



REQUEST FOR BOARD ACTION

ITEM NO. 11.

DATE OF MEETING: October 17, 2011

REQUESTED BY: Rick Benton, County Manager

SHORT TITLE: Resolution Authorizing Contract and Purchase Order to Public Consulting Group for a DSS Program Budget Analysis in the Amount Not-to-Exceed \$27,780

BACKGROUND: The Board of Commissioners expressed considerable concern during budget preparation time with the FY 11-12 DSS budget regarding an increase in mandatory program spending in the amount of \$458,000. The County share of the DSS budget for FY 11-12 is \$3.75 million. The potential for continuing increases in County funding responsibilities is of concern, and the Board has expressed a desire to better understand the DSS budget, programs, County financial responsibilities and discretion in service delivery.

In consulting with State DSS officials on these issues, the Public Consulting Group (PCG) was recommended as a resource to assist the County in analyzing and making recommendations to the County with respect to these DSS programs, budget, financial responsibilities and service delivery discretion. Information about PCG is attached. One other firm was contacted about submitting a proposal however no response was received.

PCG has submitted a proposal that includes three phases overall. Phase I is a budget and spending analysis; Phase II is a performance audit; and Phase III is a business process review. The proposal for Board consideration at this time is Phase I, at a not to exceed cost of \$27,780. Phases II and III will not be initiated until Board authorization. A copy of the proposal, including the specific actions proposed for Phase I, is attached.

SPECIFIC ACTION REQUESTED: To consider a resolution authorizing a contract and purchase order to Public Consulting Group for a DSS program budget analysis in the amount not-to-exceed \$27,780.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.

RB
Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the Board hereby authorizes a contract and purchase order to Public Consulting Group for a DSS program budget analysis in the amount not-to-exceed \$27,780. The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution.

Budget Account: 660-405404

AMENDMENTS:

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Brown ___ Tate ___ Rivenbark ___ Ward ___ Williams ___

George R. Brown, Chairman Date

ATTEST Date



MEMORANDUM

TO: Pender County Board of Commissioners
FROM: Beth Maxcy and Ezra Sykes
RE: Analysis of Pender County Social Services Budget
DATE: September 20, 2011

Public Consulting Group, Inc. is pleased to submit this proposal for conducting an analysis of the Pender County Department of Social Services budget. This memorandum describes our understanding, approach, assumptions and budget for this project. PCG staff members bring a wealth of experience to the table in the areas of federal funding, revenue maximization and business process review, and we stand ready to complete this project. Should you have any questions, please do not hesitate to contact either Beth Maxcy bmaxcy@pcgus.com or Ezra Sykes esykes@pcgus.com.

Project Understanding

The Pender County Board of Commissioners wants to better understand programmatic and administrative spending for its Department Social Services (DSS). Currently, the county contributes to a variety of state and federal programs, which have different funding mechanisms, administrative requirements, and service dynamics. Given the current economic environment and recent increases in the DSS budget, the Board is looking to assess current spending and identify where flexibility – both in terms of service levels, spending levels and efficiency – might exist.

Approach

In order to maximize Pender County resources, PCG envisions that this *overall* project could include three key phases. Below is a quick description of the potential phases:

- **Phase One** – Budget and Spending Analysis – a high-level review of county Social Services spending, what funding pays for, and what discretion the county has in terms of funding.
- **Phase Two** – Performance Review/Audit – based on findings and recommendations from prior phase, a closer review of particular county DSS programs and what services are they buying and delivering.
- **Phase Three** – Business Process Review – a close review of DSS business processes, and identification of ways to make those processes more efficient and cost-effective.

NOTE: *This proposal deals specifically deals with Phase One. Others phases will be decided upon completion of Phase One.*

In order to arrive at a concise scope of work, PCG proposes the use of two key items to define the parameters of our work: 1) recent copies of state report *G.S. 108A-88 – Determination of State/County Financial Participation*, and 2) *DSS Analysis* spreadsheet provided by Rick Benton, County Manager. These have been

combined in the attached document *Pender County DSS Analysis*, which will serve as the starting point for our analysis.

