

**EVALUATION OF THE PILOT PROJECT  
ON BLOCK FUNDING FOR CHILD MAINTENANCE  
WEST REGION CHILD AND FAMILY SERVICES**

**Final Report**



**Evaluation of the Pilot Project  
On Block Funding For Child Maintenance  
West Region Child and Family Services**

**Final Report  
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## *Executive Summary*

*West Region Child and Family Services, Inc. (WRCFS) began operation in September, 1982 following the signing of the Canada-Manitoba-Indian Child Welfare Agreement earlier that year. It received its mandate to operate with full status as a child caring agency under provincial legislation in September, 1985, and provides child and family services to nine First Nations in western Manitoba. The Agency operates a district administrative centre in Dauphin, a sub-office in Winnipeg and offices in each of the communities served by the Agency. Protection and prevention services are provided by community-based staff, and these services are augmented by special service units focusing on Alternate Care, Therapeutic Foster Care, Child Abuse and Treatment Support. Service demand in child protection increased steadily throughout the 1980's, but this has stabilized since 1990. WRCFS has had strong managerial leadership, and relatively low turnover rates in staffing. This consistency has helped the Agency establish a good quality child protection program, an alternate placement program which prioritizes the use of extended families, community-based placements and culturally-similar caregivers, and a range of community-based programs, including initiatives in family violence, sexual abuse intervention and day care. The service model which has developed stresses cultural relevancy, community-based services, First Nations control, a holistic response to service needs and a team approach to service provision.*

*In April, 1992 WRCFS entered into an agreement with Indian and Northern Affairs Canada (INAC) whereby payments for federally funded children in care would be paid as a block grant rather than through actual costs for the number of days care provided to*

children placed in alternate care resources. This agreement allows the Agency increased flexibility in determining how funds are spent; thus, it is consistent increased First Nations control over resources affecting their interests. However, the Agency cannot recover expenditures above the allocated grant unless such additional costs can be demonstrated to have occurred because of exceptional and justifiable circumstances. Surpluses may be retained by the Agency, but these are not to be used for general agency operations costs. An evaluation of this pilot project was conducted in the first six months of 1994. The external evaluation, conducted under the auspice of the Child and Family Services Research Group of the University of Manitoba, was funded by INAC, and the province contributed by completing a service quality audit of agency files. Thus, three stakeholders in the evaluation are identified: WRCFS, INAC and the Child and Family Support Branch, Manitoba Family Services. These stakeholders identified a number of evaluation questions to guide the review. The first requirement was to complete an historical profile of the Agency so that the pilot project could be understood within the particular policy context of this Agency. There were four other general questions which guided this evaluation. These were:

- What are the implications of the pilot project for expenditure patterns, financial accountability and the predictability of costs?
- Does the pilot project result in changes in service provision to children in care, and is there any impact on the quality of services provided for children in care?
- Does the pilot project lead to more services for families and children designed to prevent children coming into care or facilitate early family reunification?

- *Are there any management or service issues which need to be addressed in improving the effectiveness of Agency management and service provision under global funding?*

*The evaluation design included quantitative and qualitative methods of data collection. Trend analyses of services and expenditures, including some comparisons with trends elsewhere, were completed. A detailed analysis of placement patterns and expenditures for children in care was conducted for two time periods - a 15 month time period prior to the pilot project and a 15 month time period following implementation of block funding. An extensive audit of agency files was conducted by the Child and Family Support Branch, and this provides a provincial perspective on Agency compliance with good service standards. In addition, a small sample survey of children in care files was completed to examine presenting problems, services provided and outcomes for children in care. Additional methods of data collection included interviews with a small sample of foster parents, extensive interviews with staff, a review of findings from a community survey conducted at the 1994 Operational Workshop, a survey of prevention and outreach programs developed by the Agency, an intensive study of 12 cases involving service provision by the Agency, and a review of Agency documents.*

*The major findings pertaining to expenditure patterns, financial accountability and the predictability of costs follow.*

- *In the first year of the pilot project Agency expenditures in child maintenance were similar to those in the previous year, even though the number of days care provided increased by 8.9%. For federally funded children there was an increase of 4.5% in the number of days care provided, and a decline in expenditures. In*

*the second year of the project both costs and the number of days of alternate care declined significantly. This trend was more noticeable among federally funded children in care. Revenue from the federal government not required to support children in alternate care can be used to develop new community programs or support in-home services to families and children.*

- There was an increase in the use of special rate foster care following the pilot project. Although the cost of special rate foster care increased in both FY 92/93 and FY 93/94 the per diem special rate costs declined in each of these years. The ratio of special needs children funded by each level of government was similar in 1993/94.*
- There was a reduction in the use of residential care during the pilot project, although the Agency has never made extensive use of residential care.*
- While expenditures on child maintenance for federally funded children in care by WRCFS declined significantly over the past two years, there was an increase in federal child maintenance expenditures by other First Nations agencies in the province.*
- Accountability procedures are simplified for both INAC and WRCFS under the pilot project, and there have been no issues around cost control. Predictability in expenditures has been achieved by INAC under this arrangement.*
- The pilot project has not yet had any major effect on Agency operational costs and budgeting processes, although all expenditures for services directly provided for family support and children in care can now be more easily allocated to these components of the Agency's budget. Extensive, well developed internal mechanisms for financial accountability exist in the agency, and all child maintenance, family support and treatment costs are allocated to the child or family receiving these services. A summary of services provided and expenditures in child maintenance and family support is provided to INAC following the fiscal year end.*

- *Agency requirements to project needed expenditures, and plan service responses accordingly is more important under a block grant formula; thus, effective administrative and service planning procedures are needed at the agency level under global funding.*
- *There was a reduction of 6.5% in the per diem costs of care for all children in alternate care between FY 91/92 and FY 93/94. Part of this is explained by reduced use of higher cost alternative care, and a provincially imposed reduction in the basic rates of foster family care.*
- *Successful management under global funding in this Agency has been facilitated by effective internal mechanisms for financial and service accountability, organizational stability, capable staff, good management, an adequate base level for the grant, and a demonstrated commitment to service quality for children and families, not cost, as the primary basis for decision-making in service planning.*

*Major results concerning the impact of the pilot project on services for children in care are summarized next.*

- *Support services and the cost of such services to children in care increased following the pilot project.*
- *When a 15 month period of time prior to the pilot project is compared with a 15 month period of time following the pilot project there was no significant change in the number of children coming into care. However, the number of discharges in the post pilot project phase was higher and the average length of time in care declined.*
- *There has been a significant emphasis on family counselling and reunification work particularly in the past couple of years. Many of these efforts appear to have been successful and have contributed to the Agency's image as a source of help and assistance in communities. However, there was a slightly higher rate of*

*readmission to care following discharge during the pilot project phase.*

- When compared to the pre-pilot phase foster parents in the post pilot phase were receiving more training and a higher level of support services. These services were targeted more specifically at foster parents in the therapeutic foster home program. Support services provided to foster parents in general following the pilot project are as high or higher than those provided before the pilot project, and among those foster parents interviewed there was a high level of satisfaction with services provided by the agency.*
- The service audit of files conducted by the Child and Family Support Branch indicates that the Agency is generally in compliance with provincial service standards, and that service quality, measured in accordance with such standards, is above average.*
- The Agency makes extensive use of extended family placements, and this helps to meet program goals which emphasize retaining children within their own communities and culture. The use of extended family and biological family caregivers was similar prior to and following the pilot project.*
- Service planning for children in care in the past two years has reflected more of an emphasis on treatment, and efforts to respond to identified problems and difficulties associated with child placement. There was evidence of good case planning over the past several years.*
- There is no evidence of any differences in the level of service provided to children funded by the federal or provincial levels of government. However, the difficulties experienced by the Agency in accessing resources for special needs children from the province indicates that this may be a future concern unless these difficulties can be resolved.*
- Factors likely to affect future child maintenance expenditures are a higher than average rate of permanent wards, a higher than average rate of children in care*

*over the age of 14, and the demand for special needs services for children who have experienced sexual abuse or have fetal alcohol syndrome or effects.*

*Findings relevant to the development of preventive services under the pilot project are summarized next.*

- New initiatives in therapeutic foster family care, the expansion of treatment support services for families, school-based early intervention and the Skownan Lodge family life skills program have been facilitated by global funding in child maintenance. A community-based program for sexual offenders is to be launched in the fall of 1994.*
- A number of community initiatives related to sexual abuse have been launched. These include prevention programs and group healing programs for adult and adolescent survivors. These initiatives have involved prevention staff and staff from the Treatment Support Unit. While individual and family counselling services are also provided, these new group oriented programs reflect the Agency's commitment to community-based, holistic and culturally appropriate services.*
- There is evidence that more parents and families see the Agency as a source of help, and make voluntary requests for service than was the case in the past. While this may not be related only to the pilot project, the capacity of the Agency to provide an increased range of counselling and support services has enabled the more positive, cooperative working relationships in circumstances where a child is at risk or likely to become at risk.*
- The expansion of the treatment support unit is associated with an increase in the level of services provided where children are at risk or may be likely to become at risk.*

*In the course of this evaluation a number of service and management related issues were identified which may help to improve agency effectiveness under global funding. These included the following:*

- *the importance of integrating service outcome assessment with existing cost accounting procedures in order to further improve the Agency's service and program planning capacity;*
- *the importance of continuing to address problems of sexual abuse, and the particular need for services for adolescent offenders;*
- *the importance of continuing to focus on how traditional values and customs can be best incorporated into child and family service programs and services;*
- *the need for social service responses for older adolescents in care, and children with fetal alcohol syndrome or effects; and*
- *the need to continue efforts to develop positive supportive working relationships with other services and organizations at the community level.*

*The following recommendations are directly related to the purposes of this evaluation.*

- *It is recommended that INAC continue global funding of child maintenance for this Agency.*
- *It is recommended that a global funding arrangement between the province and the Agency be developed for children funded by the Provincial Government.*
- *It is recommended that INAC consider extending global funding agreements to other agencies subject to consideration of the conditions which appear to be associated with successful management under global funding. These include adequate procedures for accountability, a demonstrated commitment to future service planning, organizational stability, an adequate base level for the grant, an Agency child maintenance budget of sufficient size to permit some flexibility, and a commitment to service quality as the primary basis for decision making.*
- *It is recommended that initial grants for global funding in child maintenance be based on a consideration of the previous year's costs, an adjustment for any exceptional factors which might have had a one time impact on costs in that year, and an allowance adjustment to cover anticipated changes in volume, a cost of*



*living increase, and any additional justifiable price changes anticipated in the current year.*

- It is recommended that there be no reduction in the level of the block grant for child maintenance unless unusual circumstances prevail (e.g., mismanagement of surpluses or significant reductions in the population served).*
- It is recommended that future increases in the block grant for child maintenance be based on a consideration of the following factors: changes in volume, cost of living increases, and other justifiable changes in unit costs as required. Further study of the suggestions made in this report about how these factors should be assessed in determining the level of increase is recommended before guidelines are established.*

## **1. INTRODUCTION**

### **1.1 Evaluation Purposes**

West Region Child and Family Services entered into an agreement with Indian and Northern Affairs Canada (INAC) in April, 1992 whereby child maintenance payments for federally funded children in care would be provided through a block grant rather than through actual per diem costs based on the number of paid days of substitute care. An amendment to the INAC funding formula allows the agency increased flexibility in determining how child maintenance money is spent; however, expenditures above the block grant are not recoverable unless the agency can demonstrate that this is due to circumstances beyond their control and for which they could not have planned. Such circumstances are defined to include unanticipated and significant volume increases, and price increases which exceed those allowed in setting the annual grant. While the agency is allowed to retain surplus funds in the maintenance grant at year end, it is prevented from using these funds for operational purposes. That is, such expenditures are to be used for new programs and services aimed at prevention, early intervention and treatment for families and children in care or at risk of coming into care.

This pilot project, which incorporates a global budget for family support and child maintenance costs, is unique among First Nations Child and Family Service agencies in Canada. It provided for funding in 1992/93 that was based on 1991/92 actual costs in child maintenance with an 8% allowance for volume increase, and a 3% cost of living increase. This amendment (see Appendix A) to the existing funding formula provided a grant to the agency of approximately \$3,156,000 in 1992/93 for meeting the costs of child maintenance and new related service initiatives for families and children eligible for federal funding. An additional grant of \$300,000 for family development and support services was also provided. The existence of the pilot project made it unnecessary to distinguish between the two types of expenditures because the Agency now had the ability to use some child maintenance funds for family support services if it wished.

Funding for the pilot project was continued in 1993/94 at the same level established in FY 92/93, and the 1994/95 grant has also been set at the rate established in the first year. Documentation suggests three general purposes to the pilot project. These are:

- to achieve predictability in budgeting for child maintenance expenditures consistent with concerns about cost control, and adequate, administratively efficient accountability procedures;
- to enable the agency sufficient flexibility to provide services to children in care which are culturally appropriate in responding to First Nations values and practices, and consistent with acceptable standards of service quality; and
- to enable the agency to provide services to children and families designed to prevent children from coming into care or enable reunification of those in care with their families.

The Amendment to the Comprehensive Funding Arrangement also provided for an evaluation of the pilot project. The evaluation is of particular interest in measuring the effects of the project both in influencing continuation of this funding arrangement for the agency, and its potential application to other agencies.

The purposes associated with the pilot project are best understood by appreciating the dual context of First Nations aspirations for child and family services, and the statutory obligations to intervene to protect children who are at risk. Agencies are currently required to adhere to provincial legislation and standards, and this arrangement structures the provision of current services to a considerable degree. While the merits of this arrangement are the subject of considerable debate, it has been observed that there is considerable opportunity to adopt innovative approaches to service delivery if resources are adequate, and funding arrangements are flexible enough to enable such developments. The issue of resource adequacy and flexibility in funding arrangements is a key condition examined in this review. The existing requirement to meet provincial standards dictated an approach to the evaluation of this program which included the province as a key stakeholder and participating partner.

There are two general conditions that suggest a role for First Nations child and family service agencies which differs from that of conventional agencies. First, there is recognition of different cultural traditions, and the related goal of self-government. Second, there is recognition of the historical role of institutions, including child welfare agencies, in separating First Nations children from their extended families and culture, and in the process failing to address underlying problems and their causes within First Nations communities. In brief, conventional efforts at service provision have failed to empower First Nations families and communities; in fact these efforts have had the opposite effect. Whereas conventional child and family service agencies are obligated to provide child protection services, and may provide family support, early intervention and prevention services, First Nations agencies recognize an obligation to provide both protection and prevention services in order to strengthen First Nations families and communities at the same time as they are protecting children. Such services include programs designed to support families, support the well-being of all children in the community, and connect and reunite children with their biological and extended families. The flexibility afforded in block funding for child maintenance represents, in the ideal, one way of expanding the range of direct and indirect services to children and families in these communities.

There are also particular problems that First Nations child and family service agencies face in trying to respond in a more culturally appropriate and holistic fashion to the needs in their communities. One is the high ratio of children with special needs, including sibling groups, children with fetal alcohol syndrome or effects, and children who are victims of sexual abuse. Another is the lack of specialized resources for these children within First Nations.

An important issue is the financial implications of the growth in the number of children in care. When compared with other provinces, Manitoba has a substantially higher rate of children in care. Although this pattern is not limited to First Nations communities, the trend is no less true

in these communities. It is a matter of some debate as to whether this means the children in Manitoba are being better or more poorly served; however, it is clear that the high cost of out of home care is an issue of major concern to governments. While the rising cost is probably the primary concern, these expenditures are also of importance because they are difficult to accurately predict and their relative benefits are difficult to measure. Thus, block funding has administrative and political appeal if it can ensure predictability and cost control, while at the same time affording adequate opportunities to protect and enhance service quality.

The general purposes of this evaluation of the pilot maintenance project on block funding are:

- to examine the predictability of expenditures and the implications for financial accountability;
- to examine whether the flexibility in funding enables service responses which meet the needs of children and families through approaches which are more culturally relevant and community based; and
- to examine whether services provided to children in care are generally consistent with provincial standards and agency values and goals.

There are three key stakeholders in the evaluation. These are the provincial Child and Family Support Branch, INAC and West Region Child and Family Services (WRCFS). Representatives of these stakeholders identified a list of detailed questions to guide the evaluation at a meeting in November, 1993, and a summary of these questions is included in Appendix B. While the interests of stakeholders overlap, INAC is particularly interested in the generalizability of the model, and issues related to funding and service accountability. The province is somewhat more interested in issues related service standards, although financial accountability for provincially funded children is also a matter of interest. While the agency is concerned with both accountability and standards, it is also interested in identifying service issues, problems and planning options which may need to be addressed in enhancing service delivery. This evaluation

did not involve a comprehensive review of all programs in the agency nor did it involve an assessment of the agency's organizational structure. However, it involved much more than a narrow consideration of the particular implications of the pilot project, and addressed program evaluation questions that were beyond the scope of quality assurance reviews normally conducted by the provincial Child and Family Support Branch. Three general questions have guided the review:

- (1) What are the general financial and service implications of block funding for child maintenance?
- (2) Is the agency meeting acceptable financial and service standards in the implementation of block funding as determined by external requirements and its own goals and expectations?
- (3) What are the specific service or financial issues identified by this review which may need to be addressed by the agency to more effectively meet the needs of the First Nations children, families and communities it serves?

This evaluation was conducted under the direction of the author as a member of the Child and Family Services Research Group at the University of Manitoba. The Child and Family Support Branch participated by conducting a detailed audit of children in care, family service and foster family files in accordance with procedures normally followed in its quality assurance review process. This contribution was very important, and the cooperation of Mr. Bruce Unfried, who coordinated this component, was particularly appreciated. The Branch did not conduct a full quality assurance study because the interview component of the review process would have conflicted with data gathering processes planned for this evaluation, and the Standards Project. However, the audit provides an assessment of the degree of agency compliance with provincial standards. Because provincial staff who conducted this audit have also conducted similar reviews

in other agencies, they are able to provide a general comparative snapshot of agency performance on a variety of service indicators as reflected in file documentation. Two other important sources of assistance are acknowledged. Evaluation assistance for the completion of several tasks was purchased directly by the principal evaluator, and the direct contribution of the agency in several evaluation related tasks was invaluable. Agency staff made themselves available for interviews and provided all requested information. This required considerable staff investment, particularly in completing placement tracking forms on all children in care from January 1, 1991 to December 31, 1993. The cooperation of agency staff is particularly noted because it exceeded that normally experienced in conducting evaluations of this type.

## 1.2 Methodology

The evaluation design involved both qualitative and quantitative approaches to data collection. Four components to the evaluation were outlined in the initial proposal, and three of these were funded by INAC. These are briefly outlined here along with a summary of the general data collection methods employed. A brief history of the agency is provided in Chapter 2. Major evaluation findings are then presented. Critical issues which may require further consideration and action are identified where appropriate, and recommendations are included as warranted.

### 1. Agency Background and Description

A brief profile of the agency's history and structure is developed in order to provide an understanding of the agency's approach to the pilot project, and some of the developmental factors which have influenced its experience with block funding. Data collection involved interviews with agency staff, and a review of extensive agency documentation, including Annual Reports, project reports, financial statements, planning documents, and statistical reports.

## **2. Financial Management and Expenditure Patterns in Child Maintenance**

This involved a detailed pre-post cost analysis of child maintenance and family support expenditures and general trends in agency spending. The analysis of expenditures also involved a review of several service components within this general program area including regular rate care, special rate care and some of the characteristics of those children who required increased expenditures. Efforts were made to identify factors which affect the capacity of an agency to effectively manage both costs and service provision under block funding. As well, the evaluation included a general review of methods established by the agency for financial accountability and cost control.

Data collection involved interviews with agency staff, including the Executive Coordinator, Director of Programs and administrative staff, as well as representatives from the Child and Family Support Branch and INAC. Document analysis of expenditure patterns, and a detailed analysis of placement patterns and costs for children in care between January, 1991 and December, 1993 were completed in relation to this component of the evaluation.

## **3. Service Quality Assessment**

This was a major component of the evaluation and involved an examination of whether the pilot project was associated with changes in service provision and whether the services provided by the agency to children and their families are consistent with expectations related to good service quality. Efforts were made to examine patterns of child care and services provided during comparative periods of time prior to the pilot project and after its implementation. In addition, service quality was examined by several methods: a detailed file audit conducted by the Child and Family Support Branch, intensive case studies, a survey of a sample of foster parents, and a survey of community prevention activities undertaken between January, 1991 and December, 1993. Services were generally reviewed both with respect to their compliance with



provincial standards and the agency's mission to provide more culturally relevant, community-based child and family services.

Data collection efforts involved the following procedures:

- a) A detailed file audit and analysis of 107 children in care files, 62 foster family files, 159 family service files and a selected number of Winnipeg files was conducted by the provincial Child and Family Support Branch.
- b) A placement tracking survey form was designed and administered to all children admitted to care between January 1, 1991 and December 31, 1993 (N=637). Data was compiled for three periods of time: January 1, 1994 - March 31, 1992 (prior to the pilot project); April 1, 1992 - September 30, 1992 (early implementation of the pilot project which has been described as a period of transition); and October 1, 1992 - December 31, 1993 (pilot project in effect). This information provided a pre-post project comparison of placement patterns for children in care.
- c) A survey form was designed and administered to a small non-random sample of children in care files in order to determine presenting problems, services provided and the outcomes evident in these cases (N=39).
- d) A survey form was designed and administered to relevant staff in order to capture community prevention and support programs initiated between January, 1991 and December, 1993.
- e) An interview guide was designed and administered to approximately 16% of the foster families (N=14) providing out of home care for the agency. An equal number of providers providing regular rate care and therapeutic foster care were surveyed.

