
Child Protective Services Financial Incentives for Training, Feasibility Study

A Report From
the Texas Health and Human Services Commission
and
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Executive Summary

Senate Bill 6, Section 1.128, 79th Legislature, Regular Session, 2005, required the Health and Human Services Commission (HHSC) to study the feasibility of providing a financial incentive to assist individuals in receiving training for child protective services. HHSC directed the Department of Family and Protective Services (DFPS) to identify and evaluate incentive options for Child Protective Services (CPS) staff. These options are aimed at both increasing the pool of qualified applicants and assisting staff in performing their work more efficiently and effectively. Additionally, the options have the potential to increase staff retention.

DFPS currently operates the Title IV-E University Degree and Stipend Program that enhances the skills of current and prospective CPS workers through undergraduate and graduate education in the field of social work. This program is federally funded and eligibility is limited to non-investigative staff. With the movement towards outsourcing non-investigative services, the majority of CPS staff will eventually hold positions in investigations and be ineligible for the Title IV-E stipend program.

As directed by the legislation, the study considered the feasibility of creating a private foundation to solicit and receive money to be used to assist individuals in receiving training. While legal constraints specified in the federal Internal Revenue Code may prevent HHSC or DFPS from creating a private foundation, an entity outside of HHSC or DFPS could create a private foundation to solicit and receive money for this purpose. Initial inquiries to members of the Texas philanthropic professional community indicate the probability of securing such an endowment is low.

This study identified other potential means of pursuing incentives for training, which includes:

- Dedicating staff resources to compile a packet of information on grant and loan opportunities.
- Researching and applying for available grants to assist with the cost of tuition and related expenses.
- Offering a tuition waiver and/or reduction at state colleges and universities for courses that meet specialized CPS staffing needs.
- Instituting a reimbursement program for the cost of tuition, fees, books, and supplies that would include investigative staff.
- Providing for the repayment of educational loans.
- Providing salary increases for current employees receiving social work degrees or other specialized training.

CPS is in the process of undergoing change as a result of increased staffing this biennium and the outsourcing of certain functions over the next several years. It is recommended that any financial incentives be designed with consideration of these changes to meet the specialized training needs and identified skills within CPS. Additionally, retention of employees should be prioritized in order to help DFPS build worker expertise and stability over time, which in turn can result in continuity, consistency, and quality in services provided to children and families.

Feasibility Study Requirements

Senate Bill 6, Section 1.128, 79th Legislature, Regular Session, 2005, required the Health and Human Services Commission (HHSC) to study the feasibility of providing a financial incentive to assist individuals in receiving training for child protective services. Specifically, the study must:

- Consider the feasibility of creating a private foundation to solicit and receive money that will be used to assist individuals.
- Consider possible means of providing a financial incentive, including education or living stipends or reimbursements of tuition costs, to assist individuals.
- Determine the most effective means to deliver the incentives.
- Suggest criteria that individuals must meet to receive the financial incentives.
- Estimate the initial cost and annual cost to the state of providing the financial incentives.
- Estimate the savings and costs associated with improved training of the individuals.

HHSC directed the Department of Family and Protective Services (DFPS) to identify and evaluate incentive options for Child Protective Services (CPS) staff. The sections that follow review current DFPS financial incentives for training CPS staff, identify factors regarding eligibility criteria, estimate costs and savings, and discuss options considered as part of this feasibility study.

Incentive options are aimed at both increasing the pool of qualified applicants and assisting staff in performing their work more efficiently and effectively. Additionally, the options have the potential to increase staff retention. The 79th Legislature appropriated funding for a significant increase in CPS staff. DFPS responded by strengthening recruitment efforts and designing new tools to aid in hiring individuals who are likely to be successful, long-term employees. Through nine months of fiscal year 2006, DFPS attained 97 percent of its goal for filling CPS worker positions. During this same time period, DFPS had an average vacancy rate of 5.7 percent for CPS worker positions. However, turnover remains a continuing concern even though it has decreased in some areas of the state. The year-to-date annualized average turnover for all CPS caseworker positions is 23.7 percent (Source: Rider 30 CPS Reform Expenditure Report, 5/31/06). While DFPS has been successful in hiring staff to fill new and vacant positions, sustaining this increased staffing level with individuals trained in the field of child protective services is critical to effective service delivery to children and families.