In order to understand the various Pender County DSS spending obligations, and provide the Commission with better information with which to make decisions, we propose answering the following questions for each DSS budget item in the attached *Pender County DSS Analysis* document. Attached is an example of our analysis for one county budget item, entitled *Food and Nutrition Services EBT Sample*.

- What do the funds actually pay for, i.e. what services are being delivered to whom?
- How is the county share derived, and where in regulation/statute/state plan are these found?
- To what extent does the county have discretion in spending levels?
- Are there any immediate recommendations stemming from these findings?
- What additional county financial obligations are forthcoming this fiscal year?

In order to answer these questions, PCG will conduct the following activities:

- Review county obligations and spending for past three fiscal years, using G.S. 108A-88 and other information available from the state.
- Conduct interview(s) with state DSS budget office representative for any follow-up questions.
- Review the level of services offered by each program at the county level through documentation review and interview(s) with county budget and program staff.
- Identify and catalogue relevant statutes, regulations and policies related to DSS budget items.
- Develop draft report and make presentation to Commissioners (no later than January 13, 2012).
- Incorporate feedback into final report, and determine next steps.

Assumptions

Included below are basic project assumptions. These are included to make sure that the scope for this project is clear, that the right resources/participants will be included, and that this project results in a product that is helpful to the County Commissioners.

- Pender County staff, including the County Manager and Budget Director, will make themselves available on an as-needed basis to review progress and resolve issues.
- Pender County DSS staff will be available to respond to questions related to program administration and spending. PCG will work to make these calls as convenient and unobtrusive as possible.
- This project will include a total of one (1) on-site visit to present findings to the County Commission. Other work will take place off-site.
- The proposed cost for this project only covers activities described in this proposal, and not subsequent phases.

Budget

PCG proposes a not to exceed fixed-fee budget of **\$27,780** for Phase One of this project. This includes all project expenses, including personnel, travel and other expenses. We have based our budget on the estimated hours that we expect it will take to complete the project as described in this proposal.

Resource	Title	Hours	Rate	Total
Beth Maxcy	Senior Consultant	12	\$245	\$2,940
Ezra Sykes	Senior Consultant	12	\$245	\$2,940
Erin Henderlight	Consultant	40	\$200	\$8,000
Samantha Vidal	Business Analyst	80	\$155	\$12,400
Travel Costs				\$1,500
				\$27,780

DSS Budget Analysis FY 11-12

Increase in County Financial Responsibility via Programs:

	<u>Cost Increase</u>	<u>Funding Required</u>	<u>% of Program Budget</u>	<u>Impact of Not Funding</u>
Addition of Child Support Paternity Test Costs (34% county share new)	\$ 12,000.00	Mandatory	100	State will take from County Incentive Payment
Increase in EBT Call Center & E-Fund Costs (50% county share)	\$ 1,168.00	Mandatory	7	State will take from County Incentive Payment
Elimination of Monthly Foster Care Caseworker Visits Funding (revenue loss)	\$ 9,873.00	Mandatory	100	State will take from County Reimbursements
Reduction in CPS-SSBG Expansion (revenue loss)	\$ 1,400.00	Mandatory	100	State will take from County Reimbursements
Increase in Medical Transportation Costs (reduction in PAS services-loss of revenue)	\$ 55,000.00	Mandatory	13	State will take from County Reimbursements
Increase in County Share of IV-E Foster Care Costs (16% county share-revenue decrease)	\$ 134,816.00	Mandatory	39	State will take from County Reimbursements
Increase in County Share of TANF/Work First (costs above Federal cap)	\$ 196,725.00	Mandatory	44	State will take from County Reimbursements
Elimination of 25% State Match for Adult Home Specialist Fund (now 50% F/50% C)	\$ 16,198.00	Mandatory	50	State will take from County Reimbursements
Reduction in TANF Transfer to SSBG	\$ 19,264.00	Mandatory	75	State will take from County Reimbursements
Reduction in State Adult Protective Services	\$ 11,731.00	Mandatory	40	State will take from County Reimbursements
	<u>\$ 458,175.00</u>			
Reduction in State Adult Day Care	\$ 1,647.00	Discretionary	28	Fewer elderly/disabled clients served
Reduction in Smart Start	\$ 46,393.00	Discretionary	100	Less Adm/Fewer children/families served
Elimination of State Aid to Counties	\$ 33,966.00	Discretionary	100	Less administrative funds available
Addition of Child Support Customer Service Center Costs	\$ 1,500.00	Discretionary	100	No state toll free line; clients will call DSS
	<u>\$ 83,506.00</u>			