- f) Interview guides were designed and 20 agency staff were interviewed, several on more than one occasion. Staff interviewed included senior staff, supervisors, program coordinators, administrative staff and community-based social workers and support staff.
- g) Intensive case studies were completed on 12 cases. Cases were purposively selected to illustrate the range of services provided to families and children with different types of presenting issues. They included children in care who were permanent wards, children in care where family reunification had occurred, family situations where treatment support services had been provided, and a case where only support services are being provided. Care was taken to examine cases falling under both provincial and federal funding responsibility, to select cases from a variety of First Nations and to include a number of cases which involved service provision both prior and subsequent to the initiation of the pilot project. Two evaluators participated in this process and in each case all relevant case files (child care, family service and foster family) were reviewed. A staff member or supervisor was then interviewed to answer questions, update file information and clarify issues emerging from the file review.
- h) Service documentation was reviewed, including agency service plans, project reports on the day care and family violence initiatives, and the therapeutic foster home program outline.
- i) Information from the Standards Project, including the results of consultation with community members, Chief and Council, and Child and Family Service Committees, was reviewed for findings relevant to this study.

### 1.3 Limitations

Two general limitations should be recognized. First, the project has been in place for just over two years, and the first six months or more involved a period of transition. Service initiatives due to the pilot maintenance project were described as less apparent during the transition period. As the evaluation covers a relatively short implementation time frame, the project's impact on longer time client outcomes cannot be accurately assessed. Thus, the evaluation focuses on implementation issues, an examination of effects related to financial accountability and service quality, proximate outcomes related to placement trends, and an identification of service issues which may be only partly related to the pilot project.

A second limitation concerns the time frame of this review. The six month time frame prevents the development of specific measures of client outcomes which could be introduced and measured over time as one method in assessing service effectiveness.

## **2. HISTORY AND PROFILE OF THE AGENCY**

### **2.1 History and Philosophy**

West Region Child and Family Services, Inc. (WRCFS) was one of the agencies formed following the signing of the Canada-Manitoba-Indian Child Welfare Agreement in February, 1982. This Master Agreement identified the general principles, process and financial arrangements for the provision of a full range of child and family services which would operate within provincial legislation and standards. This Agreement also provided for subsidiary agreements which would identify and define the services to be delivered, the mode of service delivery, operating policies and procedures, cost, and evaluation mechanisms. WRCFS began operation with the signing of its first subsidiary agreement in September, 1982. The agency provides services to the nine member bands of the West Region Tribal Council: Crane River, Ebb and Flow, Valley River, Waterhen, Pine Creek, Gambler, Keeseekoowenin, Waywayseecappo, and Rolling River. For the first three years the agency provided services under a collaborative arrangement with the province where final statutory authority was retained by provincial authorities. In May, 1985 a review was conducted by the province following application by the agency for full status as a child caring agency. The mandate to operate as a Child and Family Services agency under the provincial Child and Family Services Act was granted to WRCFS in September, 1985.

The 1983 subsidiary agreement listed Band membership on reserves as 2,488, and that population has increased to 4251 (71%) by 1993. This agreement also specified the range of services to be provided, and the preferred placement resources to be used for children requiring out of home care beginning with the extended family. The use of provincial legislation has always been regarded as an interim measure by the Chiefs of West Region, and the agreement to provide services under provincial legislation recognized a number of operating principles. Among these were the following:

- a) The relationship between West Region Reserves and the provincial government shall be such as to further and strengthen the development of Indian people without in any way undermining either the special status of Indian people within the Canadian Federation, or the special trust relationship that Indians have with the Federal Government.
- b) Indian people are entitled to the benefit programs and services available to all other citizens of Manitoba, with these provided in such a manner that the benefits do not replace an obligation of Canada or detract from or undermine the special trust relationship (1983 Subsidiary Agreement).

The agency, with the head office on the Keeseekoowenin First Nation, operates offices in Dauphin, which serves as the administrative centre for the region, and in Winnipeg. Each First Nation has a local office staffed by one or more community based workers who provide protection and prevention related services in their respective communities. These staff also report regularly to the Dauphin office where administrative recording is completed. Consultation and supervision is provided on these visits as required; however, most supervision is provided through regular visits by supervisors to communities. Specialized service units, including those related to abuse investigation, treatment support, alternate care and therapeutic foster care operate from the Dauphin office. The Winnipeg office includes the Executive Coordinator and staff who provide outreach services in Winnipeg, policy and program analysis and planning, and operate a repatriation program sponsored cooperatively by First Nations child and family service agencies in the province. Each local community has a child and family service committee which provides advice and assistance to agency staff serving their community, and the agency is governed by a Board of Chiefs from each First Nation served by WRCFS. The agency is separately incorporated, and operates outside the West Region Tribal Council structure. This autonomy gives the agency full administrative responsibility and authority for all aspects of operation, including financial accountability. In addition to operating a full range of programs associated with its child and family services mandate the agency has a staff person who coordinates the Native Alcohol and Drug Abuse Program (NADAP), and a staff person involved in program development

under the Family Violence Initiative. External funding is provided for these staff and their closely allied functions are seen to be related to the agency's efforts to provide a more coordinated, comprehensive and holistic service response to the communities it serves.

The philosophy and mission of the agency is reflected in several documents, and includes a set of core values, a statement of general goals, and a statement of philosophical beliefs to guide its programs.

Core values adopted by the agency stress the following general principles:

- First Nations children are best protected within their families and tribal communities.
- First Nations are entitled to services which respect their culture and traditions.
- Each First Nation community is unique and services to respond to these unique needs must be community-based and involve local community input in decision-making.
- First Nations have the right to self-determination and exclusive jurisdiction over their children.
- Children are the responsibility of the clan and tribe as well as the natural family. Thus, a child and family service agency has the responsibility to assist not only in protecting children at risk but in supporting children, families, the clan and the tribe within a holistic approach, respecting and recognizing community structures.

The general goals which have been adopted are to:

- deliver a community-based, culturally appropriate child and family service program to the nine member First Nations;
- deliver services from an orientation and philosophy of prevention and support;
- maintain a viable placement resource program, incorporating ongoing training of foster parents, homemakers, parent aides and volunteers;
- repatriate children to extended family and/or home community;
- attempt to keep children within their home community, while still ensuring that the child's best interests are being met;
- provide family support services with a view to keeping families together; and
- work towards the development of a First Nations Child and Family Services Act that is in accordance with the principles of First Nations self government.

The agency attempts to build its programs in accordance with five major philosophical beliefs. These are identified as follows:

- Aboriginal Control - This belief reflects the view that true self-determination begins with autonomy in the area of child welfare.
- Cultural Relevancy - This belief is associated with the demand for culturally relevant and sensitive services by member First Nations who formed the agency.
- Community-Based - This belief reflects a commitment to use local resources wherever possible, including staffing and placement selection for children when out of home care is required.
- Comprehensive in Scope - The concept reflects a commitment to respond to the needs of children, families and communities in a holistic fashion through a multidisciplinary coordinated response.
- Team Approach to Solutions - This recognizes a need for service input from a variety of programs and staff, including the advisory and monitoring role of local Child and Family Services Committees.

The service model and philosophy of the Agency has been shaped by a number of factors but one of the most important is the socioeconomic context of the communities it serves. First Nations within West Region are characterized by a growing population, extremely high rates of unemployment and high rates of poverty. In addition, there is a limited service infrastructure, especially for specialized services related to sexual abuse, fetal alcohol syndrome or other special needs. These realities are also connected to historical patterns of colonization which included the residential schools and actions by the mainstream child welfare system which consisted primarily of the separation of First Nations children from their families, community and culture. Many of the parents and grandparents of children in these communities attended residential schools, and there were several located in this region of the province: Brandon, Elkhorn, McKay (Dauphin) and Pine Creek. This general context is important in understanding the Agency's commitment to a community-based, comprehensive service model.

The First Nations served by the agency are within reasonable driving distance from Dauphin, and several are located in close proximity to non Aboriginal communities. A Christian

influence is significant in many communities although in most communities there is an emphasis on the revival and extension of First Nations traditional beliefs, values and customs. This is reflected by the importance attached to the role of Elders and the extended family, and the teaching of First Nations languages and culture as expressed by community members during the recent consultation process on First Nations child welfare standards.

## **2.2 Service Model and Agency Profile**

The service model adopted by the agency reflects a commitment to community-based programming for most protection and prevention services with specialized service units located in Dauphin which augment local services. These specialized service units include an Alternate Care Unit, an Abuse Unit, a Treatment Support Unit and a Therapeutic Foster Home Program. The agency's general administrative structure as of January, 1994 is shown in Figure 1. Recent adaptations include changes to the supervisory structure, a new position to establish sexual offender treatment programs, and the creation of a position for coordinating research and evaluation activities.

The Alternate Care unit's primary responsibilities are foster home recruitment, licensing and review, and placement coordination. There has been a small increase in foster homes since 1991, and there are now 190 open foster family files, including extended family homes, with approximately 90 in use.

The Abuse Unit, which was developed in 1988, initially handled all abuse cases from investigation to intervention. Since inception there has been a significant increase in referrals, from 18 in the first year of operation to 167 in 1993/94. With the developing skills of staff, the evolution of the treatment support unit and increased referrals the role has been limited to investigation, education and prevention. Once the initial investigation phase has been completed, intervention becomes the responsibility of local workers and/or the Treatment Support team. The



model appears to work reasonably well in providing necessary expertise in abuse investigation and training, and protecting local community staff from some of the internal criticism that can occur when they have the responsibility to respond to these issues in small communities.

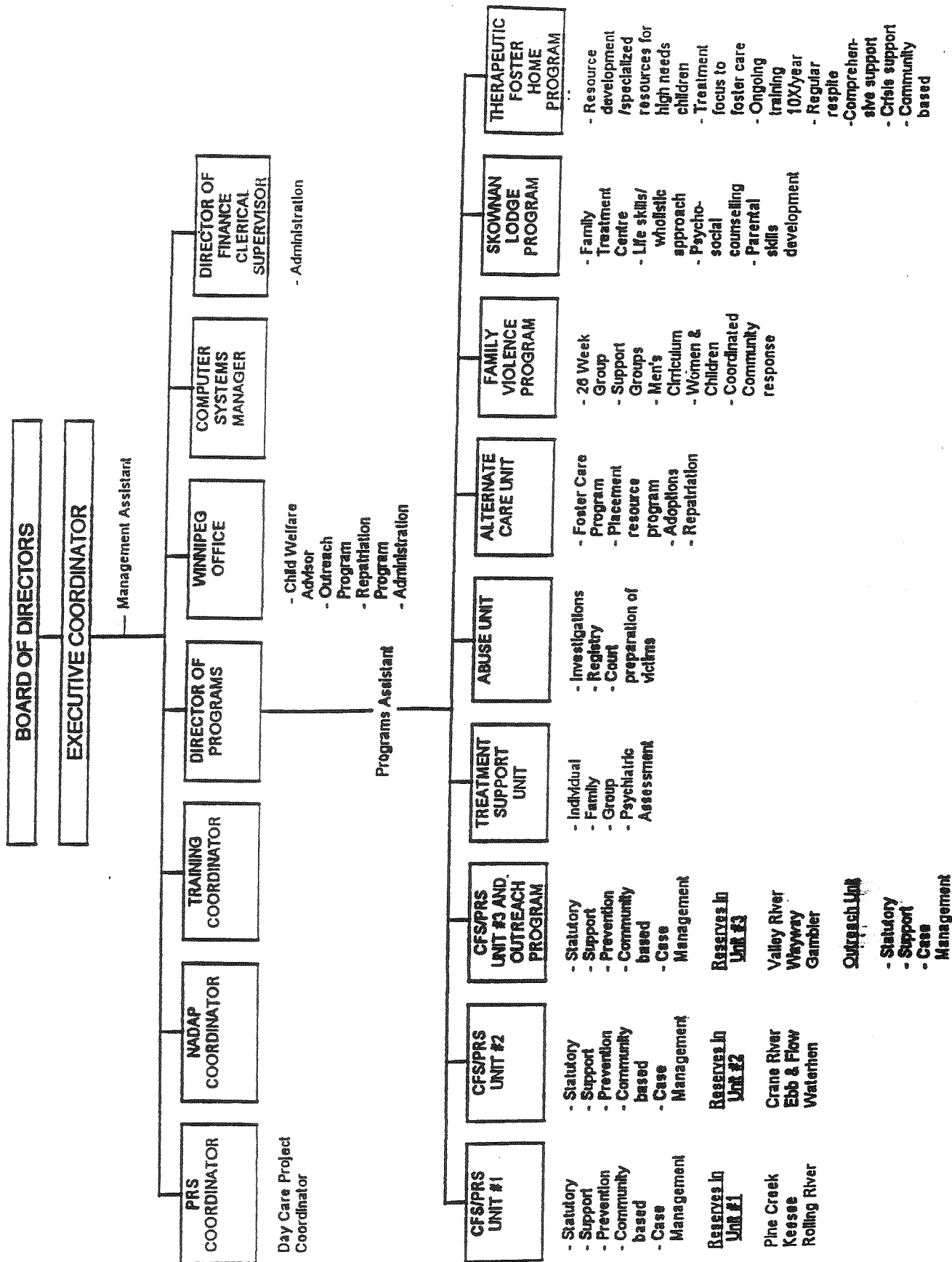
The Treatment Support Unit was initially developed as an option to the use of high cost clinical services from outside the community, and the questionable efficacy of some of these services. While external services are still utilized where required, the Unit provides a more efficient, responsive and effective service alternative in many cases. The Unit has expanded from two to five staff in the past few years as a partial result of the flexibility in maintenance funding, and it now provides staff coverage in all communities. This Unit provides locally based treatment and support intervention related to abuse. There is a particular emphasis on intervention involving sexual abuse, and responses may include individual counselling and support, family support counselling and group programs. Group programs for adolescent victims and adult survivors of sexual abuse have been successfully implemented in several communities. The current staff complement provides a more accessible service in that specific staff can now provide continuing regularized services to designated communities. Although some communities are more responsive to the work of this Unit than others the services are quite highly valued both within the agency and in communities.

The Therapeutic Foster Program is a very recent initiative, and reflects efforts to reduce the use of residential care outside communities while providing more stable, therapeutic foster home settings for children with special needs. Placement priorities have included larger sibling groups, children with fetal alcohol syndrome or effects, and children and youth who have

FIGURE 1

# WEST REGION CHILD AND FAMILY SERVICES PROGRAMS CHART

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experienced sexual abuse. Families involved in the Therapeutic Foster Home Program receive more regularized support worker services, participate in ongoing training and receive a special service fee. This service fee is highest during the initial assessment period (up to 90 days), and declines over time on the assumption that the amount of foster home intervention and treatment will be reduced as the child stabilizes within the home environment. Currently, approximately 15 homes are involved in this program. An additional 20 families receive support worker services only for children placed in these homes. In all, approximately 80 children are in placements in treatment support and therapeutic foster homes, and 10 of these homes have sibling groups which include between three and five children.

The agency makes a distinction between protection and prevention programs at the community level, and in most cases services associated with these programs are provided by different staff. The protection programs involve investigation, placement, family support counselling, court related work, and supervision of children in care. Prevention and resource development services include the initiation of community-based programs, including programs for youth, parenting programs and life skill training, as well as coordination and administration of family support services, including arrangements for homemakers and parent aides. These staff work very closely with protection workers, and provide statutory services related to child protection, if required. Supervision is provided to both protection and prevention staff by the same supervisor, although there is a Prevention Services Coordinator in the agency responsible for overall prevention and resource development initiatives. A recent initiative involving some of the prevention staff is the development of the Skownan Lodge Healing Centre. This program is designed to provide family-based treatment and support services around parenting and life skills. The residential program designed for Skownan Lodge site near Waterhen is not yet operational;

however, a ten week version of the life skills oriented program has been delivered to a number of adults using a Dauphin location.

There are a number of other service oriented initiatives which illustrate the agency's efforts to provide a more comprehensive and integrated response to community needs. Two outreach positions have been established to provide off-reserve service to community members in Winnipeg, Brandon and the Parklands area. A Standards Project was initiated in 1993 to develop First Nations child welfare standards through a community consultation process. Funds from the Family Violence Initiative for the region were used to establish a position within WRCFS, and services developed included a men's group and programs for women and children. In this program the initial focus was the development of a comprehensive training program for community helpers who would then be able to provide a 24 week treatment program for abusive and violent men within communities. This initial training has been completed and a manual outlining the Medicine Wheel approach to dealing with family violence has been produced. While some community programs have occurred, these programs are not yet fully developed in all communities. Family violence is a general concern, and it is significant that the WRCFS Board of Directors has adopted a position statement that addresses the need for action to end family violence against women and children. Funding was also received from the Child Care Initiatives Fund to develop child care services and support on four of the First Nations communities served by the agency. The 22 month program assisted in the development and implementation of two day care centres, in Keeseekoowin and Rolling River, provided support to an existing centre in Waywayseecappo, and developed a Family Day Care Home in Pine Creek. Other initiatives included two shared cost positions with school divisions to work with children identified by the educational system as requiring special services. Past initiatives have included a review of abuse cases for the period 1989-91, and sponsorship of a major Foster Family Conference held

in Winnipeg in April, 1992. In the fall of 1994, a new program targeted at the development of community programs for intervention with sexual offenders will be initiated.

Service training has always been a major priority for the agency, and WRCFS has been a major advocate for the recent development of a B.S.W. distance education program in social work. This program, which will begin in the fall of 1994 in the Dauphin area, will provide new opportunities for professional education for many of the agency's staff. In the past two years, the Executive Coordinator has developed and implemented a training program geared to the development of supervisory skills appropriate to Aboriginal organizations. Nineteen staff within the agency participated in this program, and this has led to the adoption of a more team oriented approach to supervision.

The agency is managed by a Board of Chiefs who have been supportive of the agency's current operations, and each community has a child and family service committee which plays an important advisory and monitoring role concerning local service provision. Such committees provide support and advice to staff, particularly in relation to local resources.

WRCFS has been characterized by a high degree of organizational stability and this has increased its capacity to plan and gradually develop its services both within a consistent philosophical framework, and with a good grasp of evolving community needs and priorities. Senior management has been very stable and are highly regarded. The agency has competent Coordinators and Supervisors in middle management, a very capable administrative support unit, and experienced direct service staff. Staff stability and ongoing training and development have been particular strengths in the agency's efforts to develop and improve its programs. With respect to staff stability, for example, the turnover rate for all staff in the agency between 1989/90 and 1992/93 was only about 8%.

The development of the agency's programs and services have evolved through a number of stages. Initial commitments to provide culturally appropriate, preventive services faced several hurdles. The existing legacy of conventional child welfare services oriented to the apprehension and placement of children outside the community and culture was difficult to overcome, particularly in view of the fact that the agency initially received most of its funding tied to the placement of children in care and functions associated with its protection mandate. While prevention staff positions were initially identified they became involved in responding to statutory service demands in the face of caseloads which tripled within a three year time frame. Early training was focused on the development of staff skills in statutory protection work; there was little time for prevention, and it was difficult to nurture and develop staff expertise in this area. This led to concerns that the agency was adopting too much of a conventional approach to child welfare service delivery. As a result prevention programming was reprioritized and defined as the core of the agency's service mandate. While services involving the protection of children, including placement, continued to receive considerable attention, the focus shifted to such issues as how families could receive more support to prevent placement or ensure reunification, how placement resources in the extended family and community could be developed and utilized, and how related community programs could be developed to support more community-based child and family services. This led to the adoption of the agency's service philosophy earlier identified which included principles stressing Aboriginal control, cultural relevancy, community-based services, comprehensive, preventive services and a team approach to solutions. The implementation of these principles continues to evolve, and a key issue is the development and recruitment of staff with both the specialized skills and service orientation to establish effective programs. The agency's focus on staff development, and its recruitment of staff with required skills has helped to put these principles into practice.

Child protection services have continued to receive considerable attention, particularly due to increased service demand. Case finding increased during the late 80's largely because of higher referrals related to abuse, particularly child sexual abuse. Table 1 provides a snapshot of the child protection program at one year intervals beginning in 1988/90. The number of children in care has stabilized somewhat since 1990/91, although total days care provided increased modestly in 1992/93. For example, in 1988/89 the number of days care provided was

**TABLE 1: West Region Child and Family Services: Children in Care - 1988/89 - 1993/94**

Category	88/89	90/91		91/92		92/93		93/94	
	No.	No.	% Change	No.	% Change	No.	% Change	No.	% Change
Children in Care at Year End	172	251	45.9	244	(2.8)	238	(2.4)	212	(10.9)
Average Number of Children in Care	140	225	60.7	245	(8.9)	235	(4.2)	215	(8.5)

Source: Agency documentation

45,504. Days care provided increased to 59,625 in 1991/92 (+31%) and between 1991/92 and 1992/93 to 62,323 (+4.5% over 1991/92 figures). As well the need for special needs service has continued to increase.