Current Incentives

Title IV-E Stipend Program

DFPS currently operates a staff development and training program that supports the goals and objectives in the Child and Family Services state plan for Title IV-E training. One goal of the Title IV-E training program is to enhance the skills of current and prospective CPS workers through undergraduate and graduate education in the field of social work. To accomplish this goal, DFPS developed the Title IV-E University Degree and Stipend Program in fiscal year 1999. DFPS contracts with thirteen public universities that are approved to offer social work degrees and are accredited by the Council on Social Work Education. The contracted universities are:

- Texas A&M University – Kingsville
- Texas A&M University – Commerce
- Texas A&M International University
- Lamar University
- Stephen F. Austin University
- Texas State University San Marcos
- Texas Women's University
- University of Houston
- The University of North Texas
- The University of Texas at Arlington
- The University of Texas at Austin
- The University of Texas – Pan American
- West Texas A&M University

Through the Title IV-E Stipend Program, CPS employees and students preparing for employment with CPS, who are enrolled in an accredited Bachelor of Social Work (BSW) or Master of Social Work (MSW) program, may be awarded stipends. These stipends are awarded to increase the pool of qualified applicants for child welfare positions and to provide an incentive for the retention of existing staff.

At most of the contracted universities, stipends are provided during the student's CPS field placement or practicum semesters. Stipends are typically for tuition and fees, books, supplies, travel expenses for visiting CPS families, and living expenses for non-DFPS employees. During fiscal year 2005, 259 students participated in the program, and the amount for stipends was approximately \$1.2 million. Of the 54 that graduated during the year, 42 continue to be employed by DFPS.

Eligibility

To participate in the stipend program, employees and students must meet the following requirements:

- Sign a contract with DFPS committing to accept CPS employment once they complete their training.
- Be accepted for admission by a contracted university of the student's choice.
- Be recommended for a stipend by the stipend committee (composed of university staff and CPS regional or state office staff).
- Be approved by CPS regional staff.

To fulfill the commitment to the stipend program, a student or employee must agree:

- To work in CPS in a Title IV-E eligible position.
- For the purposes of fulfilling his or her employment obligation, the employment commitment may not be fulfilled in a position that conducts or supervises investigations or in a position that develops policy related to investigations (employment commitment for DFPS employees is 4 months of Title IV-E eligible employment for every academic semester a stipend is received and 8 months for every semester for non-DFPS employees).
- To accept employment anywhere within the state if Title IV-E eligible positions are not available in the region of matriculation.

Acceptance of the stipend by a student or employee does not obligate DFPS to provide employment upon graduation, but rather obligates the individual to CPS employment should it be offered.

Program Effectiveness

Patrick Leung, Professor in the Graduate College of Social Work at the University of Houston, found in his research review that Title IV-E program participants have better retention rates, are more prepared to enter the field of child welfare, and are more competent in terms of their child welfare knowledge, skills, coping, and assertiveness. A 2003 study found that approximately 70 percent of Title IV-E program participants remained employed after their repayment obligation. Additionally, Professor Leung found that the recidivism rate for children assigned to workers who were Title IV-E program participants was lower than for children assigned to non-participant workers and that children assigned to Title IV-E program participants had significantly fewer placements and significantly more reunifications with their families. These findings illustrate the benefits of providing a financial incentive to assist individuals in receiving training for child protective services.

Program Limitations

Although the current Title IV-E stipend program provides a useful training incentive for non-investigative CPS staff, no similar resource is currently available for investigative staff. With the movement towards outsourcing of non-investigative services, the majority of CPS staff will eventually hold positions in investigations and will be ineligible for the Title IV-E stipend program. Training costs that may be charged to Title IV-E are to prepare current and prospective employees to carry out the allowable administrative functions as listed in 45 CFR 1356.60 (c) (1) and (2) and are included in the agency's Title IV-B State Plan. As a result, DFPS Title IV-E stipend candidates cannot be in a position that conducts or supervises investigations or in a position that develops policy related to investigations.

The Title IV-E stipend program is only for individuals pursuing degrees in social work. While social work education and training is beneficial, the changing work force in child protective services has created a variety of training needs. Senate Bill 6 directed the executive commissioner to establish an investigations division to oversee and direct the investigation functions for the CPS program and to designate a person with law enforcement experience as the director of the investigations division. The bill also directed CPS to hire specialized staff with law enforcement or forensic investigation experience and to provide all investigation staff with professional training curriculum to include "law-enforcement-style training". This type of training has components relating to forensic interviewing and investigatory techniques as well as the collection of physical evidence. Recruitment of students who have specialized training in forensic interviewing and investigatory techniques, such as students graduating from criminal justice programs, would be beneficial to the CPS investigation program.

