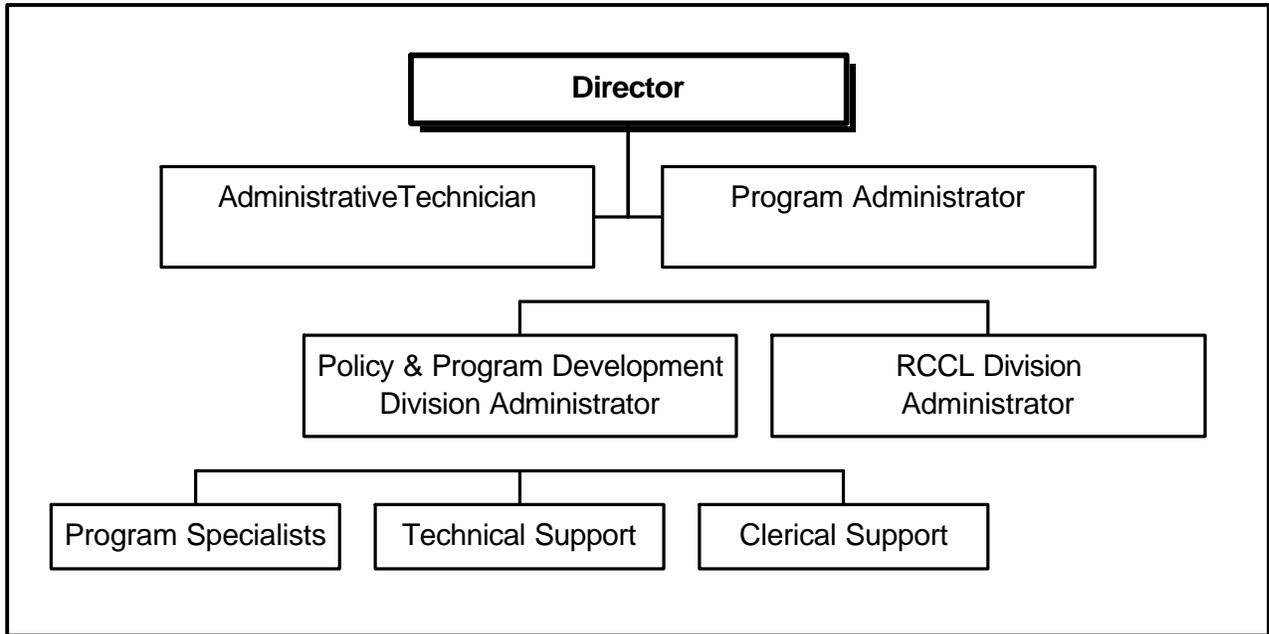
Appendix 2.2:
Regional Map



Source: Department of Protective and Regulatory Services

Child Care Licensing Information

Appendix 3.1:
Organizational Chart



Source: Department of Protective and Regulatory Services

Appendix 3.2:

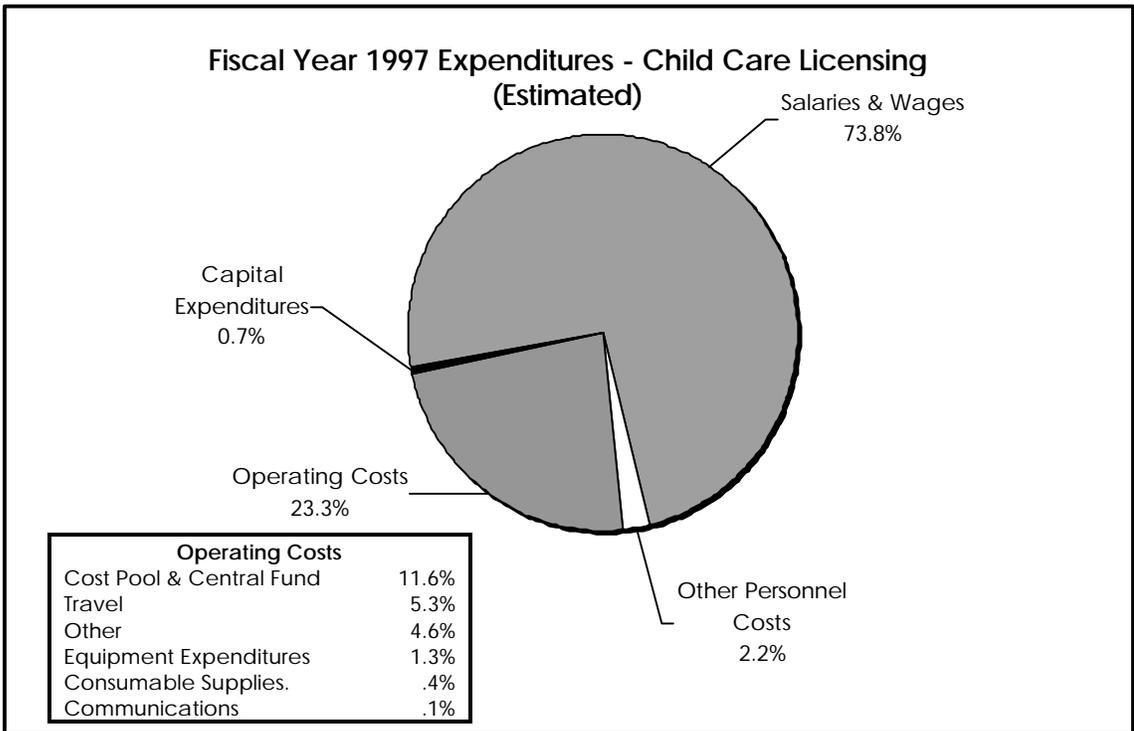
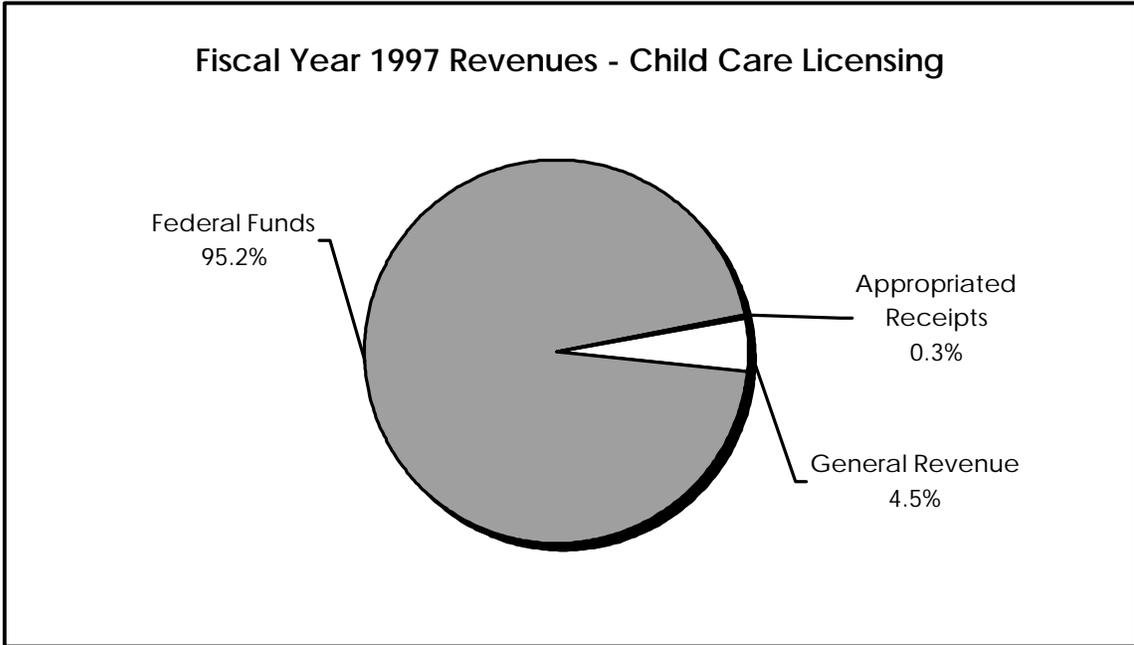
Financial Information