In February, 1989 there were 157 children in care. Of these 57 (36%) were permanent wards, 49 (31%) were in care under a voluntary placement agreement, 40 were under apprehension and 11 were temporary wards. Placement patterns by 1989 reflected the agency's commitment to community-based, culturally appropriate and extended family placements.

According to Agency documentation, approximately 72% of all placements were located on reserves, 65% were with extended family, and 78% were placed with First Nations or other Aboriginal caregivers. On reserve placements comprised 68% of all placements in July, 1993, and 84% were in First Nations or other Aboriginal placement resources.

Homemaker and parent aide services were used extensively as a means of providing family support services in the past and these services remain as an important component of the Agency's family support program. However, some of the expenditures on these services have been shifted more recently to a wider range of family support services, including day care and treatment services, and tied to specific service plans for families. Most staff regard these changes as positive in that they felt many families had become a little too dependant on homemaker services in the past. While the provision of homemaker and parent aide services have been reduced somewhat, the overall level of support services provided to children and families through day care, support worker services, service from treatment support staff and homemaker services has increased.

Two factors have enabled the agency to concentrate on providing both more outreach and treatment oriented services in the past four to five years. One is the achievement of some stability in case finding and the pattern of out of home placement. A second is the agency's strengths in being able to effectively respond to its child protection mandate. The agency's effectiveness in meeting its child protection mandate is attributed to several factors: experienced community-based staff, good quality supervision, organizational stability and leadership, and a service model which provides important specialized back-up services to community staff which carry out more generalist child and family service functions.

One important observation concerns the service model adopted by the agency. Different service models may be required for different contexts; but the service model which has been



developed in this Agency appears to work particularly well in balancing the need for community-based services and the necessary specialized expertise to ensure quality services. While this balance should be continually monitored to ensure adequate attention to both the agency's goals and community aspirations for maximum control over services, there is every reason to expect that these commitments can be met in ways which enhance service quality.

An important agency strength which facilitates effective management and planning is its financial and administrative support unit. Its capacity to integrate cost data with service trends is used effectively to assist management decision-making in service planning. In addition to the attention given to planning specific initiatives, such as the therapeutic foster home program, the agency holds a regional operational planning workshop for community representatives every two years. Major service plans are established every two years following the operational workshop, and these are reviewed and updated in the intervening years.

A brief summary of agency revenue and expenditures over the past few years concludes the descriptive profile of the agency's development. Combined provincial and federal expenditures for the agency operations and child maintenance between 1990 and 1994 are shown in Table 2.

**Table 2: Operations and Child Maintenance Expenditures for West Region Child and Family Services - 1989/90 - 1992/93**

Category	89/90	90/91		91/92		92/93		93/94	
Expenditures:	\$000's	\$000's	% change	\$000's	% change	\$000's	% change	\$000's	% change
Operations	1,677.6	2,126.5	26.8	2,131.7	0.2	2,292.7	7.6	2,304.3	0.5
Maintenance	1,931.0	2,900.7	50.2	3,544.1	22.2	3,675.0	3.7	3,326.3	(9.5)
<b>TOTAL</b>	<b>3,608.6</b>	<b>5,027.2</b>	<b>39.3</b>	<b>5,675.8</b>	<b>12.9</b>	<b>5,967.7</b>	<b>5.1</b>	<b>5,630.6</b>	<b>(5.6)</b>

Source: Agency Financial Statements. All expenditures in current dollars without discounting for inflation. 1993/94 expenditures are unaudited.

General agency expenditures reflected a significant increase between FY 89/90 and FY 90/91, and modest increases in FY 91/92 and FY 92/93. Expenditures in child maintenance increased at a higher rate than operational costs, and most of these changes are explained by volume changes in the number of days care provided. Preliminary figures for FY 93/94 indicate a slight reduction in expenditures due to a decline in child maintenance costs.

Most revenue is received from INAC and the province for child and family service programs, although additional funding is received from both levels of government for special program initiatives. The year 1992/93 is selected to illustrate revenue and expenditure patterns. In that year, INAC provided an operations grant of \$1,654,366 (covering 72.2% of all operating costs). The province provided grants for the supervision of provincially funded children and a small outreach service grant (total of \$299,900). This amounted to 13.1% of all operating costs. Interest and funding for special programs accounted for the remainder of operating revenue. Federal contributions comprise the largest proportion of child maintenance revenues as most children in the agency's care are federally funded. For example, in 1992/93 federal revenues in child maintenance were \$2,635,720 (excluding a year end surplus allocated to incomplete

projects) or 71.7% of total expenditures. Provincial revenues were \$880,348 or 24% of total child maintenance expenditures.

This agency profile provides a general description of the agency. It also demonstrates that the agency had achieved a stage of relative stability in organizational development, and service demand by the time the pilot maintenance project was implemented.

### **3. FINANCIAL MANAGEMENT AND ACCOUNTABILITY**

#### **3.1 Child Maintenance Funding**

The two major budget components in child and family services are child maintenance and operations. Operational funding includes staff salaries specific to all child and family service programs and administrative overhead costs. Child maintenance expenditures for First Nations child and family service agencies include funds provided by the federal government for children deemed to be the responsibility of this level of government, and funds provided by the provincial government for children deemed to be a provincial responsibility. The factor determining responsibility is the actual residence of the parents at the time the child comes into care; thus, if at least one parent resides on the reserve, the child is deemed to be a federal funding responsibility.

In Manitoba, child maintenance costs are generally reimbursed on the basis of approved per diem costs for each child taken into care. In foster family care regular maintenance payments are based on volume and the accumulated days of care which result from children in this type of out of home placement. Current policy allows the approval of special rate care by agencies to a maximum of \$46.50 per day if the child is a provincial funding responsibility and \$50.00 per day if the child is a federal funding responsibility. Rates beyond this level and the levelling of children for residential care must be approved by the provincial Child and Family Support Branch.

Costs related to federally funded children are normally reimbursed by INAC according to actual costs with the federal role regarding accountability limited to ensuring that children for which it is billed are, in fact, a federal responsibility. Funding normally involves a three month advance at the beginning of the fiscal year, and then payment of monthly billings. The initial advance is applied against expenditures in the final quarter, and actual costs provide the basis for reconciliation. While initial allocations for maintenance are set out in a contribution agreement,

expenditures which exceed these allocations are paid by INAC through amendments to the initial agreement. Allocation estimates in any given year are usually based on the previous year's expenditures with an adjustment for anticipated volume and cost of living increases.

The pilot project launched April 1, 1992 altered federal protocols for the agency by providing block funding for child maintenance costs based on an agreed annual sum. The agency now has full authority to allocate revenue for child maintenance, prevention or treatment support costs, but it must contain spending within the global amount which is established. Specified methods of accountability are limited to quarterly reports on expenditures and the number of children and families served.

For children funded by the provincial government, the recent practice has been to limit the special rate portion of foster family care to a capped grant. In 1992/93 WRCFS received an initial allocation of \$219,000 for the special rate portion of provincially funded children in care, although the actual costs for special rate payments exceeded this amount by \$126,105. These costs were eventually paid by the province. In 1993/94 the approved special rate allocation from the province was \$189,000. Agency expenditures for special rate care in FY 1993/94 were \$412,965, and only after year end was reimbursement granted for most of these costs.

Provincial allocations for special rate payments are tied to a complex formula which assumes a particular ratio of children at different levels of care (i.e., 50% at Level 1, 30% at Level 2, 11% at Level 3, 8% at Level 4 and 1% at Level 5). The projected number of children within each level of care is a somewhat arbitrary figure, based primarily, on a review of children in care within the Thompson Region, and this does not always correspond to the needs within particular agencies. For example, in June, 1994 the Agency's distribution of provincially funded children based on application of levels of care criteria were as follows: Level 1 = 30%; Level 2 = 4%; Level 3 = 42%; Level 4 = 15%; and Level 5 = 10%. Each level carries a per diem service fee

estimate, which, when compared with projected volume, determines the special needs allocation for Levels 2 to 4 for each agency. Although a single service fee within each level is the basis for calculating the overall special needs grant, payments for service within Levels 2 to 4 can vary significantly from this figure. Moreover, the provincial grant for special needs is affected by the amount made available for special rate funding within the Department's budget. These factors mean that the annual special needs allocation is often unrelated to the number of children who might require such funding or the actual cost of special rate services.

In 1993/94 the Province imposed more than a 10% reduction in the basic rates paid for foster family care, and this, along with difficulties in the area of special needs funding have complicated Agency relationships with the Province. New funding policies introduced by the Province for 1994/95 promise to make child maintenance funding and accountability even more complex. The more significant changes are:

- a block grant system for Level 1 children;
- payment of reduced rates for basic maintenance (established at the welfare rate level) for relative foster family placements for all new placements, renewals of voluntary placement agreements or extensions of temporary orders;
- reduced rates for children where agreements for long term permanent placement can be established;
- an expectation that agencies make increased efforts to collect and enforce payments from parents when children are admitted to care under a voluntary placement agreement; and
- the creation of a Family Innovations Fund where agencies can apply for special funding for placement prevention initiatives.

The most controversial policy for First Nations agencies is the proposed relative placement policy, which agencies are expected to implement without discretion. One incentive in FY 94/95 is that agencies may be able to retain excess provincial revenue for new program development. However, a potential problem with compliance is that the base rate for maintenance will be reduced, and this may lead to lower government grants for basic maintenance in future years.

While the policy applies to only those situations where basic maintenance rates are paid, these involved more than 80% of days care in extended family placements for this agency between October 1, 1992 and December 1, 1993. In this same time period more than 30% of all days care purchased by the agency were from extended family members. If this placement pattern continues as is likely, the long term impact of this policy will be significant. The policy is particularly discriminatory to First Nations agencies and foster families when one compares its placement patterns with the conventional child welfare system: First Nations agencies have adopted a placement protocol where foster care within the extended family is considered as the first priority; in the conventional system placement with relatives is a very small proportion of all placements.

This description of cost recovery and containment procedures in child maintenance illustrates the extent of provincial control over First Nations policy development in this area. Because federal funding practices are based on provincially determined policies and rate structures (the pilot project in WRCFS is an exception), it is the provincial level of government which exercises de facto control over rates for all children requiring out of home placement in the province. In the case of WRCFS it now has increased flexibility in the use of federal funding, but it is governed by a more constrained set of policies and procedures for provincially funded children. Moreover, these have been subject to rather significant changes in the past three years. At best these issues complicate service planning, the continuity of services and mechanisms for accountability; at worst they adversely affect all services which can be provided by the Agency or create financial pressure for two levels of service, one for children funded by the federal government and another, more restricted level, for children funded by the province.

WRCFS also receives a capped grant from the federal government for family support services, including homemakers and parent aides. For the years 1992/93 through 1994/95 this

amount has been \$300,000. Because both this fund and the child maintenance fund can be used to provide child and family support services there is no need to establish separate accountability mechanisms. Thus, these funds are subject to the same rules established for the child maintenance grant: the agency can not receive reimbursement for overexpenditures but it is not obliged to return unspent funds at year end.

The provincial grant for support services for children in care in 1992/93 was \$10,100 and in 1993/94 this was reduced to \$9,700. Actual provincial expenditures were \$21,744 in 1992/93, and these were eventually reimbursed to the agency. Actual costs were \$23,869 in FY 93/94, and expenditures above grant have not yet been recovered by the agency.

### **3.2 Financial and Service Trends**

Child placement in out of home care is a major component of any child and family service agency, and Table 3 provides a summary of the average number of children in various placement resources for the years 1990/91 through 1993/94. Annual admissions and discharges are also shown. Children in out of home care increased up to 1991/92 and has declined modestly in the past two years. There has been a decline in regular rate placements in the past two years, a reduction in residential care placements and an increase in special rate placements. In 1993/94 there were significantly more discharges than admissions to care.



**Table 3: West Region Child and Family Services Children in Care Averages for 1990/91 - 1993/94**

Placement Type	1990/91	1991/92	% Change 90/92-91/92	1992/93	1993/94	% Change 91/92-93/94
Regular Rate	126	128	1.6%	128	117	(8.6%)
Special Rate Care	43	62	44.2%	68	71	14.5%
Residential Care	17	12	(29.4%)	9	6	(50.0%)
Other Pay Care	31	37	19.4%	27	18	(51.4%)
All Other	10	6	(40.0%)	5	5	(16.7%)
<b>TOTAL</b>	<b>227</b>	<b>245</b>	<b>7.9%</b>	<b>237</b>	<b>217</b>	<b>(11.4%)</b>
Total Admissions	166	135	(18.7%)	147	207	53.3%
Total Discharges	165	145	(12.1%)	138	240	65.5%

- Notes:**
1. Special rate care includes special rate foster care, support home and agency receiving home.
  2. Residential care includes group homes, maternity homes, public and private institutions and youth corrections facilities.
  3. Other pay care includes family placements and independent living.
  4. Other category includes primarily other non-pay care and emergency shelter.

These data should also be considered in conjunction with days of care provided and cost. Table 4 provides a summary of out of home days care provided by the agency and expenditures for both federally and provincially funded children for the years 1991/92 through 1993/94. This provides information for the year prior to the pilot project and the first two years of its operation. In the first year of the pilot project there was an increase of approximately 9% in days care; however overall agency expenditures in child maintenance remained about the same as the previous year. There was a more significant increase in days care and costs for provincially funded children. While expenditures for federally funded children declined in FY 92/93 this is largely explained by reduced expenditures on residential care. In 1993/94 there was a reduction

**Table 4: West Region Child and Family Services - Child Maintenance Days Care and Cost 1991/92 - 1993/94**

Year	Provincial		Federal		Total	
Type of Care	Days Care	Cost (000's)	Days Care	Cost (000's)	Days Care	Cost (000's)
<u>1991/92</u>						
Foster Care	23,356	829.7	45,165	1,832.0	68,521	2,661.7
Residential	237	17.5	4,118	503.2	4,355	520.7
Other	152	2.9	10,342	211.9	10,494	214.8
<b>TOTAL</b>	<b>23,745</b>	<b>850.1</b>	<b>59,625</b>	<b>2,547.1</b>	<b>83,370</b>	<b>3,397.2</b>
<u>1992/93</u>						
Foster Care	26,926	978.1	51,093	1,998.8	78,019	2,976.9
Residential	0	0	1,797	240.0	1,797	240.0
Other	1,567	12.9	9,433	156.0	11,000	168.9
<b>TOTAL</b>	<b>28,493</b>	<b>991.0</b>	<b>62,323</b>	<b>2,394.8</b>	<b>90,816</b>	<b>3,385.8</b>
<b>% Change 91/92 - 92/93</b>	<b>20.0%</b>	<b>16.6%</b>	<b>4.5%</b>	<b>(6.0%)</b>	<b>8.9%</b>	<b>(0.3%)</b>
<u>1993/94</u>						
Foster Care	24,744	938.4	44,349	1,757.9	69,093	2,696.3
Residential	49	1.1	1,036	160.6	1,085	161.7
Other	2,134	30.8	7,560	153.9	9,694	184.7
<b>TOTAL</b>	<b>26,927</b>	<b>970.3</b>	<b>52,945</b>	<b>2,072.4</b>	<b>79,872</b>	<b>3,042.7</b>
<b>% Change 92/93 - 93/94</b>	<b>(5.5%)</b>	<b>(2.1%)</b>	<b>(15.0%)</b>	<b>(13.5%)</b>	<b>(12.1%)</b>	<b>(10.1%)</b>
<b>% Change 91/92 - 93/94</b>	<b>13.4%</b>	<b>14.1%</b>	<b>(11.2%)</b>	<b>(18.6%)</b>	<b>(4.2%)</b>	<b>(10.4%)</b>

- Notes:**
1. Figures secured from agency documents. Support services to children in care included in these calculations.
  2. Residential Care includes group homes, residential treatment and maternity homes.
  3. Other category includes Other Pay Care, Non-Pay Care, Independent Living, Emergency Shelter and Agency Receiving Home.

in both days care and costs from the previous year. There was a reduction in foster care rates effective April, 1993 (approximately 10% of basic maintenance costs), and this was a factor in expenditure reductions. However, average per diem costs reflect a more significant decline in 1992/93. For example, per diem costs were \$40.75 in the year prior to the pilot project, they declined to \$37.28 (8.5%) in 1992/93, and increased slightly in 1993/94 to \$38.09. Thus, 1993/94 cost reductions are explained more directly by the decrease in volume.

Most out of home care involves foster family placement. This agency makes little use of residential care, and the use of such placements has declined over the past few years. A more detailed summary of agency trends in foster family care is shown in Table 5. Significant observations are:

- Foster family care days and costs increased between FY 91/92 and 92/93 by over 10%, and then declined in FY 93/94 to 91/92 levels.
- Special rate care increased as a proportion of all foster family care, but as noted previously, this was matched with a decline in the use of residential care. The per diem rate for special rate foster home care declined in both 1992/93 and 1993/94.
- Average per diem foster family care costs in 1993/94 were almost identical to those paid in 1991/92.
- Although foster family care costs in FY 93/94 were similar to costs in FY 91/92 there was a modest increase in days care and costs for provincially funded children, and a modest decrease in days care and costs for federally funded children.

Support services to children in care which may include support workers or services from the treatment support unit are reflected as a component of foster care expenditures. In 1993/94 approximately \$94,000 was spent on federally funded children, and \$24,000 was spent for provincially financed children.

**Table 5: West Region Child and Family Services - Foster Family Days Care and Cost 1991/92 - 1993/94**

Regular Rate Foster Care	Federal 91/92	Provincial 91/92	Total 91/92	Federal 92/93	Provincial 92/93	Total 92/93	% Change Totals Only 91/92-92/93	Federal 93/94	Provincial 93/94	Total 93/94	% Change Totals Only 92/93-93/94
Days	30,842	16,883	47,725	31,263	18,979	50,242	5.3%	24,566	13,620	38,186	(24.0%)
Cost (000's)	880.4	428.7	1309.1	898.5	505.4	1403.9	7.2%	683.6	350.3	1033.9	(26.4%)
Per Diem	28.55	25.39	27.43	28.74	26.63	27.94	1.9%	27.83	25.72	27.08	(3.1%)
Special Rate Foster Care											
Days	14,323	6,473	20,796	19,830	7,970	28,800	33.7%	19,783	11,124	30,907	11.2%
Cost (000's)	951.7	401.0	1352.7	1100.2	473.5	1573.7	16.3%	1074.3	588.1	1662.4	5.6%
Per Diem	66.45	61.95	65.05	55.48	59.41	56.61	(13.0%)	54.30	52.87	53.79	(5.0%)
Total											
Days	45,165	23,356	68,521	51,093	26,949	78,042	13.9%	44,349	24,744	69,093	(11.5%)
Cost (000's)	1832.0	829.7	2661.7	1998.8	978.9	2997.7	11.9%	1757.9	938.4	2696.3	(9.5%)
Per diem	40.56	35.52	38.85	39.12	36.32	38.16	(1.8%)	39.64	37.92	39.02	2.3%

As earlier noted the agency receives additional funding from the federal government for family support services to prevent out of home placement, and the added flexibility afforded by block funding allows for the provision of additional support services to families. Table 6 provides a summary of special family support services and related costs. These costs reflect case related services only and do not capture many of the community outreach and group related programs initiated by the agency.

**Table 6: West Region Child and Family Services: Support Services and Costs  
1991/92 - 1993/94**

Category	1991/92	1992/93	% Change 91/92-92/93	1993/94	% Change 92/93-93/94
Families Served	373	589	60.3%	629	7.0%
Children Served	867	1,492	72.1%	1,500	0.5%
Days Care	7,922	12,325	55.6%	11,424	(7.3%)
Cost	249,985	314,668	25.9%	329,252	4.6%
<u>Cost Component</u>					
Homemakers	183,148	197,979	8.1%	160,977	(18.7%)
Day Care	34,350	68,360	99.0%	104,028	52.2%
Treatment Unit	32,487	48,328	48.8%	64,247	32.9%

Figures indicate that both expenditures and the number of families and children served since the initiation of the pilot project have increased. There has been a reduction in the use of homemakers, but an increase in day care expenditures and in the use of agency-based treatment support staff.

Service and expenditure trends are somewhat more meaningful if they can be compared with trends elsewhere. Table 7 provides federal trend comparisons in child maintenance: WRCFS is compared to combined figures for all other First Nations agencies in the Manitoba Region for the years 1991/92 through 1993/94. This comparison should be viewed cautiously

because the comparison is limited to federally funded services, and it would be more accurate to compare trends for all children served by agencies. Despite this caution, the trend in Table 7 is of interest. There was a significant reduction in days care and child maintenance costs for West Region between FY 92/93 and FY 93/94, and levels are significantly lower than those recorded in FY 91/92, the year prior to the pilot project. Figures for the rest of the Manitoba region indicate a general increase in both days care and costs over the two year time period (FY 91/92 to FY 93/94). Between FY 92/93 and FY 93/94 per diem cost for WRCFS increased by 1.9% whereas per diem costs for other agencies increased by an average of 8.4%. It should be noted that while Agency costs declined over the time period examined here, costs to INAC increased in FY 92/93 based on the formula adopted when the pilot project was introduced. Costs to INAC for WRCFS remained the same in 1993/94, and will remain unchanged again in FY 94/95.