Additionally, the stipend program is dependent on the receipt of federal Title IV-E funds and changes in federal legislation could potentially impact the continuation of this program. For example, the recently enacted Deficit Reduction Act resulted in fewer Title IV-E funds that can be claimed for this administrative activity. Beginning in fiscal year 2007, the universities participating in the Title IV-E stipend program will have less federal reimbursement for this program.

Creation of Private Foundation

Senate Bill 6, Section 1.128, requires consideration be given to creating a private foundation to solicit and receive money to assist individuals in receiving training for child protective services. A “private foundation” is a type of non-profit organization under Section 501(c)(3) of the federal Internal Revenue Code that is specifically defined under Section 509(a) of that code (26 U.S.C. § 509(a)). At this time, it is not feasible for HHSC or DFPS to create a private foundation due to legal constraints defined in the federal Internal Revenue Code.

A private foundation outside of HHSC and DFPS could solicit and receive money to assist individuals in receiving training for child protective services. Generally, private foundations are created by an initial endowment or other philanthropic event of substantial proportions. The amount endowed to create the foundation must be sizeable enough to provide interest income for funding mission-related activities, while preserving a principal amount to ensure the longevity of the foundation. Initial inquiries to members of the Texas philanthropic professional community indicate that the probability of securing such an endowment for this purpose is low, as donors at this level prefer established programs.

Other alternatives to establish a private foundation include:

- Applying to established foundations for grants to fund the training program, as recommended by the philanthropic professionals consulted.
- Approaching community members to create an independent non-profit organization under Section 501(c)(3) for the purposes stated above. Initial inquiries into the Texas philanthropic community indicate that community interest in soliciting for this purpose would be low.
- Approaching existing 501(c)(3) partners to inquire whether the above-stated purpose would fit within their established mission. Informal inquiries showed a reluctance to divert volunteer and donor resources from the current mission of providing clothing, supplies, and other needs directly to vulnerable children and families.

While receiving funds through any of the above-described options would be desirable, resources of the nature required to secure these funding streams do not currently exist within DFPS. If another entity were to express interest in pursuing one or more of the options, DFPS would be able to assist in the following ways:

- Provide the entity with institutional knowledge required to design an effective program.
- Facilitate the entity’s communication with universities or other educational organizations.

- Educate DFPS staff about the availability of the program and its parameters.
- Facilitate the application process to the extent allowable.
- Provide information about client need and program impact to support the entity in funding development efforts.

Possible Means of Financial Incentives

In addition to considering the feasibility of creating a private foundation to solicit and receive money for a financial incentive, DFPS explored other incentive options to assist both current and prospective employees in receiving training for child protective services. The options described below provide promise of increasing the pool of qualified applicants for CPS positions and assisting staff in performing their work more efficiently and effectively. Additionally, the options have the potential to increase staff retention. A discussion of the estimated savings associated with improved training is found at the end of this section and applies to all possible means of financial incentives presented.

Grant and Loan Resource Information

Information on grant and loan opportunities could be made available through the DFPS Internet Web site for individuals seeking training for child protective services.

Eligibility

Eligibility for grants, loans, and payback requirements in the form of CPS employment would be at the discretion of the grant or loan source and would be included as part of the resource information.

Cost

Grant and loan information could be researched and maintained with existing DFPS staff.

In-House Grant Program

An in-house grant program could be established to assist current employees with the cost of tuition and related expenses for participation in an accredited Master of Social Work, Bachelor of Social Work program, criminal justice program, professional training curriculum for law enforcement-style training, or enrollment in college-level classes related to child protective services. Funding would be provided through grants that may be available to state agencies for such purposes.

Eligibility

The eligibility requirements would be at the discretion of the grant source. Additionally, it is expected that DFPS would also establish requirements for participation similar to those currently in effect for the Title IV-E stipend program, except that the in-house grant program would be open to all areas of casework.

Cost

Staff time would be needed initially to research and apply for grants. Staff time would also be needed to select and track program participants as well as monitor compliance with program requirements and collect reimbursement if requirements were not met.