The following table provides a breakdown of the Child Care Licensing program's appropriations, expenditures, method-of-financing, and number of full-time equivalent employees (FTEs) for fiscal years 1994 through 1998.

Fiscal Year					
	1994	1995	1996	1997	1998
Appropriations	\$15,599,522	\$15,599,522	\$14,643,766	\$14,643,766	\$15,925,951
Expenditure					
Salaries & Wages	\$10,616,179	\$10,123,655	\$9,717,912	10,186,365	\$11,525,585
Other Personnel Costs	919,255	332,567	424,912	250,737	275,427
Workers' Compensation	-	36,865	35,621	37,521	66,152
Unemployment Compensation	-	14,974	18,145	19,113	33,751
Operating Costs	3,284,138	3,266,638	2,804,223	3,216,920	3,619,964
Capital Expenditures	-	-	70,763	87,140	405,071
Total Expenditures	\$ 14,819,572	\$ 13,774,699	\$ 13,071,576	\$ 13,797,796	\$15,925,950
Method of Financing					
General Revenue	\$ 5,005,203	\$ 2,360,969	\$ 234,672	\$ 619,765	\$ 2,926,440
Medical Assistance Fund	32,499	83,415	490	-	-
Federal Funds	9,755,995	11,310,315	12,783,800	13,142,032	12,999,511
Appropriated Receipts	-	20,000	52,614	36,000	-
Child Care Administrators Fee	20,000	-	-	-	-
Adoption Registry Fees	5,875	-	-	-	-
Total, Method of Financing	\$ 14,819,572	\$ 13,774,699	\$ 13,071,576	\$ 13,797,797	\$ 15,925,951
Number of FTEs	402	375	360	370	415

Source: Department of Protective And Regulatory Services Legislative Appropriations Request for Fiscal Years 1996 and 1997
 Department of Protective And Regulatory Services Legislative Appropriations Request for Fiscal Years 1998 and 1999
 Department of Protective And Regulatory Services Operating Budget for Fiscal Year 1998

The Child Care Licensing program had revenues and expenditures totaling \$13.8 million in fiscal year 1997. The largest source of revenue was from federal funds (95.2 percent). Salaries and wages accounted for the largest portion of total expenditures (73.8 percent).