**Table 7: Federal Child Maintenance Trends - West Region Child and Family Services and All Other Manitoba First Nations Agencies**

Category	1991/92	1992/93	% change 91/92-92/93	1993/94	% change 92/93-93/94	% change 91/92-93/94
<u>West Region</u>						
Days	59,625	62,323	4.5%	52,945	(15.0%)	(12.6%)
Cost	2,547.1	2,394.8	(6.0%)	2,072.4	(13.5%)	(18.6%)
<u>All Others</u>						
Days	346,660	378,547	9.2%	377,676	(0.2%)	8.9%
Cost	13,714.2	14,119.7	3.0%	15,268.9	8.1%	11.3%

- Notes: 1. Days care and costs include all residential, foster and related care.  
2. Figures for West Region were provided by the agency and include actual costs for 1993/94. Figures for other agencies were supplied by INAC.

Figures from the province for 1993/94 are not yet available but the Support Branch has estimated that all foster family days care for the province may increase by approximately 3% over 1992/93 levels. Provincial child maintenance costs for Manitoba in FY 92/93 were 13.3% higher

than in FY 91/92, and there was a 9.6% increase in the number of days care provided. West Region had a somewhat higher than average provincial per diem rate for foster family care in FY 92/93 (West Region = \$37.64; provincial average = \$33.89), but its average per diem cost was well below the provincial average of \$43.50 when residential care costs are included.

This review included a more detailed comparison of patterns of placement between a 15 month period immediately prior to the pilot maintenance project and a 15 month period beginning October 1, 1993. A summary of key findings pertaining to general expenditure and service trends are as follows:

- There is a reduction in payment to caregivers and all days care provided between the two time periods which is generally consistent with trends already noted.
- Special rate costs and days care increase in the pilot project phase but average per diem costs for special rate care are slightly lower.
- Permanent wards account for a higher ratio of days care and costs in the pilot project phase. In this period more than half of all caregiver payouts involve payments for permanent wards.
- Biological and extended family placements account for slightly more than 42% of days care provided in each time period but only about 25% of the payments made to caregivers. There is no significant shift in the use of family placements during the two time periods.
- Supporting biological families in reunification is a relatively low cost item; 11.3% of the days care provided in the pilot project phase involved placement with biological families, and this involved only 3.5% of the expenditures paid to caregivers.
- There was a decrease in the use of residential care placements and costs in the pilot project period, but these costs are such a small ratio of all child maintenance costs that no further reductions should be anticipated. In fact, residential care costs could increase in the future even though the agency prefers to use alternate resources.
- There was an increase in support and treatment costs for children in care during the pilot project period. Costs for these services increased by 49.5% when expenditures for the two time periods are compared (\$326,411 to \$487,886).

Three key findings from this section are important to highlight. One is the observation that the decline in days care and costs were somewhat more apparent among children funded by the

federal government than the provincial government. The limited time period makes it particularly difficult to isolate factors which might explain this; indeed it may shift in the future. While two possible explanations are identified, this trend needs to be examined over a longer period of time to determine its significance. First, differences in volume may reflect the fact that the agency is achieving some success in working with families and communities toward the goal of placement prevention and family reunification. Because parents of provincially funded children do not reside within communities they are not able to access these services from the agency. Second, there was also a larger relative increase in provincial special needs children between 1991/92 and 1993/94. For example, the number of special rate days care funded by the province increased by approximately 70% over this time period, whereas the increase for federally funded children was only about 38%. While the rate increase between FY 91/92 and FY 93/94 is of interest, it is also important to note that the ratio between special rate days care and total foster family days care in FY 93/94 for provincially and federally funded children is almost identical at .45. Average per diem costs for provincially funded children in FY 93/94 were lower than those for federally funded children but the difference was less apparent than it was in 1991/92.

A second issue relates to the trends in costs and days care when WRCFS is compared with all other First Nations agencies between FY 91/92 and FY 93/94. Again these trends may be explained by factors other than the pilot project. For example, it could reflect the fact that the agency has achieved a level of service delivery where new child protection case finding and referrals reflect a more stable pattern. A related explanation which connects in part to the pilot project may be that new community services developed both in past and in the last couple of years may be having some effect on the number of children coming into care and the length of time they remain in care. However, there is also an incentive factor which is created under global funding. This incentive emerges because agencies can use funds not directly required in child



maintenance for other services to support families and children. A closer examination of figures in Table 7 tends to support the relevance of the incentive factor as part of the explanation.. For example, the average per diem cost of care rose by 1.9% in West Region between 1992/93 and 1993/94, whereas in other First Nations agencies the increase was 8.4%. This is also reflected in differences within trends concerning the relationship between days care and cost. In WRCFS both days care and costs declined between FY 91/92 and FY 93/94. However, costs declined more significantly than days care. When figures are combined for all other First Nations agencies, both days care and costs increased over the same time period. However, for other agencies costs increased at a higher rate than days care. The high cost of residential care means that changes in the use of type of care can affect figures significantly. However, over this time period the annual use of residential care declined both in WRCFS and all other agencies combined. This observation leaves at least one question unanswered: Are there any costs to service quality, particularly for children in care, because of new incentives to contain child maintenance expenditures? A limited perspective on this is gained by examining expenditures for support services and treatment for children in care both before and after the pilot project. Even though the number of days care provided in the pilot project phase declined, costs for these services for children in care increased by almost 50%. In general, there was no evidence that there was any reduction in service quality for children in care. However, this issue is addressed in much more detail in Chapters 4 and 5.

A final issue concerns the significant underexpenditure in the block grant for child maintenance, particularly in FY 93/94. The funding amendment provides for the carryover of surplus funds and their utilization for new services for children and families. The Agency argues that careful planning and development must precede the use of surplus expenditures, and the flexibility afforded by carryover arrangements allow for a planning process that is more likely to

lead to successful program development. For example, in 1992/93, some funding was used for an adolescent support home. The flexibility in funding has also enabled the development of the Skownan Lodge Project, and a special group foster home. Other initiatives which have been developed or enhanced because of the new flexibility in funding are as follows:

- A therapeutic foster home program for high needs children and sibling groups has been developed. Staff development and support costs as well as training costs can be met more easily for this program.
- The Treatment Support Unit has been expanded. Individual, family and group programs are now provided in all communities.
- The agency shares the cost of funding for two staff to work with children identified by schools as requiring special services.
- Support for the provision of transitional funding to biological families where this can facilitate family reunification is more easily facilitated under the pilot project. As earlier documented this is a relatively low cost investment. To the extent that it reduces longer term in care requirements, it may actually lead to cost savings.

In 1994/95 new community programs are being planned to address the needs of adolescents. A major initiative will involve the development of community programs for sexual offenders. The agency also plans to enhance the level of services provided by its highly successful Treatment Support Unit.

The continued accumulation of significant unspent surpluses is not advisable because the intention should be to translate these unspent revenues into new programs to serve families and children or enhance those already in place. However, global funding arrangements should not discourage the carryover of modest surpluses which result from reduced volume or costs in any given year. Because these may be required if future costs increase due to higher volume or a rise in special needs costs, it would be fiscally unwise to commit all surplus funds in any one year to long term program development expenditures. In the case of WRCFS residential care costs are a very low proportion of their current child maintenance costs, and per diem rates for special rate care are quite modest. There are a number of other factors in the agency that are

converging to produce a demand for more specialized and higher cost treatment services. These are:

- the high number of permanent wards in adolescence or approaching adolescence where adjustment problems and service demands tend to increase;
- the high number of children coming into care where sexual victimization and/or offending behavior is identified as a presenting problem; and
- the high number of children with other special needs, the most important of which is fetal alcohol syndrome or effects.

Future planning will need to anticipate the likelihood of somewhat higher special needs placement costs either for special foster home placement and higher therapeutic service costs, or residential care.

### **3.3 Financial Accountability**

There are a number of problems with the more traditional approach to funding child maintenance services. Because revenue is tied to the provision of out of home care this approach seems to encourage intervention into the lives of families which leads to substitute care, and discourages prevention and treatment oriented services for families. There are other concerns relevant to establishing an appropriate funding system in child and family services. One is the lack of agreement on the direction or objectives of services, including who should set service objectives. A second is the predictability of funding needs, and requirements by government to exercise some control over costs. A funding approach should:

- ensure reasonable and fair disbursement to service providers to meet program purposes;
- encompass a common and comparable cost analysis system;
- permit incentives to perform in accordance with the accepted mission and goals of the agency;
- ensure that there are no hidden incentives to act in ways that run counter to the requirements of good standards of practice; and
- contain costs within reasonable limits.

Global budgeting permits control of overall expenditures, and provides agencies with greater flexibility in the use of funds. However, global budgeting must be accompanied by common methods of expenditure reporting in order to enable cross agency comparisons. While explicitly prohibited in this case, global funding can be criticized if agencies elect to utilize surplus funds on expenditures which are unrelated to service objectives.

This section is primarily concerned with the question of financial accountability, although it is obvious that financial accountability should not be separated from service delivery issues. Only those service issues which relate directly to financial accountability are discussed in this section.

In agency operations, a good budgeting system should:

- permit cost comparisons among similar activities in different settings or programs;
- permit ongoing monitoring of expenditure variances;
- provide adequate financial information for agency planning and priority setting; and
- enable costs to be related to service functions, objectives and outcomes.

Funding and budgeting systems related to child maintenance are complicated in First Nations agencies due to the accountability requirements of two different levels of government. It is even more complex in this agency because new service approaches possible under block funding may not be permitted by provincial policies and funding guidelines.

Pilot project requirements for accountability to the federal government are less time consuming and both INAC and agency representatives expressed satisfaction with these arrangements. Under the previous system the agency was allowed to approve rates of payment to a specified level (now \$50 per diem), but was required to submit all other cases to the province before an approved rate could be established. While this is no longer required, the agency has followed the practice of submitting special rate requests in excess of \$50 per diem to the province

for an opinion, primarily as a means of building internal experience in setting payment levels in accordance with consistent criteria. Although the pilot project specifies requirements for quarterly reports on maintenance expenditures, as well as children and families served, reports submitted to INAC have been less frequent. The year end report summarizes the number of children in care, the days of care provided and costs by category. A summary of costs and families served under the Family Support program is also provided. Because the agency has been well within its budget there have been no issues around cost control.

Reporting responsibilities to the province are generally met at a satisfactory level, although some delays in providing billing information were reported. Service statistics and rate information is provided, although the requirement to file an audited statement on the Agency's entire operations has been a point of difference between the agency and the province in the past. Relationships concerning accountability have been adversely affected by differences concerning special rate funding levels and requirements, and the agency has had to go to considerable effort in order to demonstrate that its rate structure is based on the actual cost of special needs for children in its care.

The interim report noted that while accountability to the funder was less cumbersome, internal mechanisms for financial accountability were highly developed. The agency's approach to financial accountability is quite sophisticated, and it meets most of the previously noted conditions of a good budgeting system. It has adopted a version of service or functional cost accounting, particularly for children receiving services, where costs for children, including the provision of both external and internal treatment services, are allocated to the children receiving those services. More importantly, information from this approach to cost analysis has been effectively used for planning purposes. Two examples help to illustrate this.

- Cost analysis of money spent on externally contracted specialists led to the development of the Treatment Support Unit, and these services have been expanded because of the flexibility afforded by block funding for child maintenance.
- The development of the therapeutic foster home program which reduces the need for specialized resources, including residential care, outside the agency can be traced to four main factors: cost analysis of expenditures made for externally provided services; concern about the effectiveness of specialized residential care; the agency's commitment to provide placement resources for children which are culturally appropriate and as close as possible to family and community; and the ability to use child maintenance revenues for needed components of this new program (e.g. training costs and additional support services).

Accountability to member Bands occurs through the Board of Chiefs, but accountability to communities is also expressed through information provided to community Child and Family Service Committees, the biennial Operational workshop; and the Annual meeting. An independent audit is completed annually and a financial report is provided at the Annual General Meeting. There is a Finance Committee of the Board; however, the Executive Coordinator is primarily responsible for overall budgeting and the development of financial control mechanisms. Financial accountability is assisted by the presence of highly competent staff in this area, and an orientation within the agency which places a high value on both efficiency and effectiveness. Financial policies and procedures are developed as appropriate, and incorporated into agency operations. For example, family support costs must now be approved by the Director of Programs, and various program costs are reviewed as an ongoing component of service planning.

Cost analysis and internal cost containment concerns can be overemphasized to the detriment of service issues, and it is argued here that global funding is ill advised unless the principle of "service quality first" is adopted as the most important guideline in case management and service planning decisions. In this review high service costs were cited as one of the reasons for the planned movement of a child from a treatment foster family resource external to the agency, and one foster parent interviewed expressed some concern about the difficulties in accessing respite services. While there is no general budgetary reason for limiting expenditures

in these areas, other case planning considerations may have been important in these decisions. In any event this does not emerge as a major concern. Need, service quality and cost appear to be carefully considered in the decision-making processes for both case planning and new program initiatives. Although there is no evidence that efficiency concerns are being overemphasized in this Agency, it is generally recognized that there may be incentives to strengthen internal mechanisms of accountability and promote cost-effectiveness as an approach to decision-making. For the most part these are likely to be beneficial. However, agencies adopting a global funding approach to child maintenance may also wish to incorporate protocols which allow for a review, on a regular basis, of the impact of financial management policies on various programs, including the specific services provided to children in care.

The agency maintains a clear distinction between initiatives funded through child maintenance and those funded through the operational grant. While the flexibility in federal child maintenance revenues has supported new initiatives, and these have a direct effect on the range of services normally provided by the agency, child maintenance funds, including end of year surpluses, have not been used to support functions normally funded through the operational grant. The agency's clarity in distinguishing revenue sources for particular expenditures is important in demonstrating compliance with the provision of the block funding agreement which specifies that surplus funds not be utilized for operational costs. In time it may become less necessary to include this principle as an aspect of the funding agreement but it is probably important at this stage.

It is important to recognize that most mechanisms for financial accountability, and the manner in which such information is used for service planning have not been externally imposed. Instead these practices have evolved because of senior management support, skilled middle management, a competent administrative support unit, and direct service staff committed to

providing quality service for children in ways which also strengthens First Nations families and communities.

Revenues for basic maintenance costs for provincially funded children have reflected actual volume in the past. The province also provides small grants for off-reserve services and family support costs, a capped grant for special rate foster family costs which to date has been adjusted to reflect most actual costs at year end, and an operational grant for providing services to provincially funded children in care. The costs for Level 5 children and residential care are based on approved actual costs in excess of funds allocated for special rate care. The agency makes very little use of residential care or other public institutions. Provincial allocations for special needs funding, support service costs and the use of payments to biological families to support family reunification are particularly contentious issues. The flexibility to meet such costs for federally funded children creates different systems of accountability. While the agency makes every effort to avoid distinguishing between children funded by the two levels of government in service planning, some costs are not fully recoverable for provincially funded children. If these differences persist over the long term or become more apparent, two scenarios are possible. One is that an increased portion of federal revenues will be required to support equal services for all children. A second is that the ability to access provincial resources may result in the utilization of a more limited range of service options for families and children funded by this level of government. This would lead to a two-tiered system of service. This problem could be avoided if the provincial government was to adopt a global approach to the funding of their proportion of child maintenance costs. Certainly, the agency has demonstrated that it is more than able to handle requirements related to financial and service accountability. The effect of such a change would be to limit some of the current administrative time devoted to rate setting and the negotiation of special rate funding, while establishing a more uniform approach to financial



accountability and service planning within the agency. As well, this is likely to support the agency's current efforts to establish a wider range of placement prevention and support services.

Funding and budgeting systems should be supported by a consistent accounting and reporting system. Ideally, such systems should:

- have the capacity of monitoring the effects of policies and resource allocation decisions;
- have methods built in whereby participants can be held accountable for exercising their responsibilities;
- have the capacity to connect with service activities which are provided and their effects; and
- incorporate a standard set of classifications which allow comparative figures to be generated within and between agencies.

Two observations follow. First, the generally positive assessment of agency accountability mechanisms and practices reported here should not be interpreted to mean there is no room for improvement. For example, it has been noted that cost analysis information is utilized by management in service planning. However, the potential for expanded use of such information as an integrated aspect of service planning among a broader cross section of agency staff exists. In addition, this information would be even more helpful to planning if it could be more directly linked to service outcomes. However, these are issues which may be considered by the agency in order to enhance service effectiveness: they are not issues which limit in any way the advisability of continuing the pilot funding arrangement. As indicated in this examination of service and financial trends, the federal government has achieved predictability in costs in the short run, while providing the agency with access to revenue for service development. This initiative has occurred at a time when the volume of days care has declined, a trend which may be partly related to the pilot project. There is an incentive to control costs for child maintenance under the pilot project because this allows the agency to utilize revenue for other kinds of service development initiatives. In the evaluator's opinion, cost containment should not be the primary

reason for entering a global funding arrangement; service quality is a much more important criterion. However, placement prevention and treatment services are generally less costly than substitute care; thus progress on the goal of cost containment is likely under global funding particularly in the mid to longer term. More important, it may be possible to achieve this while protecting and enhancing service quality.

A second observation concerns the possible application of global funding to other agencies. There is no guarantee that one agency's approach to accountability and service planning would be generally adopted by other agencies who enter into similar funding arrangements. While global funding does appear to encourage effective methods of service planning and financial accountability, there are other factors that emerge as important. In this example, management strengths, a relatively stable organizational structure, political support from the agency's board, a more predictable level of service demand and an adequate funding base are factors which seem to contribute to the success of this pilot project. Differing levels of support for planning and accountability may exist in different agencies or the environment in which these agencies operate. Widespread adoption of global funding in First Nations child and family services is likely to require a consistent emphasis on internal mechanisms for financial accountability, service planning, service quality reviews, and evaluation, and these processes must incorporate a First Nations orientation to practice and standards.

### **3.4 Factors Supporting Successful Management Under Global Funding**

Key informants were interviewed in an effort to isolate those factors likely to enhance successful implementation of global funding. It will be apparent that factors identified will reflect the particular benefits that parties hope to achieve. A funder (in this case the federal government) is interested in cost containment, the predictability of expenditures and the protection or

enhancement of service quality, probably in that order of priority. It follows that accountability questions will relate to these issues. An agency is also interested in the opportunities global funding affords for service enhancement as a first priority with internal measures for cost containment as a means to that end. An agency is interested in ensuring an adequate base budget so that the flexibility afforded by global funding does not diminish because of existing demands on those funds or a significant increase in volume or unit cost.

All of those interviewed pointed to the importance of an adequate base level of funding, internal agency stability, strong agency leadership, adequate internal mechanisms for accountability, and a means of seeking additional funding in circumstances where significant and justifiable growth in unit costs or volume were experienced. Two general questions were posed in interviews conducted with representatives from the agency, INAC and the province concerning this issue.

- How should the base rate be established, and adjusted over time?
- What factors are likely to contribute to successful management under a global funding framework?

A telephone interview was also conducted with the Executive Director of Metro Toronto Children's Aid Society. This agency has operated for the past few years under a global funding arrangement which combines operations and child maintenance revenues.

There was no clear agreement among those interviewed on the method and criteria to be used in establishing the base rate for global funding in child maintenance. If the level of funding is based on the previous year's allocation, is that a typical year? Should it be based on the allocated grant or on actual expenditures incurred? Additional questions emerge concerning the criteria to be used in ongoing adjustment of the grant, and whether there are circumstances which would justify a reduction in the grant? While the experience of this agency is helpful in identifying an approach to the setting of a base grant, there has been no adjustment in this amount over the

past two years. Therefore, there is no actual experience to draw on in examining the criteria to be used for ongoing adjustments to the block grant.

Interview results are summarized next.

- The base rate should be established only after some stability and predictability in child maintenance costs has been experienced.
- The grant level would likely have to be established with due consideration to the previous year's expenditures and any one time special circumstances occurring during that year which would justify some variance in these amounts. Once an appropriate base for the previous year's costs has been established an adjustment to reflect anticipated increases in volume and unit cost could be included as was done in the case of WRCFS for 1992/93. It is preferable that such an adjusted base include both a projected change in volume and unit costs in order to achieve predictability in funding for both parties. An optional or transitional approach may be to base the grant on the previous year's volume with an adjustment for any unit cost increases anticipated, and allow an adjustment for volume increases at the end of the first operating year. It would be unwise to consider post hoc adjustments beyond the first year unless volume increases are exceptional as this conflicts with the general principles associated with global funding.
- Future increases in the grant should consider changes in volume, an inflationary adjustment and other unit cost increases which can be justified. For example, if the agency experienced a volume increase that was 1% higher than the level funded for the current year this should be factored into next year's allocation even though costs for this increase in volume would not likely have been recoverable in the current year. Unit cost increases which can be justified, such as higher per diem costs based on an increase in special rate payments, may be considered, and an annual inflationary factor should be recognized. Unit cost increases can be examined in relation to trends in other similar agencies as one consideration in establishing the rates to be used in assigning a unit cost figure. Volume increases in any one year may be offset by decreases in past years, and the volume level established as a base should be that which was previously funded. Unit costs can fluctuate over several years and are more difficult to factor into adjustments in the grant. Those interviewed had no suggestions about how this could be considered, and this is discussed at more length in the final chapter. In brief, agencies should not be penalized for reducing unit costs, and minimally future grant adjustments should factor in an allowance for inflationary cost increases. Volume, price and inflation should be separately calculated in establishing changes to the grant but the primary basis for grant adjustments should likely be volume and an allowance to cover the cost of inflation. Other changes to price or the unit cost base would likely have to be subject to negotiation on the merits of justifiable changes in price.
- Significant changes in the child population in the geographic area served by the agency may also need to be considered but this may be accounted in other components of the funding formula (i.e., Operational grant).