Tuition Waiver for Current Employees

A tuition waiver and/or reduction program could be established at state colleges and universities for DFPS employees who are enrolled in courses to meet specialized staffing needs within CPS. These employees would be required to repay the state cost by working for CPS for a contracted amount of time following completion of coursework. This would require a revision to Texas Education Code, Section 54, Tuition and Fees.

Eligibility

DFPS would establish requirements based upon the specialized needs or targeted skills within the program at a given time. For example, CPS currently has a shortage of Spanish-speaking workers in all areas of the state except in El Paso and Corpus Christi, and a shortage of Vietnamese-speaking workers in targeted areas of the state, especially in Beaumont, Houston and Corpus Christi.

Cost

The cost associated with this option would be a potential loss of revenue to colleges and universities participating in the program. Several schools of social work offer continuing education classes on topics relevant to child protective services. The costs range from about \$45 for a three-hour course to \$350 for a class that meets for eight weeks, three hours per week. Restricting the number of spaces available for tuition waiver could minimize revenue loss.

Stipends for Current and Prospective Employees

DFPS could institute a reimbursement program for the cost of tuition, fees, books, and supplies for individuals participating in an accredited Master of Social Work or Bachelor of Social Work program, criminal justice program or enrollment in college-level classes related to child protective services, including a professional training curriculum for law enforcement-style training. These individuals would repay the costs by working for CPS for an agreed amount of time following graduation or completion of coursework. This program would include all areas of casework, including investigation staff who are currently not eligible for the Title IV-E stipend program.

Eligibility

It is anticipated that DFPS would establish requirements for participation similar to those currently in effect for the Title IV-E stipend program. Individuals not currently employed by CPS would be eligible for reimbursement for tuition and

related expenses if they were likely to meet the criteria for employment with CPS and were willing to fulfill an employment obligation upon graduation, should a position be offered. Reimbursement could occur after the employment obligation is met. Current employees would be eligible for reimbursement for tuition and related expenses if they were willing to continue employment for a specified amount of time following completion of coursework.

Cost

In fiscal year 2005, approximately 460 stipends were awarded through the Title IV-E stipend program, averaging \$2,700 each. Since this is already a cost to the state, the additional cost associated with this option is the stipend cost for participants in investigative and family-based safety services positions that are not currently eligible for the Title IV-E stipend program. DFPS assumes that approximately five percent of investigative and family-based safety services casework-related positions, or 160 individuals, would participate in this option each year. Using an average three stipends per participant, with an average stipend amount of \$3,000, the additional cost to the state would be \$1,440,000 per fiscal year. This cost would not be eligible for federal reimbursement.

Loan Repayment- Individuals Employed by DFPS Post-Graduation

A loan repayment program for items such as tuition, books, fees, and related expenses, could be established for individuals participating in an accredited Bachelor or Master of Social Work program, criminal justice program, professional training curriculum for law enforcement-style training, or enrolled in college-level classes related to child protective services who go to work for DFPS following graduation. The maximum amount of the repayment would be limited in one year to 20 percent of the total outstanding loan, for a maximum of five years.

This option would require a revision to the Texas Education Code, Section 61, Texas Higher Education Coordinating Board (THECB), and legislative funding for loan repayment. Currently, loan repayment programs under the direction of THECB are available to individuals who meet specialized needs in targeted fields and communities such as dentists, physicians, nurses, classroom teachers, and faculty members and administrators at public or private institutions of higher education (See <http://www.hhloans.com> for more information). For example, the Teach for Texas Loan Repayment Assistance Program targets recruitment and retention of certified classroom teachers in fields and communities having a shortage of teachers.

Eligibility

It is anticipated that DFPS would establish requirements for participation similar to those currently in effect for the Title IV-E stipend program, yet the program would be open to all areas of casework. Individuals who had received training for work in child protective services would be eligible for loan repayment if they obtained employment with CPS following graduation. Current employees would

be eligible for loan repayment for coursework related to their position in CPS if they were willing to continue employment for a specified amount of time following completion of the coursework. The program could be further restricted based upon the specialized needs within the program, such as language fluency or employment in a particular geographic area.