Total: \$ 541,681.00

Pender County

	ESTIMATED RESOURCES				ESTIMATED PERCENT		
	Total	Federal	State	County	Federal	State	County
1. Public Assistance Programs							
A. Division of Social Services							
1 Work First Family Assistance	0	0	0	0	0.00%	0.00%	0.00%
2 Food and Nutrition Benefits	14,241,142	14,241,142	0	0	100.00%	0.00%	0.00%
3 Title IV-B Adoption Assistance Payments	11,646	0	8,734	2,912	0.00%	75.00%	25.00%
4 Title IV-B Adoption Vendor Payments	2,324	0	1,743	581	0.00%	75.00%	25.00%
5 State Adoption Assistance Payments	84,638	0	84,638	0	0.00%	100.00%	0.00%
6 State Adoption Vendor Payments	0	0	0	0	0.00%	0.00%	0.00%
7 Title IV-E Adoption Assistance Payments	349,889	226,413	61,738	61,738	64.71%	17.65%	17.65%
8 Title IV-E Adoption Vendor Paymts Non-Recurring	551	276	138	137	50.09%	25.05%	24.86%
9 Title IV-E Foster Care - Standard Board Rate	95,635	61,885	16,875	16,875	64.71%	17.65%	17.65%
10 Title IV-E Foster Care Maximization	98,891	63,992	17,450	17,449	64.71%	17.65%	17.64%
11 State Foster Care Benefits Program	132,463	0	66,232	66,231	0.00%	50.00%	50.00%
12 Low Income Energy Assistance Payments	201,940	201,940	0	0	100.00%	0.00%	0.00%
13 Crisis Intervention Program	111,554	111,554	0	0	100.00%	0.00%	0.00%
14 Progress Energy - Energy Neighbor Fund	4,121	0	4,121	0	0.00%	100.00%	0.00%
15 Haywood Electrical - Helping Each Member Cope	0	0	0	0	0.00%	0.00%	0.00%
16 Wake Electric Membership Corp. - W.E. Roundup	0	0	0	0	0.00%	0.00%	0.00%
17 Piedmont Natural Gas - Share the Warmth	0	0	0	0	0.00%	0.00%	0.00%
18 Refugee Assistance Payments	362	362	0	0	100.00%	0.00%	0.00%
B. Division of Aging and Adult Services							
19 State/County Special Assistance for Adults	543,667	0	271,833	271,833	0.00%	50.00%	50.00%
D. Division of Child Development							
20 Subsidized Child Care Program - Direct Pmts	1,576,392	1,271,912	304,480	0	80.69%	19.31%	0.00%
Total Cost For 1. Public Assistance Programs							
	17,455,215	16,179,476	837,983	437,756	92.69%	4.80%	2.51%
Note that the totals may be off due to rounding.							
2. Public Assistance Administration							
A. Division of Social Services							
21 LIEAP & CIP Administration	27,483	27,483	0	0	100.00%	0.00%	0.00%