- Overexpenditures by an agency in any given year should not normally be recoverable. Circumstances which support cost recovery include justifiable and exceptional increases in volume or unit cost.
- While grant surpluses may be considered in determining the justification of increases to the grant, these should not be a basis for reducing the grant.
- Reductions to the grant should not occur except in special circumstances. This would conflict with the incentive present in global funding which allows agencies to achieve efficiencies in child maintenance expenditures in order to redirect some of these revenues to prevention, family support and treatment services. WRCFS has a provision in their agreement allowing the Agency to retain surpluses for future use. The Executive Director of Metro Toronto CAS indicated that his funding agreement with the province of Ontario prohibited a future reduction in the agency's annual grant. However, it was also recognized that agencies should be accountable for services provided with surplus funds in accordance with generally established service plans and standards. Service planning and new mechanisms for accountability may need to be encouraged if these are not well established within agencies.

Based on an analysis of WRCFS and interview results there are a number of factors which appear to support effective management within budgeted amounts under a global funding framework. These include the following:

- a management system which incorporates and supports adequate procedures for financial accountability;
- a consistent agency emphasis on future service planning and the development of adequate information on needs and effectiveness to support this;
- the agency has reached a stage in service development where it need not devote all of its efforts to crisis response; it has time and the human resources to invest in developing services which move beyond basic protection;
- the agency's budget is large enough that the flexibility afforded in global funding will not be eroded by small changes in volume or unit costs and will enable alternate service responses without jeopardizing required services to children in care. It follows that global funding for child maintenance alone in very small agencies may be contraindicated;
- an adequate base for the grant is established, and guidelines for adjusting the annual grant are incorporated to ensure that incentives are retained for managing within the block grant; and
- there is a demonstrated commitment to service quality for children and families, not cost, as the primary basis for decision-making. It is recommended that a mechanism or process for reviewing decision-making from time to time relative to this commitment be established within agencies, or within the system. Examples of such processes include service quality assessments, ongoing evaluation and more attention to the measurement of outcomes.

#### **4. RESULTS FROM THE PROVINCIAL FILE AUDIT**

##### **4.1 File Audit Procedures**

The Child and Family Support Branch completed an audit on the Agency's files under the direction of Mr. Bruce Unfried. File audits are a component of the province's quality assurance reviews of agency services, and the audit is usually followed by a series of staff interviews to obtain additional information and discuss results. In this case agency interviews were conducted by the principal evaluator, and covered a wider range of evaluation questions than those included in the provincial quality assurance process. Major findings as reported by the provincial audit team are presented in this section. A separate report on the file audit has been completed by the provincial Child and Family Support Branch.

The file audit of the children in care program was completed during February 1994. Files were examined on a random selection of 107 cases or 49.3% of the 217 children in care. The children in care whose case records were examined were placed in 71 different foster home placements. These were selected for review in April, although only 62 resource files were examined. Resource files were not available in nine cases because children were placed either with their parents or in other agency homes used by WRCFS. In early May, a file examination of the Family Services program was completed. This data scan involved a review of 159 or 50.2% of the 317 family service files listed with the Dauphin Office. File review guides were used to collect uniform information from the files, and a summary report based on these findings was completed in May, 1994.

##### **4.2 Results: Children in Care**

Files were reviewed for 52 males and 55 females, and all reflected child protection concerns. The biological families of 84 children resided on reserve and in 23 cases the family lived off reserve. The age breakdown of cases examined was 0-6 years - 27 (25%), 7-12 years -

40 (37%), 13-15 years - 20 (19%), and 16-17 years - 20 (19%). Fifty three (50%) of the children were permanent wards, 10 (9%) were temporary wards, 18 (17%) were under apprehension, and 18 (17%) were in care under a voluntary placement agreement. This is generally representative of the placement status of children in care within the Agency although a review of children in May, 1994 indicates that a slightly higher rate (58%) were permanent wards.

The reasons for initial referral were examined. In 73 cases (68%) this involved inadequate care and neglect. Abandonment was a problem in 9 cases, 7 involved abuse allegations and 8 referrals were for medical reasons. Fifty of the 107 files reflected identifiable special needs including fetal alcohol syndrome (11), physical or mental difficulties (4), speech/hearing problems (7), developmental delay (5), abuse (22) and vision impairment (1). There may be an even higher number of special needs children as no detailed effort was made to classify behavioral problems in this assessment.

Regular rate foster placements were used for 51 children and 33 (65%) of these were with extended family caregivers. Special rate placements were used for 42 children, and 21 of these were placed in therapeutic foster homes. Extended family placements accounted for 12 (29%) of the special rate resources used for these children. Forty-eight children (45%) were living in off reserve placements, and most of these were either with extended family members or were in specialized placements because of special needs. Based on this file audit and reviews conducted elsewhere, WRCFS made more use of extended family placements than other agencies. In 81 cases financial responsibility involved the federal government, and the other 26 children were funded by the provincial government.

The use of support services was more common in this agency than in other agencies reviewed, and this reflects the relatively high number of special needs children in agency resources. In this agency 75 cases (70%) were receiving or had received support services.

Support services utilized included homemakers, parent aides, treatment support workers and psychologists.

Case planning and file recording were examined. In 97 cases (91%) there was evidence of a case plan, and in 91 cases (85%) there was evidence of ongoing family involvement and/or contact. File records made reference to the involvement of local child and family service committees in 58 cases (54%). In 93% of cases recording summaries within the last 12 months were on file, and this rate was higher than that found in agency reviews elsewhere.

The provincial audit team also made several observations. Among these were the following:

- The Agency has made a significant effort to secure extended family placements for children in their care. This assists in family connections, and this has helped to reduce placement outside the home community, in non-First Nations resources and in residential care. Homes appear to be used outside the catchment area only when these are extended family or the special needs of the children to be placed cannot be accommodated in homes within West Region. Efficient tracking of children in care was evident.
- File records prior to September, 1992 indicate that the focus of Agency services was on ensuring the protection of children. File information following this demonstrates more attention to such service issues as connections with the child's biological or extended family, developing strategies to assist children in dealing with personal issues (e.g., self-esteem, responsibility, independent living), and assisting children to deal with abuse issues.
- The Agency was making considerable efforts to ensure family contact and visiting, and this contact varied between regular planned visits to ad hoc contact.
- The ratio of permanent wards presently in the care of the Agency requires continued initiatives directed at permanency planning and age-of-majority planning.
- There was a significant number of special needs children identified.

#### **4.3 Results: Foster Family Care**

Procedures to be followed in licensing foster homes are in compliance with provincial standards. Criminal records and Abuse Registry checks are to be completed, and where families are known to local workers or the Child and Family Service Committee written recommendations



are requested. Four references are to be contacted and a recommendation must be received from the family physician as to the suitability of the applicant. The home study is then to be completed by Alternate Care Unit staff. A questionnaire has been developed to guide discussion in the home study process and a number of specific questions have been developed to examine cultural sensitivity and understanding. These are particularly appropriate when applicants are non-Aboriginal. Once the home study is completed a recommendation is to be formulated and forwarded along with the home study to the Director of Programs and/or Executive Coordinator for approval. Licensing may occur under the following classifications: a place of safety, select (for specific children only), or general (open to general categories of children). Foster home reviews are to be conducted annually, and a new letter of approval is required if there is a change in circumstances. Procedures for refusal or termination of an agreement exist, and an appeal process is outlined whereby the care provider can appeal the Agency's decision.

Of the 62 homes reviewed 36 were regular rate foster homes, 13 were classified as special rate foster homes, 12 were therapeutic foster homes and in one case the child had recently been removed. In 57 cases (92%) files had completed applications, and 59 of 62 cases had completed home studies. In 90% of cases a Criminal Records check was indicated. Abuse registry checks had been completed for 74% of cases, and several other files were awaiting information and/or confirmation. In 40 cases completed medical references had been received, and in a similar number of cases there were other letters from independent referees. In 55 cases (88%) the letter of approval was on file, and in 61% of cases, there was a record of completed reviews. These results suggest that some improvements are possible in adhering to agency protocols outlined for foster home licensing and review; however, no major problems were identified. In fact, policy compliance was described as equal or better than that found in other agencies.

Reference to the provision of additional supports were evident in 36 or 58% of foster homes. In 50% of cases there was reference to the inclusion of foster families in case conferences and related meetings pertaining to the child's care. The service audit Coordinator indicated that this was similar to patterns elsewhere, although more effort might be made to involve foster parents as integral members of the team in case planning.

A random selection of 28 children in care files were examined in detail to determine the number and frequency of moves experienced by the child while in the care of the Agency. In 15 cases there were between one and three moves, 3 children were moved between four and six times, 7 were moved between seven and twelve times, and in 2 cases there were thirteen or more moves. All effort should be made to minimize multiple placements, but the service audit Coordinator reported that an average number of moves in the four to six category was not unusual. However, more concerns are apparent when a child experiences more than six moves. The 2 children who had moved thirteen or more times had been abused prior to entering care. This was also true of those children who indicated a frequency of moves in the seven to twelve category. The average age of children in care moved in excess of 8 times was 14.2 years.

Observations made by the provincial audit team in its report include the following:

- The presence of specialized units and local community programs require clear communication and coordination. The development of the therapeutic foster home program and the need to assess placement resources quickly has particular implications for the Alternate Care Unit. It is important to ensure that placement decisions are coordinated with the Alternate Care Unit.
- The file audit demonstrated that Agency priorities include completion of home studies, and ensuring that required letters of approval are required.
- Appropriate use of respite services was evident.
- Problems or difficulties occurring in foster homes were reported to the Agency and were acted on promptly.
- There was evidence of a planned process to assist foster families through the provision of training.

The audit team described the foster home program as a well-developed, well-managed program which included a range of services such as recruitment, orientation, training and support. It is guided by prevailing placement protocols stressing placement with extended family members first, other care providers in the home community second, placement in other First Nations communities as third priority, and placements in non-First Nations communities if required. File evidence indicated that staff were committed to these protocols, and every attempt was made to balance the best interests of the child with these placement protocols. Recommendations from local Child and Family Service Committees were considered, although reference to Committee input was not evident in all cases where this would have been appropriate.

The therapeutic foster home program was regarded as a positive initiative, and one able to provide more specialized services to children and families. The presence of support workers to provide service and assist in monitoring the child's functioning, and the training program for caregivers are important strengths of this program.

#### **4.4     Results: Family Services Program**

A list of 317 family service files was provided although some files were duplicate and several files were classified as foster home files. Of the 159 files reviewed, 77 cases (48%) were open and 82 (52%) were closed. Distinctions were made between brief (short term service) and family service cases, and 67 files or 42% were classified as brief service. Cases were also categorized as voluntary, indicating that the referral was self-generated by the client, or involuntary, meaning that the case was opened because of a third party referral. There was a relatively equal distribution of self and other generated referrals with 77 voluntary referrals and 82 involuntary referrals.

Approximately two-thirds of all Brief Services files involved the provision of discretionary services such as homemakers, parent aides and day care service. The remaining cases involved

mandatory services such as investigation of child abuse or protection concerns. In files classified as Family Service 36 cases (40%) involved the provision of discretionary services such as homemakers, family support services, and a voluntary placement agreement.

In 31% of the Family and Brief Service files a case plan was judged to be unnecessary. Of the remaining cases, 79 files (72%) contained an identified case plan whereas the remaining 31 cases did not have an identified case plan on file.

In summarizing the results of their review of this program the audit team made the following observations:

- There was no apparent criteria for the opening of Agency files for this program, and approximately 15% of files examined should be considered for closure.
- At times files were opened as a result of a single request for information.
- Positive use of discretionary service such as day care and homemaker services was indicated.
- Mandatory and voluntary services were closely monitored and did not appear to be arbitrarily assigned simply upon request.
- The high ratio of voluntary service requests suggest that communities have considerable trust in the Agency, and see it as a potential source of assistance.

#### 4.5 Summary

The file audit indicated a high level of staff accountability for service. Protection issues involving abuse were responded to in an appropriate and timely manner, with adequate recognition of the need to ensure the safety of the child. Generally, placement decisions were made carefully with a well developed rationale, and efforts were made to connect children with their families on a regular basis. The therapeutic foster home program was described as having a great deal of potential to improve the level of support provided to foster parents and the level of services provided to children in care. However, information from staff and foster parent interviews regarding this program also suggested that some current procedures and practices

need to be carefully reviewed. For example, criteria for the selection of children to the program are somewhat unclear and the placement process as originally outlined was not always followed. As well, foster homes for the program have been recruited primarily through the transfer of existing homes which were "attached" to children routed to this program. This may have been necessary in the early phases of program development, but a clearer screening process for foster parents is also recommended. As the program develops it will be important to clarify how the roles of therapeutic foster parents differ from those of regular foster parents, both in theory and in practice.

In long term foster family care, the child is likely to develop a special attachment to the foster family as his or her family. In all situations, but particularly in these circumstances, it is important to recognize the importance of this attachment. Family disruption, even if placement difficulties emerge, can be quite traumatic, and a full complement of services, including an emphasis on reunification where this is applicable, should be provided to foster families.

Placement decisions reflect adherence to the Agency's preferred placement protocols, and there is a strong commitment to keeping sibling groups together in placement planning. It is apparent that services have moved beyond ensuring that basic protection needs are met, particularly in the past two to three years, and there is more emphasis on addressing the problems affecting both children in care and their families.

## **5. RESULTS PERTAINING TO SERVICE QUALITY**

Results from the evaluation of service quality are organized in accordance with the data collection method employed in this study. Section 5.1 outlines findings from the service and effectiveness record administered to 39 children in care files. Section 5.2 contains information based on the tracking of placement patterns for children in care for two time periods: a 15 month period prior to the pilot project and a 15 month period beginning October 1, 1992. Section 5.3 highlights major findings from twelve case studies, and Section 5.4 provides a brief summary of results from the survey of community prevention activities. In the final section findings from other document sources, and the results from staff and foster parent interviews are reported.

### **5.1 Results From Children in Care Service Records: Presenting Problems and Services Provided**

A service record guide was designed to measure early presenting problems, the nature of intervention and evidence of any differences in services provided prior to and following the pilot project. This guide was administered to 39 children in care files by the provincial audit team. Because these files were not randomly selected, caution should be exercised in generalizing from these findings.

The average number of years since the first in-care placement for these children was 6.8 years, and the average age at first placement was 4.9 years. Twenty-three (60%) of these children were placed with First Nations caregivers. The average number of previous placements, including returns to the biological family, were approximately 3. In 16 cases children had been returned home at least once in an effort to facilitate family reunification. In two cases, there had been 3 returns home, and each time the child had been taken back into care. In one case this was reported as occurring 10 times. This is clearly disruptive for the child, although it should be noted that the agency was not WRCFS but Winnipeg Child and Family Services.

A range of early problems were identified with separation and attachment issues noted most frequently. Self-esteem issues were identified in 18 cases and some form of abuse was identified in 16 cases. Developmental problems were identified in 9 cases and medical issues, primarily fetal alcohol syndrome, were noted in 6 cases.

Service intervention can involve a range of placement and counselling services, and file records were used to identify the kinds of services applied in each case. The most common interventions with reported frequencies were:

- contact with biological family - 32;
- homemaker or parent aide services - 18;
- external consultation or treatment services - 18;
- agency treatment support worker - 16;
- respite services - 13;
- therapeutic foster home placement - 10;
- community social worker support and counselling - 8; and
- other support workers - 6.

Cultural intervention using an elder or healer was recorded in 4 cases. While these findings indicate that a range of intervention services are applied, the frequency reported for local social worker counselling and support services was lower than expected. Perhaps staff use file records primarily to record externally provided services, and are less clear in explicitly identifying the nature of their own involvement. In 33 of 38 cases file records were assessed as indicating an improvement in the child's circumstances or behavior.

For cases active prior to September, 1992 a series of questions were posed to ascertain whether specific services provided were more frequent, about the same, or less frequent since the pilot project. The comparative assessment of service frequency was only a very gross

measure of the use of the following services: respite and homemaker assistance; agency-based treatment services; external treatment staff; agency counselling and support services; efforts to return children to culturally similar resources; efforts to protect the child from risk; and efforts to work with the biological family. Because the level of service can also be affected by an increase in the seriousness of problems associated with the child, a question was included to assess this. In 10 of 26 cases children were regarded as having more serious problems since September, 1992. When ratings for the frequency of services provided are summed, activities were most frequently rated as the same (141 times), although on 95 occasions service activities were rated as occurring more frequently in the pilot project phase. In only 8 cases were services defined as occurring less frequently in the pilot project phase.

These findings respond to the general evaluation question about the level of services being provided to children in care. When they are viewed in comparison with financial data showing the increased provision of support and treatment services, they suggest that children in care are receiving at least the same and very often a higher level of service than they were prior to the pilot project.

One significant concern emerged from this examination of 39 case records. In 11 cases some type of abuse had occurred or was alleged to have occurred when the child was in the foster home placement. There is an issue to examine further; at the same time the data highlighted here should be viewed very cautiously. First, it does not appear to be representative of all children in the Agency's care. Second, the allegations of abuse do not involve the foster care providers in a number of cases, and in some cases the allegations may be unfounded. It is also difficult to determine how this Agency compares with other agencies in Manitoba because there is no reliable provincial data on abuse in foster care. Some American studies have suggested that between 2 and 2.7% of foster care providers are perpetrators of child abuse, and



that approximately 7% of the children in foster care are abused. As well, factors such as a high rate of special needs, and the limited experience of foster parents have also been associated with a higher rate of abuse. Despite these observations, it is important that a special protocol clarify service responsibilities for these types of referrals, and that all possible steps be taken to protect children in care from further risk. Intervention planning in these circumstances should consider the best interests of the child, and in some cases this may involve the provision of family counselling and support services to enable the child to remain in the home.

## **5.2 Results From the Pre-Post Comparison of Child Placement Patterns**

Findings from this component of the evaluation are relevant to a number of the evaluation questions pertaining to changes in services to children in care. Results are specifically related to questions about the length of time in care, readmissions to care, the assignment of children to levels of care, differences in placement patterns, the movement of children among placement resources, and the level of support services provided to children in care.

A full sample examination of all children in care, their placements, number of days in each placement type, and rate to pay to the care provider between January 1, 1991 and December 31, 1993 was completed for this study. This three year span is divided into three periods: Period 1 between January 1, 1991 and March 31, 1992 which was prior to implementation of the pilot project; Period 2 between April 1, 1992 to September 30, 1992 which has been described as a transition phase to the new funding formula; and Period 3 between October 1, 1992 and December 31, 1993 following project implementation. Comparisons can be made between Period 1 (Before) and Period 3 (After) to gain a perspective on placement patterns before and after the pilot project. However, because this comparison involved a relatively short duration (15 months) in each phase, major changes were not anticipated.

Table 8 summarizes days care for special rate and regular rate foster care before and after the pilot project. These figures provide a more precise comparison of some of the earlier noted trends. For example, they show a reduction of overall days care (6.3%) between the two time periods. While federally funded days care had declined significantly, there was a small increase in provincially funded days of care. Regular rate days care declined over the two time periods. This was also true for the "other days" category, including residential care. Table 8 also indicates an increase in special rate care funded by both levels of government over the two time periods. While there was an increase in the use of special rate care, average per diem payouts to caregivers declined slightly over the two time periods (\$51.48 to \$50.71). However, it is important to note that there was a provincially imposed reduction of \$2.00 in basic rates paid to foster parents for 8 months during the post pilot project phase. Although not shown, per diem payments made to caregivers for children funded by provincial and federal levels of government are almost identical. There is also an increase in the rate of foster family care used following the pilot project. In this time period regular and special rate foster family care accounted for 82% of all days care provided through the agency, and this compares with a rate of 76% in the earlier period. Separate calculations also demonstrate a decrease in the average time each child spent in care during the two time periods (-7.5% from 265 days in the Before period to 245 days in the After period).

**Table 8: Regular and Special Rate Days Care: Before and After the Pilot Project**

	Regular Rate Foster Care		Special Rate Foster Care		Other		Total	
	Days	Percent	Days	Percent	Days	Percent	Days	Percent
<b>Before</b>								
Federal	36,148	64.0	19,815	70.9	22,917	93.6	78,880	72.4
Provincial	20,328	36.0	8,148	29.1	1,580	6.4	30,056	27.6
Total	56,476	100.0	27,963	100.0	24,497	100.0	108,936	100.0
<b>After</b>								
Federal	33,545	64.8	22,891	67.1	13,587	84.1	70,023	68.6
Provincial	18,255	35.2	11,213	32.9	2,566	15.9	32,034	31.4
Total	51,800	100.0	34,104	100.0	16,153	100.0	102,057	100.0

- Notes:**
1. Before Period is January 1, 1991 to March 31, 1992. After Period is October 1, 1992 to December 31, 1993.
  2. Other Days Care includes all days except foster family care (i.e., residential care, all other pay care and all other non-pay care).