Source: Department of Protective and Regulatory Services

Child Care Licensing Standards

Sets of Standards	Standards Distinction	Last Revision Date
Day Care Centers	The facility provides care for children ages 0-14 for less than 24 hours a day.	August 1997
Kindergarten and Nursery School	The facility offers a program for four hours or less per day for children who have passed their second birthday but who are under seven years old.	May 1986
Group Day Care Homes	The facility cares for 7 to 12 children under age 14 in a home for less than 24 hours a day.	May 1985
Drop-In Child Care	The facility provides care for children under age 14 for part of the day, without providing regular care for the same child.	May 1985
Grades Kindergarten and Above	The facility offers an educational program in one or more grades for children ages 5 through 13.	May 1985
Registered Family Homes	The facility cares for no more than six children under age 14 in a home for less than 24 hours a day.	July 1990
Foster Family Homes	The facility cares for not more than six children for 24 hours a day.	February 1980
Foster Group Homes	The facility provides care for 7 to 12 children for 24 hours a day.	February 1980
Child-Placing Agencies	The facility plans for the placement or places a child in an institution, agency home, or adoptive home.	July 1996
Maternity Homes	The facility cares for four or more pregnant women or women regardless of age who are within two weeks of giving birth to a child.	July 1996
Emergency Homes	The facility provides short-term care 24 hours a day for children.	December 1984
Consolidated Child Care*	The facilities provide specialized programs designed to meet the physical, emotional, and well-being needs of children for 24 hours a day.	June 1987
Listed Homes**	The facility cares for one to three unrelated children in their home for less than 24 hours a day.	Not applicable

*Consolidated Child Care Standards regulate residential child care programs for basic child care, mentally retarded children, residential treatment centers, therapeutic camps, and halfway houses.

** The listed program is not governed by any child care standards.

Source: Department of Protective and Regulatory Services

Child Care Facilities In Texas - Fiscal Year 1997**Day Care**

Type	Facilities	Capacity
Licensed/Certified Facilities		
Day Care/Drop-In Centers	7,596	646,048
Kindergartens/Nursery Schools	305	19,776
Schools	80	6,958
Group Day Care Homes	1,791	21,562
Total Licensed/Certified Facilities	9,772	694,344
Registered Family Homes	11,079	66,474
Total Day Care Facilities	20,851	760,818

Residential

Type	Facilities	Capacity
Residential Child Care Facilities		
Independent Foster Family Homes	73	213
Independent Foster Group Homes	41	466
Emergency Shelters	68	1,552
Institutions Providing Basic Care	81	4,883
Institutions Serving Mentally Retarded Children	8	249
Residential Treatment Centers	102	4,040
Halfway Houses	3	90
Therapeutic Camps	8	454
Total Residential Child Care Facilities	384	11,947
Child Placing Agencies*		
Agency Foster Homes	2,472	10,434
Agency Foster Group Homes	192	1,803
Total Child Placing Agency Homes	2,664	12,237
Total Residential Facilities	3,048	24,184

CPS Approved Foster Homes **	3,163	10,107
CPS Approved Adoptive Homes **	1,764	2,643
Maternity Homes	11	N/A
Child Care Administrators Licensed	1,381	N/A

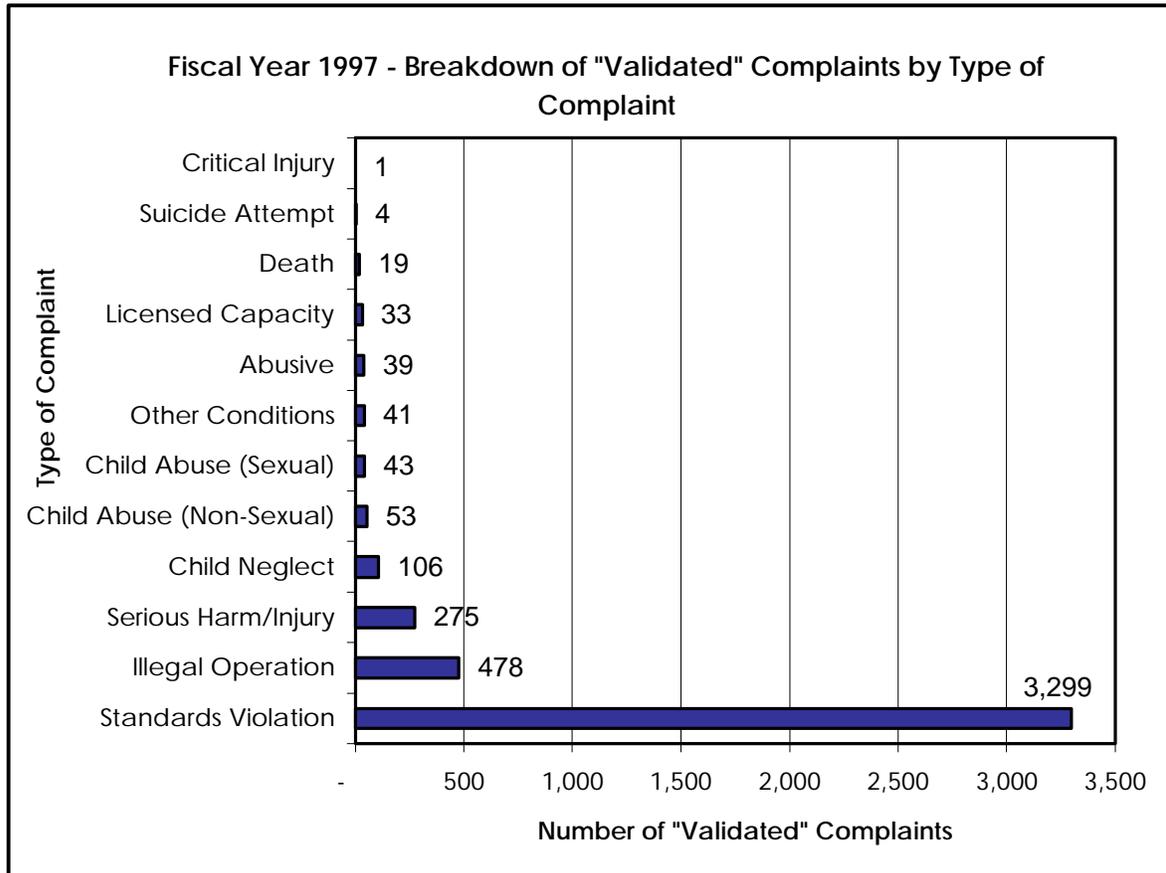
*A total of 196 child placing agencies regulate agency foster homes and foster group homes
 ** CPS Staff verify and ensure that these homes meet standards.