Pender County

	ESTIMATED RESOURCES				ESTIMATED PERCENT		
	Total	Federal	State	County	Federal	State	County
22 Food/Nutrition Services Program Administration	709,209	354,605	0	354,605	50.00%	0.00%	50.00%
23 Food & Nutrition Incentive Fraud Collections	18,929	18,929	0	0	100.00%	0.00%	0.00%
24 Electronic Benefit Transfer E-Funds Cost	25,776	12,888	0	12,888	50.00%	0.00%	50.00%
25 Food and Nutrition Services EBT Call Center	6,893	3,446	0	3,446	50.00%	0.00%	50.00%
26 Refugee Assistance Administration	0	0	0	0	0.00%	0.00%	0.00%
B. Division of Aging and Adult Services							
27 State/County Special Assistance Administration	7,154	0	0	7,154	0.00%	0.00%	100.00%
C. Division of Child Development							
28 Subsidized Child Care Program - Service Support	80,000	80,000	0	0	100.00%	0.00%	0.00%
D. Division of Medical Assistance							
29 Medicaid (Title XIX) Admin	1,368,789	684,394	0	684,394	50.00%	0.00%	50.00%
30 Medicaid Expansion	24,494	12,247	12,247	0	50.00%	50.00%	0.00%
Total Cost For 2. Public Assistance Administration	2,268,727	1,193,993	12,247	1,062,488	52.63%	0.54%	46.83%

Note that the totals may be off due to rounding.

3. Services Programs

A. Division of Social Services

31 SSBG Services - Federal & State	187,393	128,037	12,508	46,848	68.33%	6.67%	25.00%
32 Chafee Foster Care Independence (NC LINKS)	18,500	14,800	3,700	0	80.00%	20.00%	0.00%
33 Child Protective Services - IV-E	74,132	37,066	18,533	18,533	50.00%	25.00%	25.00%
34 Child Protective Services - SSBG	0	0	0	0	0.00%	0.00%	0.00%
35 Permanency Planning	19,684	14,763	0	4,921	75.00%	0.00%	25.00%
36 Foster Care/Adoptions - State	51,744	25,872	25,872	0	50.00%	50.00%	0.00%
37 TANF Child Welfare Workers for Local DSS	53,537	53,537	0	0	100.00%	0.00%	0.00%
38 IV-E Admin Foster Care 50%Fed-50%Co	57,026	28,513	0	28,513	50.00%	0.00%	50.00%
39 IV-E Foster Care Parent Trng 75%Fed-25%Co	5,641	4,231	0	1,410	75.00%	0.00%	25.00%
40 IV-E Admin Adoption 50%Fed-50%Co	1,570	785	0	785	50.00%	0.00%	50.00%
41 IV-E Adoption Parent Training 75%Fed-25%Co	0	0	0	0	0.00%	0.00%	0.00%
42 Child Support Enforcement Services (IV-D)	396,376	261,608	0	134,768	66.00%	0.00%	34.00%
43 Offset - IV-D Incentive	69,757	69,757	0	0	100.00%	0.00%	0.00%

Pender County

	ESTIMATED RESOURCES				ESTIMATED PERCENT		
	Total	Federal	State	County	Federal	State	County
44 Child Support ITS Charges	3,684	2,432	0	1,253	66.00%	0.00%	34.00%
45 Food and Nutrition - Workfare	0	0	0	0	0.00%	0.00%	0.00%
46 Food and Nutrition - Employment & Training	0	0	0	0	0.00%	0.00%	0.00%
47 Work First County Block Grant	877,971	441,589	0	436,382	50.30%	0.00%	49.70%
48 TANF Domestic Violence	11,296	11,296	0	0	100.00%	0.00%	0.00%
B. Division of Aging and Adult Services							
49 State In-Home Services Fund	9,173	8,026	0	1,147	87.50%	0.00%	12.50%
50 Adult Day Care Federal & State	4,268	2,808	927	533	65.79%	21.72%	12.49%
51 Adult Care Home Case Management Services	34,988	17,494	8,747	8,747	50.00%	25.00%	25.00%
52 Adult Protective Services - SSBG	17,232	17,232	0	0	100.00%	0.00%	0.00%
53 Adult Homes Specialist	11,236	5,618	0	5,618	50.00%	0.00%	50.00%
Total Cost For 3. Services Programs	1,905,208	1,145,464	70,287	689,458	60.12%	3.69%	36.19%
Note that the totals may be off due to rounding.							
Grand Total							
All Programs and Administration	21,629,150	18,518,932	920,517	2,189,702	85.62%	4.26%	10.12%



Program Name(s):

Food and Nutrition Services Electronic Benefit Transfer Call Center and 24 Electronic Benefit Transfer (EBT) E-Funds Cost

Brief Program Description:

The Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamps) is a Federal/State program to help low-income families buy the food they need to stay healthy, and be productive members of society. It provides low-income households with electronic benefits they can use like cash at most grocery stores to ensure that they have access to a healthy diet. The U.S. Department of Agriculture administers SNAP at the Federal level through its Food and Nutrition Service (FNS). State agencies administer the program at State and local levels, including determination of eligibility and allotments.