An important question involves the quality of services provided to children in care. One measure of this is the level of support and treatment services provided to these children. Expenditures allocated for these services provide an indication of these services, and Table 9 provides a summary of these figures for the Before and After time periods.

These figures show that despite a reduction in days care in the pilot project phase, expenditures for support services and treatment costs rose by 49.5% in this time period. Internal treatment costs provided by the Treatment Support Unit increased at a higher rate than externally contracted clinical services, but expenditures were significantly higher in both areas. Expenditures for support services to children in care increased by almost 75% over the two time periods. Observations by the provincial audit team suggested that support services used for children in care were more common in this agency than others it has reviewed. These figures indicate that those services have increased under the pilot project phase. Although not shown

**Table 9: Support Services and Treatment Costs to Children in Care: Before and After the Pilot Project**

Category	Before Costs	After Costs	Percent Change
External Treatment	110,368	146,727	33.0
Internal Treatment	123,101	178,667	45.1
Total Treatment	233,469	325,404	39.4
Support Services	92,942	162,482	74.8
Total Treatment & Support	326,411	487,886	49.5

- Notes:**
1. Before Period is January 1, 1991 to March 31, 1992. After Period is October 1, 1992 to December 31, 1993.
  2. External treatment costs refer to clinical services purchased from outside the agency whereas internal treatment costs reflect those services provided by the Treatment Support Unit.
  3. Support services include special staff support services provided to children and foster parents.

in Table 9, there was a larger increase in the cost of support services provided to federally funded children, and a higher rate of increase in treatment costs for provincially funded children. The increased cost of treatment services for provincially funded children is consistent with trends previously noted which show a somewhat higher rate of increase in provincially funded children with special needs over the two time periods. While this trend over the two time periods is of interest, it is important to note that per diem costs for treatment and support services were higher for federally funded children even in the post pilot project period (\$3.35 per diem as compared to \$2.83 per diem). In the post pilot project period special rate days care represented 40.9% of all federally funded foster family care, and the comparative rate for provincially funded children was 38.1%.

Days care and payments to biological families, extended families and non-family caregivers before and after the pilot project were identified and these are shown in Table 10.

**Table 10: Days Care and Cost For Caregivers Based on Relationship to Child: Before and After the Pilot Project**

	Days	Percent	Costs	Percent
<u>Before</u>				
Biological	14,038	12.9	137.3	4.0
Extended	32,319	29.7	733.7	21.4
Non-Family	62,579	57.4	2,553.6	74.6
<b>Total</b>	<b>108,936</b>	<b>100.0</b>	<b>3,424.6</b>	<b>100.0</b>
<u>After</u>				
Biological	11,571	11.4	116.4	3.5
Extended	31,663	31.0	722.2	21.8
Non-Family	58,823	57.3	2,469.0	74.7
<b>Total</b>	<b>102,057</b>	<b>100.0</b>	<b>3,307.6</b>	<b>100.0</b>

- Notes:**
1. Before Period is January 1, 1991 to March 31, 1992. After Period is October 1, 1992 to December 31, 1993.
  2. Costs reflect direct payments to caregivers only.

Biological and extended families provide over 42% of the days care in each time period, but account for only about 25% of the payments made to caregivers. While there was a decline in the days of care provided by both biological and extended families in the after period the actual number of placements made with these resources increased. For example, placements with biological families increased from 155 to 176 (13.5%) over the two time periods. The number of extended family placements increased by 7.8% (296 to 319), and non-family placements increased by 4.4% (643 to 671).

The relatively low payments made to biological families reflect the fact that such payouts are based on welfare rates. In most cases these payments are made to single parents without alternate forms of income. This practice is selectively adopted in order to assist in family reunification and enable monitoring of the child's progress during a transition period to full parental responsibility. This policy appears to be both effective in supporting the implementation

of case plans and efficient in reducing expenditures. In the short term payments made to biological families are much lower than would be required to support the child in a licensed home or facility. In the longer term child care costs are reduced if successful family reunification is achieved.

Extended family placements account for a higher proportion of days care than costs, and this reflects the fact that extended families are more likely to be engaged in providing regular rate care. For example, in the 15 month period to December 31, 1993, 82% of the care provided by extended families was regular rate care.

Placement protocols stress the use of culturally appropriate caregivers, and in both time periods slightly more than 80% of all placements were made to families where there was at least one Aboriginal caregiver. There is also an emphasis on placing the child within his or her own community if that is at all possible. More than half of all placements were made within the child's own community, and there was little change in this pattern over the two time periods.

Placement information allowed for the examination of several other issues. Two are particularly important. One is service planning for permanent wards and older children, and the other relates to the general question of stability in placement.

The Agency has identified services for permanent wards as a special issue. Many of these children are adolescents and concern has been expressed about the increased level of service which may be required for this age group. Table 11 provides a comparative breakdown of children in two general age categories for WRCFS and all provincial children in early 1994. This table also identifies the number and rate of permanent wards in each age category.

These figures indicate that the Agency has a higher than average rate of permanent wards, and that this trend is more apparent with children between 9 and 18 years of age. The Agency also provides care for a higher than average rate of children in the older age category.

Approximately 54% of the children in provincial care are between the ages of 9 and 18, and approximately 62% of the Agency's children fall within this age range.

The movement of children in care is of continuing concern in child welfare because of the implications for healthy bonding and the long term implications of this for adult well-being. Indeed, one of the major concerns with residential schools is that this system severed positive attachments to family and siblings within First Nations communities. The movement of children in care is a complex issue because certain moves among caregivers may be less traumatic than others. For example, some arrangements involve voluntary short term placements, others may be carefully managed, and still others involve planned changes from problematic situations. It was not possible in this review to examine this issue in depth, and it is recommended that more

**Table 11: Permanent Wards By Age Category - West Region Child and Family Services and All Provincial Agencies Combined**

Age Categories	Children in Care	Permanent Wards	Rate of Permanent Wards
<b>West Region -</b>			
0 - 8	75	42	56.0
9 - 18	120	77	64.2
Total	195	119	61.0
<b>Province</b>			
0 - 8	1525	611	40.1
9 - 18	1811	760	42.0
Total	3336	1371	41.1

- Notes:**
1. Figures for West Region Child and Family Services based on ages assigned as of May, 1994. As some children in care as of December, 1993 had been discharged by May, 1994, total figures here do not correspond with all children in Agency's care as of December, 1993.
  2. Provincial totals based on available figures for children funded by the province for all agencies in Manitoba as of January, 1994.

effort be made to do this. However, the following two assumptions are generally accepted:

- a) Placement stability is associated with positive adjustment, and therefore placement changes should be minimized; and
- b) The discharge of children to their biological or extended families is positive if successful reunification occurs. Children who are returned home and come back into care one or more times experience further disruption.

Placement stability was examined in a number of ways. One method was to examine the number of placement changes recorded during each time period for each child. A placement change was defined as a move to a new caregiver during the time period in question. A change was included if new or readmitted children came into care during the time period even though the change involved a move from the child's family to Agency care. While changes involving a discharge to the biological family were excluded if the child remained at home, these changes were counted if the child was returned to care during the time period examined. Successful discharges were excluded because agency policy emphasizes family reunification, and it was felt appropriate to exclude them on that basis. The results are summarized as follows:

- During the 15 month period of time immediately prior to the pilot project 411 different children spent some time in care. Approximately 17% of these children moved three or more times during this period of time.
- During the 15 month period of time examined after the pilot project was in place approximately 20% of the children experienced three or more moves. This contributed to a slightly higher average rate of placement change during the pilot project phase (Before average = 1.4 changes; After average = 1.5 changes).
- About one-third of the children in both periods did not change placements.

Information on the admission status of children and their placement history during the two time periods was also recorded. The admission status of children was classified in one of the following ways: new, continuing (in care at beginning of time period) or readmission. There was no major difference between the two time periods. Slightly more than one-third of referrals were



new, slightly more than half were already in care at the beginning of the period, and approximately 10% were readmissions to care.

Placement history during each time period was classified in one of four categories:

- a) continuing - in care throughout the period;
- b) discharged - returned home;
- c) discharged and readmitted; or
- d) discharged, readmitted and discharged.

There were small, but important, differences in placement history between the two time periods.

These are summarized as follows:

- Approximately 55% of cases were in continuous care during the Before period, and this compared to 47% in the After period.
- Discharges were higher in the After period (42% as compared to 38%).
- Placement which involved either discharge and readmission or discharge, readmission and discharge was higher in the After Period (approximately 11% compared to 8%).

The higher rate of discharges is consistent with observations noted earlier, and if this is managed in the best interests of the child it is to be encouraged. However, the slightly higher rate of readmissions following discharge in the pilot project phase needs to be carefully monitored as every effort should be taken to avoid these kinds of disruptions for both the children and families involved.

A different perspective on placement mobility is provided through an examination of the number of different agency care providers experienced by children during their in-care experience over the full 3 year period examined in this evaluation. This number excludes any care provided by parents during the time period. The number of care providers and the frequency of children for each category between January 1, 1991 and December 31, 1993 are as follows:

- 1 care provider - 334 children (52.8%);

- 2 care providers - 117 children (18.5%);
- 3 care providers - 83 children (13.1%);
- 4 care providers - 38 children (6.0%); and
- more than 4 care providers - 61 children (9.6%).

The average number of days spent with each caregiver can also be calculated. Whereas most of the 633 children in care during the 3 year period were in care for longer than 7 days, 102 of these children were in care for less than 7 days. Cases which involved placement of less than 7 days were excluded from calculations to determine the average number of days a child spent with an Agency caregiver within each period. The Before and After project comparison is shown in Table 12.

**Table 12: Days In Care With Alternate Care Providers - Before and After the Pilot Project**

Category	Before	After	% Change
Total Days Care	108,764	101,766	(6.4)
Children	389	365	(6.2)
Mean Days per Child	279.6	278.8	(0.2)
Total In-Care Providers	671	800	5.1
Mean Days Per Provider	142.9	127.2	(11.0)

- Notes:**
1. Before period is January 1, 1991 to March 31, 1992. After period is October 1, 1992 to December 31, 1993.
  2. Cases and days care for those children in care for less than 7 days are excluded from these calculations.

The average days in care for each child is almost identical over the time period. However, the number of in-care providers increased and the average days spent with each provider declined by 11% during the pilot project phase. This is consistent with earlier information

indicating a slightly higher rate of placement change in this time period, and confirms this as an issue requiring continuing agency attention.

Placement changes for permanent wards as a group were analyzed for the pilot project phase. These children were somewhat less likely to experience placement change and approximately 58% of permanent wards experienced no change during this 15 month period. As a group, permanent wards were more likely than other children to experience placement in special rate or therapeutic foster family care. Permanent wards 14-18 years were somewhat less likely to be in special rate placement than those under 13 years of age. However, this older age group of permanent wards was more likely to have been placed in an emergency shelter, an independent living situation, a receiving home or a residential care facility.

While permanent wards as a group had relatively stable placements there was a significant change in the average days of care spent with an Agency caregiver over the two time periods. In the 15 month period prior to the pilot project a permanent ward spent an average of 265 days with each caregiver. This average declined to 216.7 days (a drop of 18.5%) in the pilot project phase. One possible explanation is the number of older children in the Agency's care. Although a significant number of these are permanent wards, placement change is more likely related to adjustment difficulties often experienced by children in adolescence. Thus, age and prior childhood experiences are likely the key issues to consider. The importance of age is demonstrated in the following comparison of placement changes.

Placement change was examined in relation to the age of children during the pilot project phase. Of the 50 children between 14 and 18 years, 28 (56%) experienced two or more placement changes during the 15 month period. Two or more placement changes were experienced by only 32% of the children between birth and 8 years, and 27% of the children between 9 and 13 years. Age is obviously not the only factor but its influence is demonstrated

by examining the placement changes of those children 14 to 18 years (as of May, 1994) prior to the pilot project. Placement patterns during the pre-pilot phase were available for 44 of these 50 children and 20 (45%) experienced two or more placement changes. In the pre-pilot phase 27% of these children experienced three or more moves; the comparative rate during the pilot project period was 36%.

Without qualifying these findings too much it is apparent that some children within this older age group remain in stable placements and appear quite well adjusted. In other cases this is not the case; indeed a number of moves among a small number of these children can produce the trends noted here. What are the factors that are associated with greater stability for some of these children, and a much higher rate of mobility for others? That issue needs further examination, and it could be very helpful in assisting the Agency to refine its approach to permanency planning for these children.

Data reviewed in this section confirm earlier trends regarding the increased use of special rate care, and the extensive use of extended family care. Information also suggests that support to biological families may be both an efficient and effective approach to enabling family reunification. Comparisons also confirm a higher ratio of older permanent wards in the care of the agency. The mobility of children is a particularly important issue in child welfare, and results from placement records show a small increase in placement changes in the pilot project phase. Two factors are particularly important to consider further. One is the need to plan discharge carefully to minimize circumstances where readmissions are required, particularly within a relatively short time period. Another is the high number of older children in care, many of whom are permanent wards, and the need to ensure placement stability and long term planning for this group of children. The concern to improve placement stability was one of the motivating factors

for development of the therapeutic foster home program, and it will be important to monitor the influence of this initiative on placement stability.

### 5.3 Results From Case Studies

Case studies have a long history as a basis for examining clinical effectiveness, and they are useful in providing a more detailed understanding of problems, interventions and outcomes in relation to particular situations. In this study no effort was made to randomly select cases for detailed study; instead the purpose was to obtain some representation of the types of situations referred to the agency, and the approach to case management and service provision. Thus, supervisors were asked to select a variety of cases covering the range of services provided by the Agency to families and children in care. The final selection of 12 cases was made by the evaluator. File documentation was the primary source of information although a follow-up interview was conducted with a staff person or supervisor involved with each case. In each case all related case records including the family file, the child's file and the foster family file were examined. Two evaluators were involved in this process, and findings were jointly reviewed in order to increase the validity of observations and conclusions. The inherent limitation of case studies should be observed in reviewing these findings. Because these cases are not necessarily representative of all cases in the agency, caution should be exercised in generalizing from these findings. However, they are relevant to this review in two ways. First, they provide examples of presenting problems dealt with by the Agency, the service interventions attempted and general outcomes. Second, they generate selected issues and questions which the agency may want to examine further in service planning.

Case studies are grouped in four general categories primarily to assist in presentation. The information obtained from this phase of the study was extensive and only a brief summary of each case is included here.

1. High need family intervention:

Three cases were included in this category. The first involved a family which included 10 children. The husband was first referred to the RCMP nine years ago because of an alleged third party sexual assault by him, and family support services were provided at that time. An abuse referral concerning the children was investigated by the Agency two years later. Although no evidence was found to substantiate abuse a homemaker was placed in the home. One year later the abuse specialist and the local C&FS Committee became involved because of the sexualized behavior of the 16 year old boy, and concerns about sexual assault on a 12 year old child. Alcohol problems with the father were identified at this time. One year later the 16 year old's older brother tried to commit suicide. These two teenagers were then placed in foster homes; however these placements broke down and the children were returned home. The expressed Agency goal was to maintain the family and support more functional development at that time.

Agency investigation one year later identified a more complete history of this family. Three generations of family dysfunction including alcoholism, repeated sexual abuse and suicide were identified. Sexual abuse involving the mother's family included abuse perpetuated by the stepfather, other relatives and siblings. Family violence was also identified, and there was a disclosure of incest by the father involving a 13 year old daughter. Other abuse was suspected and eight of the children were placed in temporary care. While the father was not charged he left the home, and following alcoholism treatment for the mother the children were returned home.

Extensive agency supports were provided over the next two years to the mother and children including homemaker services, treatment support intervention and C&FS worker support. Good progress was indicated; however, a new referral of third party sexual assault involving one of the daughters was received at this time. Agency involvement became more extensive following this and included counselling and group intervention related to past sexual abuse for both mother

and daughter. Treatment services involved weekly counselling related to family of origin and sexual abuse issues. Intervention over the past two years has included sexual abuse prevention education, participation in a sexual abuse survivor's group, and the continued provision of support services.

Outcomes are difficult to assess. There were extensive agency supports and services provided. These services enabled the development of positive, problem-solving working relationships between staff and the mother and many of the children in this family. Abuse issues were openly dealt with, temporary placement planning was mutually agreed to, and safety plans designed to break the cycle of abuse were established. As well, the mother's parenting improved and the goal of maintaining this family unit was generally realized. Longer term outcomes for the children appear less certain. The two older boys struggle with alcohol problems. One has been involved in continued treatment as an adult while the other has not. The latter has been reported for offending behavior. An older daughter has been involved in an abusive common-law relationship. Adjustment difficulties are apparent with many of the younger children but they are more able to protect themselves now and receive more continuous, supportive parenting than was once the case. All of these children were sexually abused on multiple occasions, and the effects of these experiences are not easily overcome.

The second family included two natural children and a nephew placed informally with the family since the suicide of his mother. The first Agency referral was approximately 4.5 years ago, and involved concerns about the nephew's safety. Alcohol problems involving both parents, marital problems and family violence were indicated. A short term voluntary placement contract, extensive homemaker services and family support assistance were provided in the first year to assist in family functioning, and help the family deal with medical problems involving their daughter. Following the birth of the second daughter the mother died, and Agency services have

focused on supporting the single father, who suffers from fetal alcohol effects, in parenting. In the past two years services have included extensive homemaker assistance, short term temporary placement with day care support, medical and psychological assistance, and financial assistance to meet some of the medical costs. Particular concerns have involved the nephew's behavioral problems in school, his sexualized behavior, and allegations that the child was physically abused by his uncle. Agency treatment services as well as support and monitoring visits by the community-based protection worker were provided in response to these issues.

Support services continue to be provided, and intervention is likely to be required on an ongoing basis at some level. Grieving and loss issues remain regarding past deaths, and concerns have been raised about sexual abuse and recurrent problems with alcohol. Despite the somewhat questionable family environment, staff credit Agency supports and services with improving the parental skills of the father, and providing a relatively stable home for the nephew, who had been moved several times among extended family members when his mother first died.

A third case involved third party sexual assault on two children. One was early school age and another was five years of age. These two children, and two younger ones were taken into care as a result of the allegation, and clinical assessment results indicated that the two older children had been sexually assaulted by multiple offenders. Poor parenting skills and parental inability to protect their children had led to Agency intervention. Subsequent information indicated the presence of an intergenerational history of sexual abuse, past victimization of the mother, and a history of residential school attendance on the part of the parents. Documentation indicated that the two older children suffered from depression, and exhibited sexual acting out and offending behaviors.

Agency intervention has been focused on both the parents and children. Agency treatment support services were provided to the parents around sexual abuse and safety issues.



As well, the parents were encouraged to attend an Agency sponsored parenting course. External counselling and intervention services are being provided to the children while in placement. Supervised visits are occurring with the parents and the long term plan is to reunite this family unit.

The parents appear to be making some progress. More recently they are demonstrating an ability to follow through on counselling, they have attended the parenting course, and they show greater concern for the safety of their children. The children are placed in a therapeutic foster home, and receive support worker services. Two of the children were still acting out but an improved ability to trust and some progress in beginning to deal with issues was reported. Staff expressed the opinion that unless parents demonstrate a strong commitment to protect their children from suspected offenders in the community, there was considerable risk in returning the children to the parental home.

## 2. Family support and reunification:

Three cases are summarized in this category. The first case was initially referred approximately six years ago for marital, stress and communication problems. Two years later, problems with the oldest of three children resulted in a temporary foster family placement. Approximately one year later sexual abuse involving the father's victimization of this child was disclosed. The father moved out of the home and treatment support services were provided to the mother as well as the daughter, who had been placed in foster care. Probation staff were involved with the father, and the parents were eventually reunited. The family continued to receive external counselling services, and the daughter progressed well in placement. After approximately one year the child returned home; she continues to stay at home but when her mother is away she leaves and stays with relatives. Recent concerns involve an allegation of physical abuse by the father on another child. Short term placement was provided, but the child

was returned home. There is family resistance to Agency involvement, and no services are currently being provided.

The second case involves a 23 year old mother with 3 children. This young woman was sexually assaulted by her father as a teenager, and was placed in care for a short period of time under a voluntary placement agreement. At 17, she had her first child and this child was moved among multiple caregivers following birth, partly because of the mother's serious medical problems. Agency services at this time consisted of a homemaker to ensure the child remained with one caregiver, help to the mother in obtaining financial assistance and treatment for alcohol abuse. Support from the mother of this young woman also provided some stability. The young woman became involved in a common-law relationship, and had two additional children. There were periods of inadequate care over the next three years resulting in temporary placement of one or more of the children on at least three occasions. There was evidence of family violence and alcohol abuse, and the mother required ongoing medical attention and monitoring.

Agency services over the past two years have involved temporary foster care placement for the children, provision of homemaker support, and counselling and support services, including a focus on issues of past sexual abuse. The parents also enrolled in a parenting life skills course. Positive progress was reported and the children have been at home now for the past 18 months. A positive working relationship with the parents has been achieved, although the situation was described as requiring continued support as well as work on relationship and parenting issues.