Cost

During the 77th Legislature, Regular Session, 2001, similar legislation was introduced. The fiscal note estimated that the average education loan debt was approximately \$15,000 for licensed social workers with Bachelor of Social Work degrees and approximately \$20,000 for licensed social workers with Master of Social Work degrees. The current maximum annual repayment amount for classroom teachers in the Teach for Texas Program is \$5,000, and the aggregate maximum is \$20,000 over five years. It is unknown how many CPS employees would take advantage of a similar program if offered; however, limiting the program to the availability of funding could contain the cost. For example, loan repayment for 100 individuals at \$5,000 per year would cost \$500,000 per fiscal year.

Salary Incentive for Specialized Training

DFPS currently pays individuals starting employment an additional 6.8 percent above the base pay if they have a Master of Social Work degree or 3.4 percent if they have a Bachelor of Social Work degree. No additional compensation is provided to individuals who receive a social work degree during the course of employment. Expanding the salary incentive to individuals receiving a social work degree or other specialized training to meet critical program needs during the course of employment could encourage employees to seek advanced education or training, thereby increasing competence of the workforce in terms of child welfare knowledge, skills, coping, and assertiveness. Another benefit is that retention rates of those employees are likely to increase following completion of coursework. Legislative authority may be required to increase the salaries of current employees.

Eligibility

Current employees who complete Bachelor of Social Work or Master of Social Work degrees or other specialized training (as approved by DFPS) during the course of employment would be eligible for a salary increase of 3.4 – 6.8 percent.

Cost

It is unknown how many CPS staff attains Master of Social Work or Bachelor of Social Work degrees during the course of their DFPS employment; however, in fiscal year 2005, approximately 140 employees participated in the Title IV-E stipend program. Assuming that one-third of those were to complete their degree in a fiscal year, the additional cost for the salary incentive is projected to be \$47,378 for the initial year of implementation. For outgoing years, costs are

estimated to be \$87,466. These costs do not take into account any anticipated growth in the number of staff seeking social work degrees due to the salary incentive or the possible increased availability of stipends and grants.

Cost Savings Analysis for Possible Means of Financial Incentives

The financial incentive options identified in this study are designed to assist staff in performing their work more efficiently and effectively by providing education and training opportunities in fields relevant to the protection of children. Additionally, these options have the potential to increase staff retention. DFPS has estimated that the average cost to hire and train a new CPS worker is \$14,500 to \$16,000. The higher the turnover of caseworkers, the more resources DFPS must direct toward hiring and training activities. However, a reduction in turnover does not eliminate all costs associated with hiring and training new staff. For example, part of the estimated cost is the worker's salary during the training period and the training unit supervisor's salary. These salary costs are maintained even when turnover is reduced.

By encouraging a better-trained workforce, these possible means of financial incentives would improve the quality of work that leads to improved client outcomes. These improvements could lead to fewer placements in out-of-home care, more reunifications with families, and a reduction in the number of children who return to foster care. While it is not possible to predict the extent of these improved outcomes so that a cost savings can be estimated, improved outcomes are better for Texas families and children and less costly for the state.

Conclusion

Senate Bill 6 required a study on the feasibility of providing a financial incentive to assist individuals in receiving training for child protective services. As part of the study, DFPS explored the feasibility of creating a private foundation to solicit and receive money for the purpose of generating funds to provide financial incentives to assist individuals in receiving training for child protective services. Research revealed that while legal constraints defined federal Internal Revenue Code may prevent HHSC or DFPS from creating a private foundation, an entity outside of HHSC or DFPS could create a private foundation to solicit and receive money to provide a financial incentive. DFPS can support any efforts of this nature, however initial inquiries to members of the Texas philanthropic professional community indicate that the probability of securing such an endowment is low.

Several other options have been identified and analyzed in this study. These options provide promise of increasing the pool of qualified applicants for CPS positions and assisting staff in performing their work more efficiently and effectively. Additionally, the options have the potential to increase staff retention.

CPS is undergoing significant changes as a result of CPS reform created by the 79th Legislature and increased staffing this biennium. A well-trained and tenured workforce is a means to ensure that client outcomes are improved as a result of this increase in staffing. Additionally, changes to job functions as a result of outsourcing will impact future staff training needs. Given these factors, a successful financial incentive program should be designed:

- To meet the specialized training needs and identified skills within CPS.
- With consideration of changes occurring in the agency as a result of Senate Bill 6, 79th Legislature, Regular Session, 2005.
- To prioritize a better skilled workforce that leads to improved client outcomes.