Source: FY '97 Annual Report data compiled by Forecasting & Program Statistics Division

Appendix 3.5:

Breakdown of Validated Complaints by Type – Fiscal Year 1997

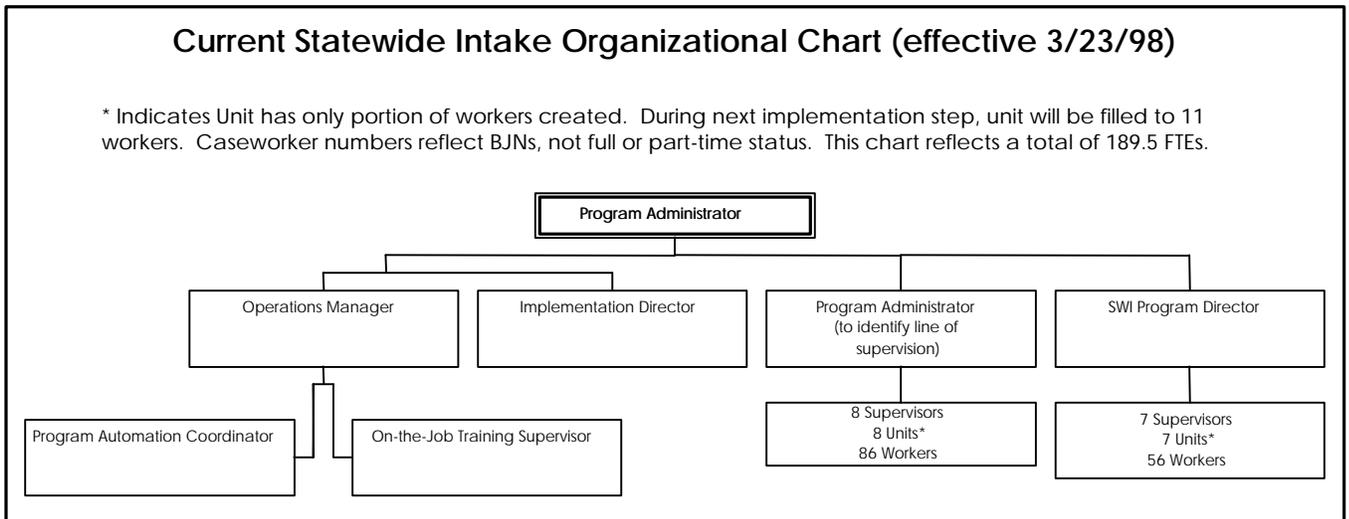
The following chart provides a breakdown of the numbers and types of complaints that were investigated by Licensing program staff in day care and residential care facilities. These complaints resulted in a noncompliance finding or were referred to law enforcement.



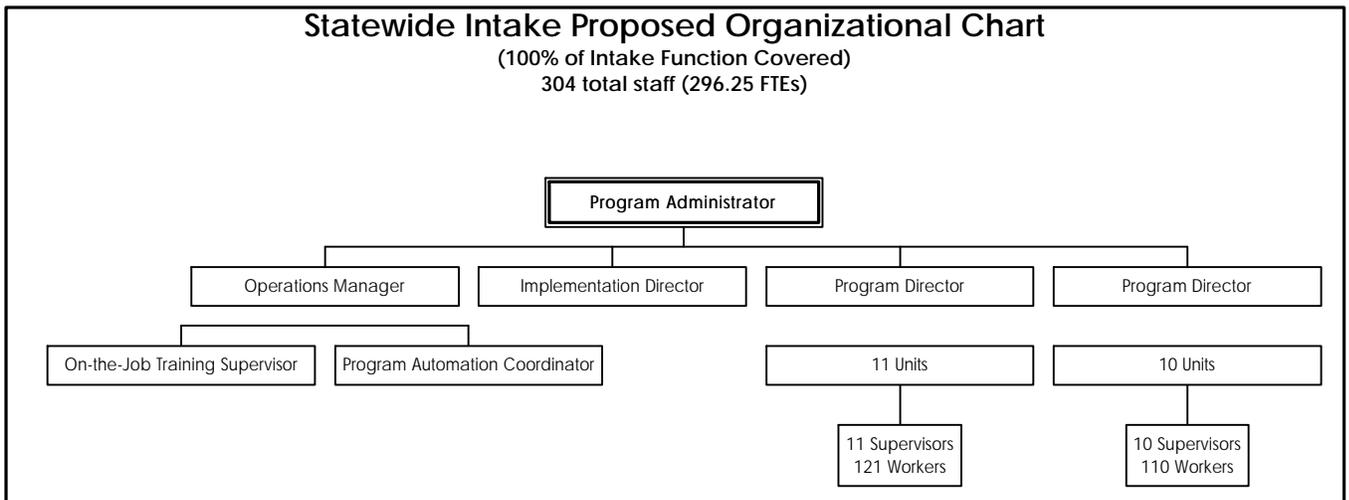
Source: Department of Protective and Regulatory Services