The third case involved provision of homemaker, family counselling and support services. At one point one of the six children was in care, although this child was returned after a short period of time. Early services involved counselling services by the local worker around parenting skills, and involvement of the couple in a group parenting program. Alcohol abuse issues

involving at least two of the children resulted in parental use of an out of province treatment resource. Homemaker services were provided for short periods to enable the family to attend this resource, the outcome was described as positive, and in the past year there has been no further agency involvement.

### 3. Special Needs Children: Disability

Two cases involving the provision of services to special needs children because of a disability were reviewed. One child was returned to the Agency from out of country 8.5 years ago, and placed in care due to special medical needs. Permanent wardship was granted two years later, and the child is currently in a long term special rate foster home. Long term services in the form of respite and support services are provided to the foster family. As well the Agency assists in accessing needed special resources for this child including language skills training, physiotherapy and teacher-aid services. The child is well adjusted in the foster home, and is making good progress in school.

In the other case, the special needs child is being supported in her parental home under a renewable voluntary placement agreement. Early Agency involvement included placement services due to an allegation of physical abuse against the step-father. Poor parenting combined with the special needs of this child led to considerable intervention when the child was between 3 and 6 years of age. Family support and respite services were provided, and the parents were referred for mental health counselling. Agency services in the past 3 to 4 years have consisted of providing access to special needs services required in this case. The child is able to remain at home and is reported to be progressing well.

### 4. High Needs Adolescents:

Four of the cases examined were classified in this category. The first involved the oldest child in a family first referred more than 10 years ago. Alcoholism and housing problems resulted

in a referral for alcoholism treatment and placement of the four siblings in temporary care. Parental inadequacy and the father's incarceration led to extensions of temporary care orders on the advice of the local C&FS Committee. A permanent order was granted for the boy in question at the age of 8 approximately 8 years ago. A stable placement pattern persisted for six years, but behavioral problems, academic difficulties and running from placements began to occur after the child reached 14. Theft, anti-social behavior and drinking appear to have contributed to poor adjustment in alternate care, and placements in several different foster homes over the past two years have broken down. The adolescent was in youth custody awaiting placement in a residential treatment program for alcohol abuse when his review occurred.

The second case involved the youngest of four children in a family where the father was abusing alcohol and the mother suffered bouts of depression and alcoholism. Most parenting had been done by the grandparents, but the child's early years in this home were affected by drinking and family violence. The girl's first out of home placement was approximately four years ago at the age of 10. After about a year in care the child was discharged, and was cared for by the grandmother for much of the next 1.5 years. Agency intervention was then requested by the grandmother because she could no longer manage the child's sexually active, acting out behavior. The child was not attending school, and past sexual abuse was suspected.

Placement in a treatment foster home outside the agency occurred at this time, and while difficulties emerged, there was evidence that the adolescent had adjusted reasonably well to her new foster home setting. She experienced a loneliness for her home community and extended family, but difficulties were experienced on each home visit. Each one was marred by drinking and out of control behavior.

The child's mother continued to be unable to offer a stable alternate environment. Alcohol and marital problems persisted, and treatment support services were provided in an effort to

stabilize the home for the other three children. While efforts were made to develop alternate placement resources closer to the community these efforts failed. Staff were then directed to locate alternative resources by the end of the school term which would be more culturally appropriate, enable more effective connections with the family, and be less expensive. The child was informed of this plan three months before the end of the school year. Shortly thereafter, and despite relatively good progress in her foster home, the child ran from the foster home and returned to live with her grandmother. It is difficult to determine if the Agency's actions affected the outcome for this child in any way; certainly the child also felt the need to connect with her peers and home community. However, the gains made while in treatment foster care appear to have been lost, and she was out of care and out of control at the time the case was reviewed.

Two other cases involved adolescent boys where sexual offending behavior was identified. In one case placement was initiated less than two years ago following a disclosure of sexual abuse concerning his sisters. Five different placement resources have been utilized but he has been in his current placement for almost a year now.

The second case involved a child who was moved seven different times and placed in five different resources, beginning when he was 6 years of age. After his initial placement he was returned home, but in his parental home his step-father was alleged to have physically abused him and sexually abused one of his sisters. Family violence, unemployment and relationship problems were identified in this case, and Agency services, which included homemaker services, were relatively ineffective in stabilizing the family situation. A disclosure of sexual abuse of his sisters occurred when he was 14, and this resulted in movement from the placement resource in his own community. Agency services have included a cultural camp, counselling, support services and foster care placement. However, this adolescent is very difficult to handle, and one instance of excessive discipline in the foster home was reported. Four quite difficult adolescents

were placed in this particular foster home. The provision of adequate therapeutic foster care to this number of special needs adolescents without extensive specialized support services and considerable background or training is clearly too much to expect.

#### 5. Summary:

Several findings emerge from the analysis of these case studies. Three key issues are summarized here: sexual abuse referrals and programming, general intervention methods utilized by the Agency, and the effectiveness of intervention.

The first issue concerns the high number of referrals pertaining to sexual abuse and the intergenerational family patterns supporting this. In the abuse research project conducted for the Agency between 1989 and 1991, 78% of the victims of abuse were females and 70% of all identified abuse cases involved sexual abuse. More than half of the children in the cases reviewed here had disclosed sexual victimization. Offending behavior is a major issue and the need to address this among adolescents, including some of those under Agency care is a critical issue. The high rate of sexual abuse is a reflection of multiple causes, including residential schools, oppression and learned patterns of behavior. It will take considerable time and effort to overcome this.

Three observations are important. First, efforts to address this need to focus not only on child protection but also on community-based work with families and groups. It is to the credit of this Agency that it is addressing this issue directly and more holistically through the development of its Abuse and Treatment Support teams, work with families and victims, creation of group programming, public education, its Family Violence Initiative and general family counselling and support services. This more comprehensive approach needs to remain a high priority. Second, an even more comprehensive and coordinated community-wide approach to healing could be considered. Such an effort would require community readiness, and cooperation

from Chief and Council as well as other community services in order to be successful. Third, the need for services and programs to treat sexual offenders is apparent. A new initiative to develop community-based programs for offenders is to be launched by the Agency in the fall. This is a very important program, and many of those interviewed in this review suggested this as a high priority. A small treatment based group setting may also need to be considered where staff have special training and experience in dealing with adolescent offenders. If therapeutic foster homes are used as a resource for offending adolescents it will be necessary to carefully consider the following issues:

- rates of payment may need to be increased to enable treatment caregivers to receive more specialized training and to ensure that at least one caregiver is available at all times;
- specialized treatment support services will be required; and
- the number of such adolescents placed in any one home should likely be limited to two.

A second finding from the case studies provides further evidence of the range of services provided by the Agency. Counselling, agency treatment support services, external specialized counselling, and homemaker services were utilized in conjunction with child protection services. Clinical services were carefully monitored, and the Treatment Support Unit was effectively used in working with families to support reunification and improved family functioning. This further confirms findings reported by the provincial audit team. Most interventions were supported by a case plan on file, and consistent service follow-up was apparent. Three observations are relevant. First, extensive efforts are made at family reunification even in quite difficult circumstances, and these efforts involve provision of a range of services to help support improved family functioning. For the most part, positive, cooperative working relationships had been established with families and children, and most of these seemed to view the Agency as a potential source of help. Second, documentation as to the effectiveness of service intervention is much more common for treatment and counselling services than it is for homemaker and family

support services. The Agency makes extensive use of homemaker services, although staff confirmed that this program is now more carefully monitored than it was several years ago. Yet the objectives of these services were often quite vague, and there was little evidence about whether these services had been effective in assisting families to achieve service goals. Finally, while general service cost issues are important, cost should not be the determining factor in the development of specific case plans. The central issue to consider is whether such services are required in order to respond to the service need which has been identified.

A third finding concerns the general issue of outcomes. There may be some debate about the long term outcomes in some of the high needs family intervention cases summarized in this section, but in the evaluator's judgement these should be positively regarded, even considering the longer term need for support and intervention in some situations. In addition, in at least two of the three family reunification cases positive outcomes were apparent, and the basis for future supportive relationships has been established. Agency services can also be regarded as supporting positive outcomes in the two cases reviewed where special needs services were required due to disabilities. However, there is much less certainty about the outcomes concerning high needs adolescents. In one of the four cases, there appears to be some stability in the current placement, and this can be regarded as a positive proximate outcome. In the other cases little progress is evident, and in one of these cases a once stable placement history has become more disrupted. These difficulties in responding to high needs adolescents are not unusual, but these examples serve to support both community and Agency concerns about the need for programs and services for adolescents. In the Agency's case it may be helpful to examine in some detail its more successful placements for adolescents as well as those situations where instability is more common. This may assist in isolating some of the factors which appear to increase the likelihood of success for this group of children. The higher proportion of older teens in the



Agency's care, and concerns at the community level about the needs of young people suggest that this will continue to be a matter of considerable priority. At a more general level, systematic efforts to record outcomes are encouraged, and when these are combined with cost data, results will be beneficial to future program and service planning. This issue is discussed in more detail in the concluding chapter of this report.

#### **5.4 Results From the Survey of Outreach and Community Prevention Programs**

A survey form to elicit a description of most outreach and community prevention programs was circulated to prevention workers, as well as staff with the Treatment Support Unit. An attempt was made to develop a summary of programs since January, 1991, program objectives, the number of persons in attendance and frequency of meetings. In some cases recorded information lacked sufficient detail, and, therefore, no attempt will be made to draw definitive conclusions about pre and post pilot project activities for community prevention and support programs.

Summary information was provided on the Day Care Initiative, and most of these activities, including the needs assessment and development phases, took place between 1990 and 1993.

Surveys from community prevention staff summarize a range of activities. Some of the more common continuous or recurring activities identified were: support to C&FS Committees, facilitator to AA group meetings, and organization of youth and summer camp programs. Regional programs included the family violence men's group, which operated weekly for 8 months in 1993/94, and the Life Skills program sponsored through Skownan Lodge. Parenting programs, life skills programs and a number of short term community education programs on crime and abuse prevention appear to be ongoing. Weekly group programs related to healing from the effects of sexual abuse were identified in three communities, a marriage enrichment program was sponsored in at least two First Nations, and Foster Parent and Homemaker Support Committees

were identified. Other outreach programs identified were: Flying on Your Own, a group sharing and learning program for participants, a weekly sharing circle, a youth camp for individuals abusing alcohol, a Women's Support Group, a program aimed at family empowerment and a youth drop-in centre in one community.

Survey results from the Treatment Support Unit identify some programs which overlap with those noted by prevention workers; however, additional outreach programs were also identified. In some cases these programs were coordinated jointly by Treatment Support Staff and community-based protection or prevention workers. Between 1991 and 1993 the following programs were identified:

- Adult Women's Survivors of Sexual Assault groups - 3;
- Women's Support groups - 4;
- Adolescent Survivors of Sexual Assault groups - 8;
- Youth related programs and children's camp - 3; and
- Parenting programs - 6.

Most of these programs were from two to several months in duration, and weekly sessions were held in most cases. In addition, a number of single or time limited educational initiatives were identified. These included Committee and staff training sessions, personal safety and abuse awareness programs, and presentations on family violence. Programs identified by the Treatment Support Unit were more commonly listed as occurring in 1992 and 1993.

These program summaries suggest that there has certainly been no reduction in community outreach and prevention programs in the post pilot project phase. Programs related to parenting and sexual abuse treatment and support figured prominently in the responses to this survey. While evaluation of selected initiatives may occur, it is difficult to assess the relative success of many of these programs as descriptive records and evaluation information does not

appear to be systematically collected. This may be an issue which should be addressed further in reviewing the Agency's outreach and community prevention programs.

## **5.5 Additional Results**

Results from three additional data gathering efforts are summarized in this section. These are a telephone survey of foster parents, staff interviews and a selected review of results from a questionnaire administered at the 1994 Operational workshop. This questionnaire was administered as a component of the Standards Project, and the results from only those questions relevant to this review are included.

### **1. Foster Parent Interviews**

Telephone interviews were conducted with 14 foster parents or approximately 16% of the foster parents currently being used by WRCFS. This sample was purposely selected by the evaluator to obtain more of a regional representation, and was evenly divided between those who were therapeutic foster parents and those who were not. Therapeutic foster parents receive training at monthly sessions in three centres: Waywayseecappo, Winnipeg and Dauphin. In addition to higher payments, therapeutic foster homes receive more regular visits from full time support staff employed with this program. These parents provide a more therapeutic setting for special needs children, which may include sibling groups. They complete monthly progress reports on the children in their care so there is closer monitoring of the children in these settings. One of the primary objectives is to provide a more stable resource for children who would be particularly vulnerable to placement moves. While most therapeutic foster parents are well known to the Agency, and many have family connections within West Region, a significant number of these homes are located outside the communities served by West Region. This presents the Agency with a special challenge. They require these specialized resources to deal with the high number of children with special needs; moreover, this program reduces the need for specialized

resources provided by government and other agencies. However, there is a very strong sentiment within communities to avoid placement outside the local community if at all possible. While the development of more therapeutic foster homes within West Region communities is the obvious answer, several staff commented on the shortage of foster homes and the difficulty of recruiting new resources in their respective communities.

Interviews with foster parents suggested some differences between those providing longer term regular rate care for children and those involved in the therapeutic foster home program. Parents in the therapeutic foster home program had a higher average number of foster children (2.9 compared to 2.0), had been foster parents for a shorter period of time (mean of 3.9 years compared to 10.0), and had the children currently in their care for a much shorter period of time. Three of the regular rate foster parents indicated they would continue to foster the children presently in their care but would take no new children. All of the therapeutic foster carers indicated a willingness to continue fostering, and a willingness to take new children if current children in their care were discharged for some reason.

All therapeutic foster parents said they had received very recent visits from support workers. As expected contact by social workers was not as recent in the case of most regular rate homes. Most foster parents were satisfied with the contact and support they received from the Agency, and felt staff support was quite accessible. However, two respondents felt more frequent contact and monitoring should occur. Three others also indicated that they had not been satisfied with contact in the past, but were satisfied with the frequency of present contact and support. Four of six regular rate foster parents indicated that staff contact and support had increased in the past two years.

Most foster parents said they were quite satisfied in general with their experience as foster parents with West Region. In a few cases foster parents had also fostered for other Agencies,

and preferred to foster for this Agency. However, some specific concerns were identified. A difficulty in accessing respite care was identified by one respondent, problems with late payments were noted by another, a concern about the time taken to obtain supervisor's approval for emergency needs was voiced by a third, and a general concern about reduced payments to foster parents as a result of provincial cutbacks in rates was noted by a fourth person.

Monthly training sessions were valued by all therapeutic foster parents; however one felt the annual regional training workshop was not warranted. All regular rate foster parents had attended some training sessions in the past, and expressed satisfaction with these sessions. Five of seven indicated an interest in further training. Training topics suggested included First Nations culture and traditions, and issues related to children with special needs, particularly children with FAS/FAE.

Most foster parents identified the children in their care as making very good or satisfactory progress. Two identified serious problems and one foster parent had requested that the child in her care be moved because of adjustment difficulties. Parental visiting was common with about half of the children, and in most other cases the parents were living outside Manitoba or had died. Difficulties with visits were reported quite often even though foster parents generally supported such contact. In general these foster parents reflected a high level of attachment to the children in their care; many identified these children as "family" and hoped to provide long term care for them. In two situations, adoption was mentioned as an option but concerns about the financial implications of this step were also identified. For most, their greatest satisfaction was seeing the positive growth and development in the children they were fostering.

The following specific issues from this brief survey are highlighted.

- Overall satisfaction is quite high but there may be a need to review the frequency of worker contact in some homes, and ensure a timely response to requests for special needs including respite.

- Several regular rate foster parents are unlikely to take additional children. If this is more widespread the need for additional recruitment of committed long term foster parents will be required.
- Ten of 13 foster parents felt they did not receive enough background on the children and their problems at time of placement. As well, half of the foster parents would prefer additional input and involvement in case planning for the children in their care. These are important issues to address.

## 2. Staff Interviews

General findings from interviews conducted with 9 community based staff, 2 supervisors, 3 administrative support staff and 3 coordinators are included in this section. These results are summarized under general topics. Staff were asked to comment generally on agency strengths and weaknesses. Strengths were more commonly identified than weaknesses. Identified Agency strengths included the following:

- the presence of good supervision and respected, capable senior management;
- the existence of the Treatment Support Unit;
- a high level of staff commitment, and an approach to work which stresses sharing and partnership;
- excellent support for staff training;
- an approach to service which stresses holistic, multi-disciplinary service provision, prevention and family reunification; and
- a commitment to program and service planning.

Several mentioned the shift in the Agency's image over the past few years at the community level. The Agency was described as being more visible in addressing issues like family violence and abuse, it was providing more supportive services to families, and community respondents were now more likely to see the Agency as a source of help. As a result voluntary requests for service in many communities were described as having increased. Staff in one community commented on the importance of traditional approaches to healing as an aspect of

Agency services, and two other communities were described as being in the process of establishing stronger connections with traditional practices and customs. Positive working relationships were described with Chief and Council in most communities.

Agency limitations were also identified. These included the following:

- staffing issues which still need to be addressed, including issues around burnout, skill development, and personal issues which arise in dealing with the stresses of child protection work;
- the need for increased availability of senior management staff; and
- a concern that the Agency may be trying to provide too many programs and services given available staff resources.

Staff were also asked to evaluate the relative strengths and weaknesses of services currently provided by the Agency. Service strengths included the following:

- the holistic approach to work with families and parents, and the emphasis on family reunification;
- the Treatment Support Unit, and its work with families and communities;
- the increased utilization of local resources;
- the focus on prevention; and
- increased contact and follow-up with children in care.

Service issues requiring additional attention included the following:

- concerns about parents who wished to adopt a child from another community but were prevented from doing so because of that community's unwillingness to consent to adoption;
- a shortage of foster homes and specialized resources for children;
- the need for developmental work with some C&FS Committees;
- the need for clearer goals for the prevention program;
- foster care burnout; and
- the need to place more emphasis on the integration of cultural practices and knowledge as a component of agency's services.

At the community level some staff also identified particular concerns with alcohol and drugs, the special needs of young people, and the fact that some communities tended to deny the extent of problems involving sexual abuse.

All staff were supportive of global funding because of the increased flexibility it provided in service provision. For example, one staff member felt that even more use could be made of family support funding, and that this might reduce the need for voluntary placement contracts in some cases. Some also noted the need for safeguards. For example, the importance of ensuring that all children received necessary services was stressed. It was also noted that some communities may be able to make more effective use of developmental programs, yet resource allocation decisions should attempt to treat all communities equally. Several factors were identified as important to effective management under a global funding framework. These were:

- a good understanding of service needs;
- good management;
- a clear Agency mission and a good understanding of the Agency's purposes; and
- good planning capacity within the Agency, including the ability to prioritize among competing needs.

### 3. Community Feedback on Agency Operations

Results from questionnaires administered to community representatives and some community-based staff (N=65) as part of the Standards Project are summarized in this section. No effort is made to include all of these findings because a separate report on that project will be completed. However, these results do provide an important community perspective on Agency services, and for this reason some of these findings are included here.

Feedback on goal achievement was obtained. A mean response of 3.9 (where 1 = Strongly Disagree and 5 = Strongly Agree) was received when respondents were asked to



express their level of agreement with the following statement "The Agency is meeting its stated goals." The two most important Agency goals identified by respondents were:

- to deliver a community based culturally appropriate child and family service program; and
- to attempt to keep children within their home community while ensuring that the child's best interests are met.

The Agency was described as meeting these goals, along with the provision of family support services, quite effectively.

The relative effectiveness of various Agency programs were also assessed according to an agreement scale where 1 = Strongly Disagree, 3 = Unsure and 5 = Strongly Agree. The average rating for various programs were as follows:

- community prevention - 3.1;
- homemaker and family support services - 3.5;
- child protection services - 3.6;
- placement services for children in care - 3.4; and
- child abuse services - 3.4.

The level of agreement tended to be somewhat higher than these responses indicate because there were a significant number of respondents who recorded a response in the "Unsure" category. Child and family service committees were generally regarded as operating effectively, although more training and an increase in their level of responsibilities were recommended. More emphasis on adoption and customary care services was suggested by some respondents, including financial support for adoptive families.

There was a high level of support for past Agency initiatives, including the expansion of treatment support services, and programs related to therapeutic foster care, family violence and day care. Future programs and services for youth, the Skownan Lodge Program and the development of culturally appropriate standards were also supported.

One special service issue was identified by survey respondents. Service coordination at the community level was given a rather low rating, and this has implications for the development of strategies which might focus on more community-based approaches to problems.

## **6. SUMMARY AND RECOMMENDATIONS**

Three general questions were specified at the outset as the focus of this review. These involved an assessment of the financial and service implications of block funding, a review of service standards and quality, and an examination of any specific financial and service issues which may need to be addressed by the Agency in more effectively meeting needs in their communities. The evaluation questions specified by key stakeholders and outlined in Appendix B provides a more detailed outline of the purposes of this evaluation.

The question of expenditure trends, and predictability was examined in some depth. INAC has achieved predictability in its costs. Following the initial funding amendment in 1992, which provided an increase over 1991/92 child maintenance expenditures, INAC's annual costs have remained constant. There have been no issues around cost control from the federal government's perspective because Agency expenditures have been well below the level of the block grant. Because of these surpluses there has been no negotiated increases to the grant in each of the first two years of the pilot project. Therefore there is no actual experience to draw on in examining how the base rate should be revised over time.

Under global funding costs and expenditure management has become more complex for the Agency, because it now has the responsibility to maintain expenditures within the agreed grant amount. It must anticipate general costs while protecting some funds for unanticipated special needs costs or volume increases. In child maintenance this is much easier to manage in larger agencies, like WRCFS, because they are more able to absorb small increases in unit costs or service demand.

Relevant service and expenditure trends are summarized next.

- Combined Agency child maintenance expenditures in the first year of the pilot project (1992/93) were similar to the previous year (1991/92), although days care provided were approximately 9% higher. Expenditures on behalf of federally funded children declined by approximately 6% whereas federally funded days care increased by 4.5%. In Year

Two there was a significant decline in Agency days care and costs. This decline was more noticeable among federally funded children in care.

- There has been an increase in the use of special rate foster family care since the pilot project, and that increase was somewhat more pronounced among provincially funded children. However, the rate of special needs children funded by each level of government in 1993/94 was similar. Although the cost of special rate care increased in both FY 92/93 and FY 93/94 the per diem special rate costs declined in each of these two years.
- Support services and the cost of such services to children in care increased following the pilot project. Many of these increased services reflect a higher level of services to special rate children placed in therapeutic foster care.
- New initiatives in therapeutic foster family care, the expansion of treatment support services for families, educational support services and the Skownan Lodge program have been facilitated by global funding in child maintenance.
- There has been a significant emphasis on family counselling and reunification work, particularly in the past couple of years. This is associated with a somewhat higher rate of discharge among children taken into care. Many of these efforts appear to have been successful and have contributed to the Agency's positive image as a source of help and assistance in communities. However, there was a slightly higher rate of readmission to care following discharge during the pilot project phase.
- When compared with the pre-pilot phase the quality of service provided to foster parents and children in care in the post pilot phase was as high or higher.
- While expenditures on child maintenance for federally funded children by WRCFS declined significantly over the past two years, there was an increase in expenditures by other First Nations agencies.
- When two 15 month time periods before and after the pilot project are compared, the average length of time in care declined during the pilot project phase (7.5%, from 265 days to 245 days). However, when cases involving care for less than seven days are excluded the average time in care during each period of time is almost identical.
- There was a reduction in the use of residential care during the pilot project phase.
- The use of extended family and biological family caregivers both before and after the pilot project was similar.
- When average per diem costs for all children in care in 1991/92 are compared with average per diem costs for 1993/94 there is a decline of approximately 6.5% (\$40.75 to \$38.09).
- Service planning for children in care in the past two years reflected more of an emphasis on treatment and efforts to respond to identified problems and difficulties associated with

child placement. There was evidence of good case planning in this Agency over the past several years.

An effort was made to identify agency related factors likely to support successful management under global funding. These included the following:

- well developed, effective internal mechanisms for financial and service accountability;
- organizational stability and commitment, including support from the Board, capable staff and effective management;
- an adequate base level for the grant, and sufficient stability in new service demands that allow opportunities for alternate service initiatives;
- an Agency budget of sufficient size so that the flexibility afforded in global funding will not be eroded by modest changes in volume or unit costs;
- a consistent Agency emphasis on future planning and the development of adequate information on needs and effectiveness to support this; and
- a demonstrated commitment to service quality for children and families, not cost, as the primary basis for decision-making, and a commitment to continuing reviews of service quality to ensure that this commitment is met.

These criteria were met in this case, and effective financial and service management during the first two years of global funding has been demonstrated. Mechanisms for financial accountability are very well developed, service planning reflects a commitment to case level issues as well as longer term program development needs, and the Agency has a strong commitment to training and development.

From the federal government's perspective it has achieved predictability in its expenditures, and simplified procedures for funding accountability while supporting agency flexibility in program development. This is consistent with the goal of enabling more First Nations agency control over resources and programs affecting their communities. Global funding for child maintenance also appears to provide some incentives for Agency efficiencies in managing its child maintenance costs. While the decline in costs for federally funded children should not be attributed entirely to the pilot project, lower unit costs, reduced use of residential care, and the

emphasis on family reunification during this period of time have clearly played a significant role. When INAC's relative cost increases for WRCFS since 1991/92 are compared with cost increases of other First Nations agencies, there is no evidence yet of significant cost savings to the federal government. However, such savings will likely be demonstrated over the next couple of years in view of predicted expenditure increases for child maintenance by other agencies.

It has been suggested that the criteria for setting the initial grant level should be based on the previous year's expenditure with due consideration of any special circumstances because that may not have been a typical year. Anticipated volume, a cost of living increase and any additional justifiable unit cost increases over the coming year should then be factored in.

The criteria to be used for adjusting the level of the grant in succeeding years may be more contentious. There was general agreement that reductions in the grant should not occur unless unusual circumstances occurred such as mismanagement of surpluses or significant changes in the population or communities served. Future grant increases should be based on volume and unit cost increases. Unit cost allowances may be a difficult factor to assess over the long term under global funding, although an inflationary cost allowance built into the formula may avoid some of the need for detailed cost analysis concerning this factor. In general, agencies should not be penalized for lowering unit costs if equally effective or better services are associated with these changes. However, it is important to be assured that caregivers receive adequate compensation, and that children in care are not adversely affected. Under special circumstances, price or unit cost increases should be considered. For example, an adjustment might be required if there was a significant increase in special needs costs, or a negotiated rate increase with all caregivers. Unit costs can be compared with similar costs in comparative agencies but this should be only one of the considerations applied. In general, it would be preferable to base unit cost or price changes on occurrences within the region, and consider

specific agency adjustments only in exceptional circumstances. This issue is also likely to be less contentious if an adequate base rate is established at the outset. Modest surpluses should not be discouraged, because new program development is facilitated by available resources. However, significant surpluses which accumulate over several years should not be encouraged because such revenue should be used for program development within the area or elsewhere. Should this occur two options can be considered. One would be to reduce the level of the grant, with an expectation that past surplus revenues could be used to replace the reduced amount. A second option, which is the preferred approach, would be to request a service development plan for future expenditures of surplus funds as a general means of assuring adequate service and financial accountability.

A particularly difficult case emerges when a reduction in volume accounts for a portion of the underexpenditures in any given year. At what point should further increases in the grant be considered? Two factors should be considered. First, it is suggested that a volume increase not be considered for additional funding until it has surpassed the originally funded level. However, these calculations should be offset over time by considering any justifiable increases in unit costs and an annual inflationary factor associated with such costs. This issue will become more important if global funding becomes is adopted elsewhere; thus, it is recommended that the suggestions made here be reviewed more carefully before guidelines are adopted.

This Agency experienced particular problems with the province in child maintenance funding. One issue was the number of special needs children to be funded, and some of the service components to be included under such funding. Another was the substance of some of the province's funding policies concerning child maintenance. The Agency currently experiences considerable difficulty in operating under two quite different sets of funding policies, particularly in relation to the uncertainty of provincial special needs funding. There is no evidence that the

Agency provides a differential level of service to children funded by the province; in fact, it makes a conscious effort to avoid this. However, the potential for a two-tiered system of service exists. This problem could be easily avoided if the province was to enter into a global funding agreement with the Agency for its proportion of child maintenance expenditures. This review has demonstrated that the accountability mechanisms exist within the Agency to make this a viable option.

The file audit conducted by the province indicated that most services are in compliance with provincial standards, and that the Agency's relative performance in these areas is above average. Documentation reviewed in the audit, and other data analyzed in this evaluation leads to three additional conclusions. First, the Agency makes extensive use of extended family placements, and this helps to meet program goals which emphasize retaining children within their own communities and culture. Second, more holistic and community-based programs have been developed in a number of communities. Such programs include the Skownan Lodge program, the Family Violence Initiative and parenting programs. The Treatment Support Unit has been instrumental in this process, and a number of group programs for victims of sexual assault have been developed. Third, while culturally relevant practices and healing approaches are being used in some communities by some staff, these are not consistently identified in case plans. It is apparent that traditional practices are often incorporated into agency practices without fanfare and with considerable respect for differing points of view. There is also the need to develop a clearer understanding of what constitutes culturally appropriate services within the particular First Nations communities served by the Agency. Principles are clearly espoused, but these principles need to be carefully related to service delivery in an ongoing way in order to assist staff in their practice. The Standards Project, which is designed to develop culturally appropriate standards of practice for child and family services, is one important initiative in translating general principles



and policies into more specific guidelines for practice. The Agency is encouraged to continue its examination of this general issue.

Results indicate that the Agency has developed a sophisticated approach to cost analysis, particularly for case related services provided to children and families, and this information has been used for program planning purposes on several occasions. Two questions emerge. Can this information be expanded, and used more widely to identify emerging needs for program and service planning? And can such cost data be related to a more comprehensive approach to assessing outcomes? This evaluation was not able to explore these questions fully, or assess the appropriateness of current data processing systems in meeting these expectations. However, a specific example is used in order to illustrate the importance of these questions. The Executive Coordinator has identified particular concerns about the high number of permanent wards, and the fact that many of the children in the Agency's care are in the mid-adolescent age range where adjustment and behavioral problems emerge as very important issues. In this evaluation it was demonstrated that the Agency has a significantly higher rate of children falling into these categories. Moreover, results indicate that placement instability is somewhat more likely as the child grows older. Adoption and customary care options may need to be further explored in some cases, but financial and other factors are often an impediment to this solution. Data on the particular needs of older teens and the identification of factors which precipitate these would be of assistance in planning for this group. The special needs of older wards and other children, particularly those with FAS/FAE, are also likely to have a future impact on child maintenance expenditures, and service planning may benefit by reviewing the needs of these children as a group, rather than as individual cases.

Outcome assessment is a related issue. Client progress in relation to case plans is identified in subsequent file entries, and monthly progress reports are completed for children in

therapeutic foster home placements. However, the benefits associated with additional outcome assessment options should be carefully considered, and three possible strategies are briefly identified. One would be to develop a more consistent measure of outcomes for children in care which could be administered periodically. This could generate information useful for both case and program level planning. A second option is to focus on evaluating outcomes and factors affecting groups of special interest (e.g., permanent wards or older adolescents in care). A third option is to direct evaluation attention to some of the prevention and group programs being developed by the Agency. Considerable Agency attention is devoted to these programs, and the need for further refinement to prevention programs was identified by some respondents during the course of this review. A specific focus on ongoing evaluation of these programs could assist program development in this area.

This evaluation indicates that the Agency is functioning quite effectively under a global budgeting formula for child maintenance. However, the evaluation was also designed to identify any special issues which may need to be addressed in improving service quality or responding to identified needs. Because these issues are not directly related to the evaluation questions these conclusions are summarized in Appendix C.

In May 1993, the Executive Coordinator and Director of Programs, completed a brief interim review of the pilot project on maintenance. In that report, they noted a number of factors that defined a set of service needs and responses which were different in West Region from those faced by mainstream agencies. These factors included widespread use of extended family homes, communities which lack other social services, strong community mandates to heal families, extremely high rates of unemployment and dependence on social assistance within communities, the need to protect the family and community in order to protect the child, and high service needs due to years of unmet needs and a history of colonialism. It has also been noted

that effective Agency responses depend on more than access to financial resources; these also require the availability of capable, knowledgeable and experienced human resources. Much remains to be done to address these factors, but as indicated in this evaluation, considerable progress is being made. It is important to be reminded of this progress in gaining a better appreciation of the problems yet to be addressed.

Selected recommendations are included as a method of identifying the key results from the evaluation.

1. It is recommended that global funding of child maintenance by INAC be continued for this Agency.
2. It is recommended that a global funding arrangement between the province and the Agency be developed for children funded by the Provincial Government.
3. It is recommended that INAC extend the opportunity for global funding to other agencies as an option and subject to consideration of the conditions which appear to be associated with successful management under global funding. These conditions include adequate procedures for accountability, a demonstrated commitment to future service planning organizational stability, an adequate base level for the grant, an Agency child maintenance budget of sufficient size to permit some flexibility, and a commitment to service quality as the primary basis for decision making.
4. It is recommended that initial grants for global funding in child maintenance be based on a consideration of the previous year's costs, an adjustment for any exceptional factors which might have had a one time impact on costs in that year, and an allowance adjustment to cover anticipated changes in

volume, a cost of living increase, and any additional justifiable price changes anticipated in the current year.

5. It is recommended that there be no reduction in the level of the block grant for child maintenance unless unusual circumstances prevail (e.g., mismanagement of surpluses or significant reductions in the population served).
6. It is recommended that future increases in the block grant for child maintenance be based on a consideration of the following factors: changes in volume, cost of living increases, and other justifiable changes in unit costs as required. Further study of the suggestions made in this report about how these factors should be assessed in determining the level of increase is recommended before guidelines are established.

## APPENDIX A

### Amendment to Comprehensive Funding Arrangement

AMENDMENT TO COMPREHENSIVE FUNDING ARRANGEMENT

ARRANGEMENT NUMBER 92CFA1002

AMENDMENT NUMBER ONE

**BETWEEN**

Her Majesty the Queen in right of  
Canada as represented by the Minister  
of Indian Affairs and Northern  
Development  
(hereinafter referred to as "the MINISTER")

**OF THE FIRST PART  
AND**

The WEST REGION CHILD AND FAMILY  
SERVICES COMMITTEE INCORPORATED as  
represented by the Board of Directors  
(hereinafter referred to as "the BOARD")  
(hereinafter referred to as "the  
RECIPIENT" in Schedule III)

**OF THE SECOND PART**

1. The above mentioned Comprehensive Funding Arrangement is amended to reflect changes in the obligations and responsibilities of the MINISTER and the BOARD with regard to the activities as identified in this amendment:

In Schedule III - Under Contribution

1. Basic Maintenance

Delete paragraphs (b) and (c) and insert new paragraph (b) as follows:

- (b) In the Agreement between West Region Child and Family Services (WRCFS) and Department of Indian Affairs and Northern Development (DIAND), to implement a pilot project to block fund maintenance for the fiscal year 1992/93, both parties agree to the application of the following conditions:
  - (1) This Agreement shall be for fiscal year 1992/93 only with no commitment by either party to continue beyond March 31, 1993.
  - (2) The level of funding for 1992/93 maintenance will be ~~as follows~~. This is based on the June 1991 Multi-Year Operational Plan (MYOP) projections for 1992/93 WRCFS maintenance costs. As WRCFS is currently on target for 1991/92 maintenance projections, this amount includes projected actuals for 1991/92 plus 3% cost of living increase and 8% volume increase.
  - (3) Maintenance shall be defined as including all costs associated with children in care, and this amount includes costs for Basic Maintenance, special needs, group homes, institutions and specialized services for children in care.
  - (4) This amount is separate from the allocation for Services to Families.
  - (5) Fiscal Year (FY) 1991/92 year end reconciliation will be handled as follows:
    - (a) Should DIAND owe money to WRCFS from 1991/92 maintenance billings, this amount will be added to the current agreement, with a 3% cost of living and 8% volume increase added on.

(b) Should the billings from WRCPFS for 1991/92 be less than the amount used to calculate the level of funding for this Agreement, then this difference shall be subtracted from the 1992/93 allocation as set out above.

(6) It is further agreed that there will be no increase to the maintenance budget during the course of this Agreement. WRCPFS agrees to keep a careful accounting of maintenance expenditures, with needed documentation (ie: placement forms, authorizations, group home billings, etc.). Twice during the fiscal year, meetings will be held twice yearly at October 31, 1992 and March 31, 1993 between the agency and DIAND to review the agency's progress and at year end, the agency will present a final report on the pilot project.

(7) Should WRCPFS have a deficit in maintenance (or FY 1992/93, it would have to demonstrate that this was due to circumstances beyond their control and for which they could not have planned. This may include the following:

VOLUME: Unanticipated and significant volume increases in excess of 8% over 1991/92.

Changes from any negotiated definition of federal/provincial responsibility for children in care.

An unanticipated and significant increase in very high needs children, as assessed jointly by WRCPFS and the province.

PRICE: Changes in basic maintenance rates set by the province that exceed 3% increase over 1991/92 rates.

Changes in provincial legislation that legally compel the agency to pay for costs not previously included in the budget.

Changes in rates, as set by the province, that exceed 3% increase over 1991/92 rates (ie: group home rates, institutions, etc.).

These circumstances will be monitored throughout the year and a means of adjusting the level of funding determined jointly between WRCPFS and DIAND should these circumstances arise.

Unless significant shortfalls are projected due to the above conditions, any reimbursement by DIAND of these shortfalls will be in the following fiscal year budget (1993/94).

(8) Should WRCPFS have a surplus in maintenance, it will be allowed to retain these dollars for use in other child and family services programs at the discretion of the agency. These dollars must not be used for operational purposes.

(9) The agency and DIAND will jointly agree and determine what type of statistics will be required.

(10) WRCPFS will ensure that all mandatory services under the Child and Family Services (CFS) Act are provided and are consistent with provincial policies. Any changes will be negotiated with the province in consultation with DIAND so that proper authorities are in place.

- (11) The agency will submit quarterly reports identifying the volume of children in care, the number of units of care (children, families, days), the breakdown by wards and non-wards, and the total family service units. WRCFS and DIAND will work cooperatively to determine the format of these reports and to identify any areas of additional reporting that may be required.
- (12) WRCFS and DIAND will work in partnership and collaboration on this pilot project.
- (13) An evaluative report will be determined jointly by WRCFS and DIAND, to assess the impact and effectiveness of this pilot project and the possibility of its applicability for other agencies. This report shall be completed by March 31, 1993.

THERE IS NO CHANGE IN FUNDING PROVIDED FOR IN THIS AMENDMENT.

This Amendment forms part of the said Arrangement; all other Terms and Conditions remain unchanged.

Signed for and on behalf of  
the BOARD in the presence of:

Witness

Date

The BOARD as represented by:

Signed on behalf of Her Majesty  
in the presence of:

Witness

Her Majesty The Queen in right of  
Canada as represented by the  
MINISTER of Indian Affairs and  
Northern Development or His  
Designated Officer.

Associate Regional Director  
General  
Manitoba Region

Quorum for the BOARD is 5.



## APPENDIX B

### Evaluation Questions

1. What is the policy context leading to the development and implementation of the pilot project?

Specific Questions

- a) What is the relevant history and profile of the agency?
- b) What are the financial and service trends in the agency since 1991?
- c) What are the general methods of accountability to Member Bands, the province and INAC?

2. Are costs predictable and how is financial accountability ensured?

Specific Questions

- a) How should the base rate for global funding in child maintenance be established and revised over time?
- b) Are there any discernible factors which contribute to the ability of the agency to meet expenditure targets and service objectives within a global funding framework?
- c) Did the average costs for children in care change over the life of the program?
- d) Were there changes in the cost of special rate care?
- e) Does global funding for child maintenance have any impact on operational costs and budgeting processes?
- f) What mechanisms are established to ensure financial accountability?
- g) Does the program simply administrative and accounting procedures for INAC and West Region Child and Family Services (WRCFS)?

3. Did pilot project result in significant changes in how services were provided to children in care, and were these changes consistent with improvements in service quality as defined by both provincial standards and agency values and goals?

Specific Questions

- a) Are there fewer children coming into care since pilot project inception?
- b) Has the length of time children remain in care changed since the program was introduced?
- c) Has there been any change in the rate of foster care breakdown or readmission of children to care?

- d) Were there any changes in the number of children assigned to specific levels of care, and were there any changes in the level of service provided to children requiring special rate care?
  - e) Has there been any change in the level of support provided to foster families who care for children at risk? If so, are these changes consistent with efforts to improve service quality?
  - f) Do services provided for children in substitute care meet standards measured by quality assurance procedures developed by the province and applicable to the agency? Are they related to improved service quality as determined by First Nations criteria or other means?
  - g) Does the flexibility in service funding afforded by the pilot project lead to or encourage the development of more culturally appropriate services for children in care?
  - h) Has the service planning for children in care changed in any way, and is this related to the flexibility in funding?
  - i) Does the existence of global funding for child maintenance for federally funded children have any impact on services provided to children funded by the provincial government under different arrangements?
  - j) What needs and circumstances are likely to affect child maintenance expenditures for the agency in the future?
4. Did the pilot project lead to more preventive services to families and communities designed to prevent children coming into care or facilitate early family reunification?

#### Specific Questions

- a) What new services and types of intervention have been established, and are these in any way related to the presence of the pilot project?
- b) Did the number of community-based resources developed change during the period of the pilot project?
- c) Has there been any change in the level of support provided to parents or children at risk in their own home?
- d) Are new services which have been developed consistent with the goals of improved service quality?
- e) Has service planning for children at risk changed in any way, and is this related to the flexibility in funding?

- f) Does the flexibility in service funding afforded by the pilot project lead to or encourage the development of more culturally appropriate services for families and children in their own homes?

- 5. Are there ways to improve agency management and data collection systems for service monitoring, measuring effectiveness and cost assessment?

Specific Questions

- a) What outcome data are now collected to assess the impact of new programs and services on clients? What additional information should be collected in order to better measure the future effectiveness of programs?
- b) Are there ways to improve agency monitoring and tracking relative to service provision?
- c) What is the appropriate unit of service to use in assigning costs? Did the cost per unit of service increase or decrease?