Statewide Intake Information

Appendix 4.1:
Organizational Charts



Source: Department of Protective and Regulatory Services



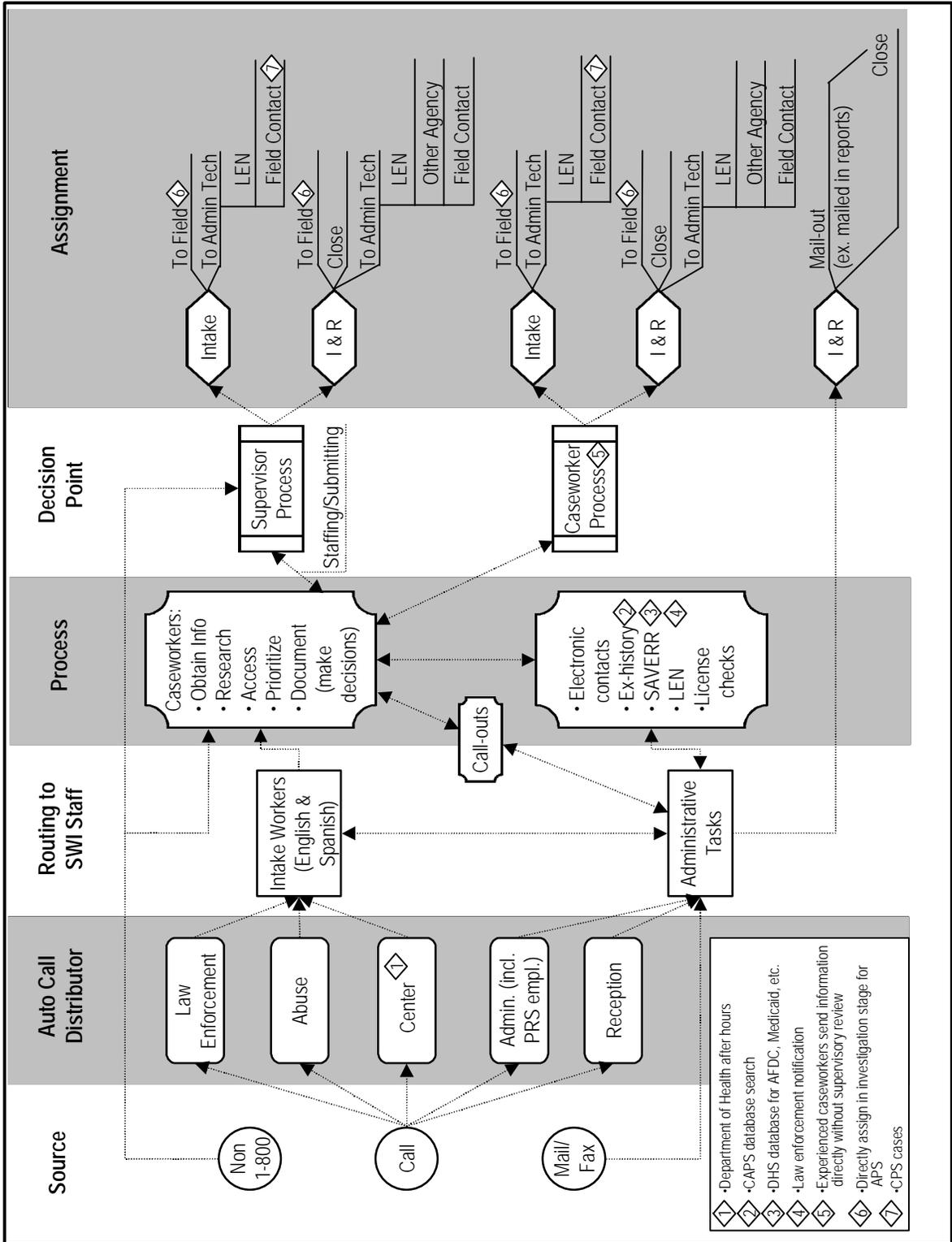
Source: Department of Protective and Regulatory Services

Appendix 4.2:
Financial Information

CPS Hotline Division (1994-1997) and Statewide Intake (1998)					
Budget Category	FY 1994 Expense	FY 1995 Expense	FY 1996 Expense	FY 1997 Expense	FY 1998 Budget
Salaries	\$ 2,248,473	\$ 2,587,295	\$ 2,658,619	\$ 2,779,964	\$ 5,067,554
Travel	13,145	31,332	6,848	5,091	6,841
Premises	-	-	-	-	-
Equipment	-	-	-	7,622	67,922
Communications	-	-	-	364,107	664,882
Consumable Supplies	-	-	-	4,947	10,947
Other Operating	547,696	463,214	463,511	9,304	21,300
Temporaries	-	-	-	6,000	10,000
Capital	-	-	-	-	-
Other Cap Outlay	-	-	-	-	-
Professional Services	-	-	-	-	-
Client Services	-	-	-	-	-
Total Expense/Budget	\$ 2,809,314	\$ 3,081,841	\$ 3,128,978	\$ 3,177,035	\$ 5,849,446
Full-Time Equivalents (Positions)	82.2	92.6	91.4	98.6	176.4

Source: Department of Protective and Regulatory Services

Statewide Intake Process



Source: Department of Protective and Regulatory Services

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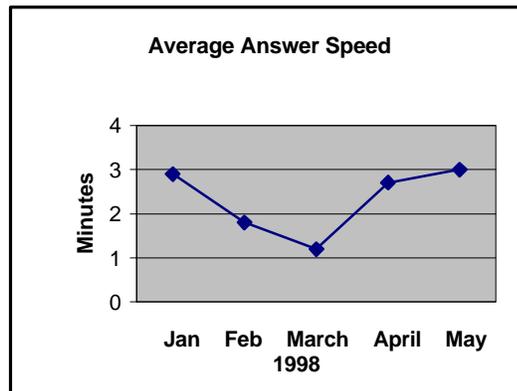
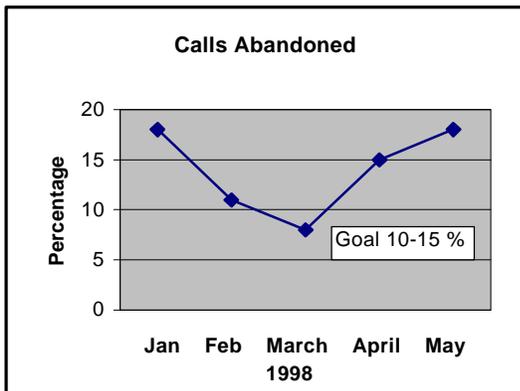
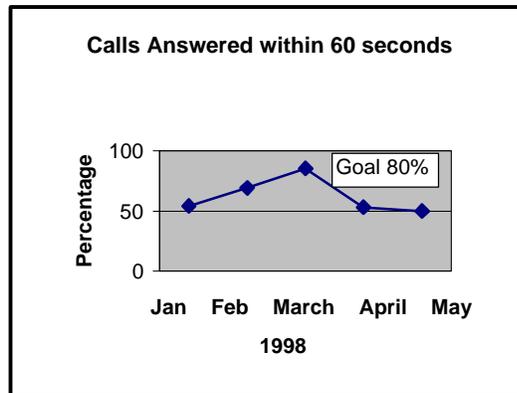
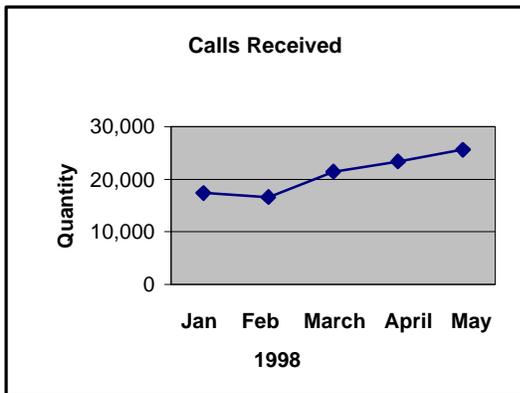
Appendix 4.4:

Hotline Call Data
Abuse Hotline – English Queue

	January	February	March	April	May
Number of Calls	17,404	16,597	21,442	23,333	25,622
Percentage of calls answered in 60 seconds (Service Level) ¹	54	69	85	53	50
Percentage of Calls Abandoned ²	18	11	8	15	18
Average Answer Speed (minutes)	2.9	1.8	1.2	2.7	3

¹ The goal is to answer 80 percent of calls in 60 seconds.
² The goal is for only 10 to 15 percent of calls to be abandoned.

Source: Department of Protective and Regulatory Services

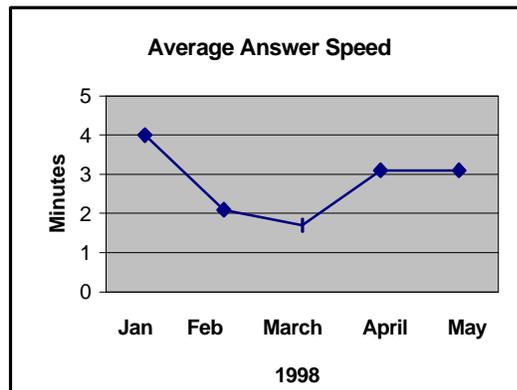
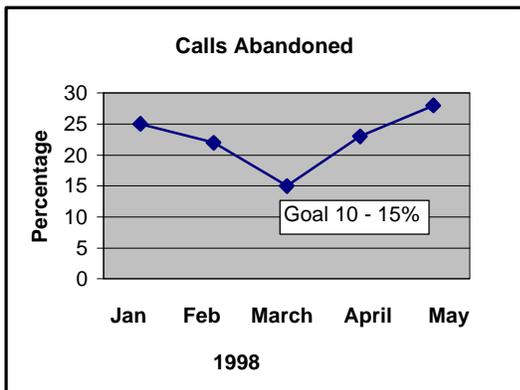
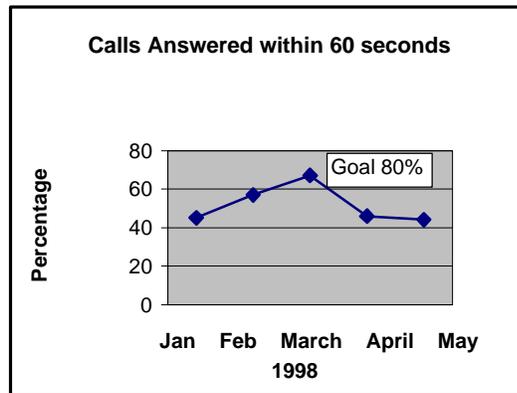
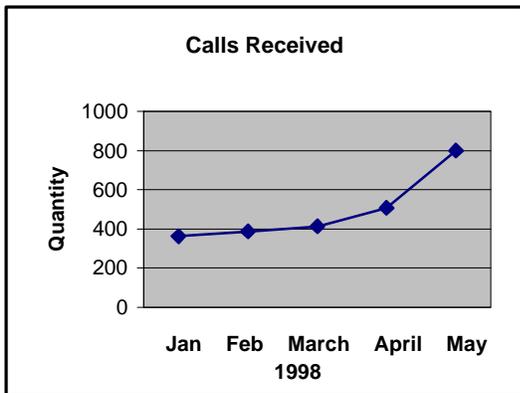


Hotline Call Data Abuse Hotline – Spanish Queue

	January	February	March	April	May
Number of Calls	362	387	413	507	800
Percentage of calls answered in 60 seconds (Service Level) ¹	45	57	67	46	44
Percentage of Calls Abandoned ²	25	22	15	23	28
Average Answer Speed (minutes)	4	2.1	1.7	3.1	3.1

¹ The goal is to answer 80 percent of calls in 60 seconds
² The goal is for only 10 to 15 percent of calls to be abandoned

Source: Department of Protective and Regulatory Services

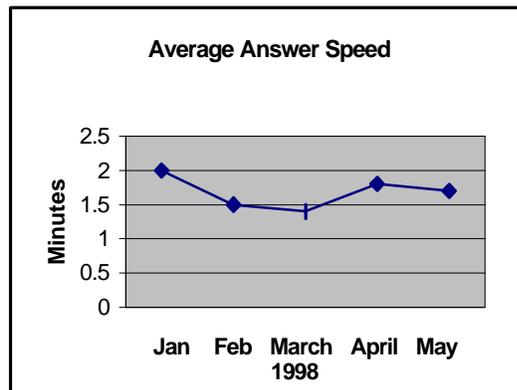
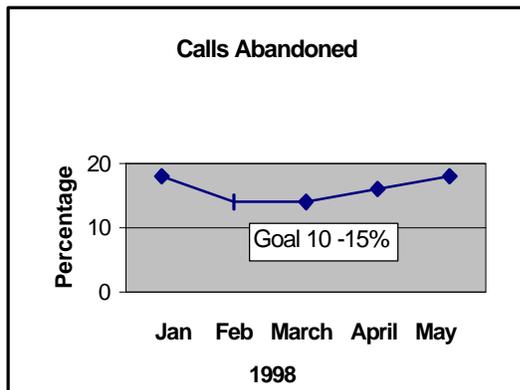
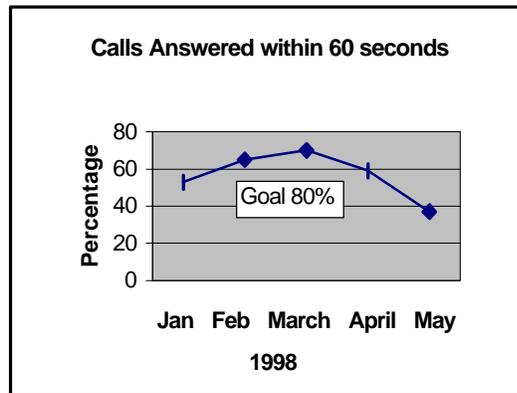
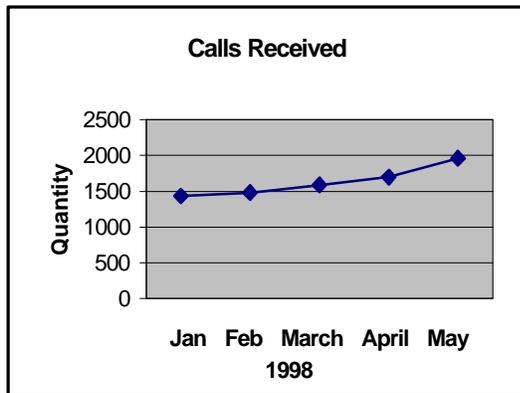


Hotline Call Data Abuse Hotline – Law Enforcement Line

	January	February	March	April	May
Number of Calls	1438	1485	1589	1704	1962
Percentage of calls answered in 60 seconds (Service Level) ¹	53	65	70	59	37
Percent of Calls Abandoned ²	18	14	14	16	18
Average Answer Speed (minutes)	2	1.5	1.4	1.8	1.7

¹ The goal is to answer 80 percent of calls in 60 seconds
² The goal is for only 10 to 15 percent of calls to be abandoned

Source: Department of Protective and Regulatory Services



Appendix 4.5:

Statewide Intake Monthly Hotline Call Data Report May 1998

Handled Calls: Those calls routed to the appropriate agent group and answered by the agent

Abandoned Calls: Those calls that are answered by the Rockwell ACD and routed to the agents but caller hangs up before agent answers

Percent Abandoned: Percentage of inbound calls lost because caller hangs up

Average Delay to Abandon: Average amount of time caller was on line before hanging up

Average Answer Speed: Amount of time caller waited until the agent answered

Average Talk Time: Amount of time in minutes the agent spends talking with caller to gather the information required to make a report

Average Work Time: Amount of time the agent spends working on the information provided by caller until agent is available to take another call

Abuse Hotline – English Queue						
(All calls into the main 1-800 number, minus calls directed to other queues)						
	January	February	March	April	May	Year-to-Date
Calls Offered	17,404.0	16,597.0	21,442.0	23,333.0	25,622.0	104,398.0
Calls Handled	14,295.0	14,691.0	19,767.0	19,729.0	20,924.0	89,406.0
Calls Abandoned	3,109.0	1,906.0	1,675.0	3,604.0	4,698.0	14,992.0
Percentage Abandoned	18.0	11.0	8.0	15.0	18.0	14.0
Average Answer Speed (minutes)	2.9	1.8	1.2	2.7	3.0	
Average Talk Time (minutes)	10.9	10.8	10.4	10.7	10.7	
Average Work Time (minutes)	15.6	16.3	16.3	16.4	17.0	
Average Delay to Abandon (minutes)	4.9	1.8	3.2	4.2	4.5	
Longest Delay Time (minutes)	91.9	53.5	42.9	54.1	70.9	
Service Level Percentage	54.0	69.0	85.0	53.0	50.0	

Source: Department of Protective and Regulatory Services

Abuse Hotline – Spanish Queue (Calls in which the caller opted for the Spanish-speaking line)						
	January	February	March	April	May	Year-to-Date
Calls Offered	362.0	387.0	413.0	507.0	800.0	2,469.0
Calls Handled	272.0	300.0	350.0	390.0	574.0	1,886.0
Calls Abandoned	90.0	87.0	63.0	117.0	226.0	583.0
Percentage Abandoned	25.0	22.0	15.0	23.0	28.0	24.0
Average Answer Speed (minutes)	4.0	2.1	1.7	3.1	3.1	
Average Talk Time (minutes)	11.1	11.1	11.8	11.3	11.3	
Average Work Time (minutes)	12.6	12.5	12.2	12.0	13.8	
Average Delay to Abandon (minutes)	4.7	2.1	2.9	3.8	4.5	
Longest Delay Time (minutes)	43.9	50.5	43.8	82.7	50.3	
Service Level Percentage	45	57	67	46	44	

Source: Department of Protective and Regulatory Services

Mental Health/Mental Retardation Line (Calls into the 1-800 number posted in all state mental health/mental retardation facilities)						
	January	February	March	April	May	Year-to-Date
Calls Offered	1,237.0	1,343.0	1,529.0	1,553.0	1,692.0	7,354.0
Calls Handled	898.0	979.0	1,120.0	1,119.0	1,247.0	5,363.0
Calls Abandoned	339.0	364.0	409.0	434.0	445.0	1,991.0
Percentage Abandoned	27.0	27.0	27.0	28.0	26.0	27.0
Average Answer Speed (minutes)	2.0	1.5	1.4	1.5	1.5	
Average Talk Time (minutes)	6.4	6.3	6.3	6.5	6.4	
Average Call Work Time (minutes)	9.3	9.5	8.8	9.0	9.5	
Average Delay to Abandon (minutes)	1.2	1.0	0.9	1.3	1.2	
Longest Delay Time (minutes)	43.8	26.7	37.2	35.7	38.7	
Service Level Percentage	38.0	43.0	45.0	37.0	37.0	

Source: Department of Protective and Regulatory Services

Texas Department of Health Line						
(Calls, to the Texas Department of Health Facilities Compliance Division, during non-business hours that are transferred to Statewide Intake)						
	January	February	March	April	May	Year-to-Date
Calls Offered	281.0	261.0	354.0	304.0	349.0	1,549.0
Calls Handled	160.0	147.0	223.0	159.0	217.0	908.0
Calls Abandoned	121.0	114.0	131.0	145.0	132.0	643.0
Percentage Abandoned	43.0	44.0	37.0	48.0	38.0	42.0
Average Answer Speed (minutes)	3.4	2.5	2.1	3.8	2.6	
Average Talk Time (minutes)	5.9	6.0	5.5	5.7	7.0	
Average Work Time (minutes)	8.8	9.4	8.6	9.5	11.5	
Average Delay to Abandon (minutes)	3.8	2.9	2.1	2.0	2.5	
Longest Delay Time (minutes)	82.1	26.9	36.8	34.7	26.5	
Service Level Percentage	51.0	55.0	60.0	54.0	56.0	

Source: Department of Protective and Regulatory Services

Law Enforcement Line						
(Calls to the 1-800 number distributed to state law enforcement offices, such as local police, juvenile probation, sheriff, and constable)						
	January	February	March	April	May	Year-to-Date
Calls Offered	1,438.0	1,485.0	1,589.0	1,704.0	1,962.0	8,178.0
Calls Handled	1,178.0	1,281.0	1,374.0	1,428.0	1,525.0	6,706.0
Calls Abandoned	260.0	204.0	215.0	276.0	360.0	1,392.0
Percentage Abandoned	18.0	14.0	14.0	16.0	18.0	17.0
Average Answer Speed (minutes)	2.0	1.5	1.4	1.8	1.7	
Average Talk Time (minutes)	7.5	7.6	7.2	7.5	7.9	
Average Work Time (minutes)	14.6	14.0	13.9	14.2	14.8	
Average Delay to Abandon (minutes)	2.0	1.1	1.4	1.3	1.4	
Longest Delay Time (minutes)	50.0	17.7	19.9	23.6	23.6	
Service Level Percentage	53.0	65.0	70.0	59.0	37.0	

Source: Department of Protective and Regulatory Services

Abuse Administration Line (The "internal business line" used by Department employees to call the intake system)						
	January	February	March	April	May	Year-to-Date
Calls Offered	11,032.0	12,100.0	13,394.0	13,623.0	14,721.0	64,870.0
Calls Handled	7,346.0	8,233.0	9,378.0	9,609.0	10,320.0	44,896.0
Calls Abandoned	1,790.0	1,904.0	2,101.0	2,118.0	2,368.0	19,984.0
Percentage Abandoned	16.0	16.0	16.0	16.0	16.0	31.0
Average Answer Speed (minutes)	0.5	1.2	0.4	0.3	0.4	
Average Talk Time (minutes)	1.2	1.2	1.0	1.0	0.9	
Average Work Time (minutes)	1.5	3.5	1.8	2.1	2.2	
Average Delay to Abandon (minutes)	0.5	0.3	0.4	0.2	0.3	
Longest Delay Time (minutes)	5.6	5.6	5.8	5.6	5.6	
Service Level Percentage	85.0	86.0	91.0	91.0	90.0	

Source: Department of Protective and Regulatory Services

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