EBT is the process via a debit card for recipients to receive Food and Nutrition Services. Transactions are deducted from the balance in the accounts instantly through a Point-of-Sale (POS) terminal, much like a typical ATM or credit card.

The Call Center provides assistance to all state Food and Nutrition Services recipients that request to speak with a customer service representative regarding their EBT account. EBT recipients can use the E-Funds Voice Response Unit and receive automated assistance or the recipient can request to speak to an agent. Common reasons for calling include checking the balance on their EBT account.

Federal/ State/ County Share:

Costs associated with EBT are eligible for reimbursement of federal funds from the Food and Nutrition Services Program at the standard administrative Federal Financial Participation rate of 50% Federal funds and 50% County Funds. The chart below is the SFY 2011-12 budget estimates Pender County received from North Carolina DHHS/DSS in February 2011¹. The total County Share for EBT E-funds cost and the call center was estimated at **\$16,334.50**.

Division of Social Services	Total	Estimated Resources			Percentage Share		
		Federal	State	County	Federal	State	County
Public Assistance Administration							
Food/Nutrition Services Program Administration	\$ 709,209.00	\$ 354,604.50	\$ -	\$ 354,604.50	50.00%	0.00%	50.00%
Electronic Benefit Transfer E-Funds Cost	\$ 25,776.00	\$ 12,888.00	\$ -	\$ 12,888.00	50.00%	0.00%	50.00%
Food and Nutrition Services EBT Center	\$ 6,893.00	\$ 3,446.50	\$ -	\$ 3,446.50	50.00%	0.00%	50.00%

¹ NC General Statute 108A-88 Determination of State and County Financial Participation states that before February 15 of each year, the Secretary shall notify the county board of commissioners, the county manager, the director of social services, and the director of public health of each county of the amount of State and federal moneys estimated to be available, as best can be determined, to that county for programs of public assistance, social services, public health, and related administrative costs, as well as the percentage of county participation expected to be required for the budget for the succeeding fiscal year.



In SFY 2011-12 the caseload statistic used to allocate the county's share of EBT cost has been updated to include SFY 2009-10 average monthly households receiving Food and Nutrition Services. **Each county is appropriated its share of EBT cost based on the individual county's number of FNS households divided by the statewide total FNS households².**

Discretion with Spending Levels:

Pender County has seen an additional increase of **\$1,168.00** for SFY 2011-12 due to increased FNS participation in the county. Since the Food and Nutrition Services do not have a capped allocation, any increase in program participation is funded by County funds and reimbursed by Federal fund at 50%.

Citations and Regulations:

The Food and Nutrition Services Program is authorized by the Food and Nutrition Act of 2008 (Title XIII, As Amended through P.L. 110-246). Regulations issued pursuant to the act are contained in 7 CFR Parts 270-285.

The Secretary is authorized to pay to each State agency an amount equal to 50 percent of all administrative costs involved in each State agency's operation of the supplemental nutrition assistance program, which costs shall include, but not be limited to, the cost of (1) the certification of applicant households, (2) the acceptance, storage, protection, control, and accounting of benefits after their delivery to receiving points within the State, (3) the issuance of benefits to all eligible households, (4) informational activities relating to the supplemental nutrition assistance program.³

Program operations are conducted in North Carolina under the terms of North Carolina General Statutes, Chapter 108, and Sections 51-53.1. The provisions of G.S. 108-51 are repeated below.

The Department is authorized to establish a statewide food and nutrition services program as authorized by the Congress of the United States. The Department of Health and Human Services is designated as the State agency responsible for the supervision of the food and nutrition services program. The boards of county commissioners through the county departments of social services are held responsible for the administration and operation of the food and nutrition services program.⁴

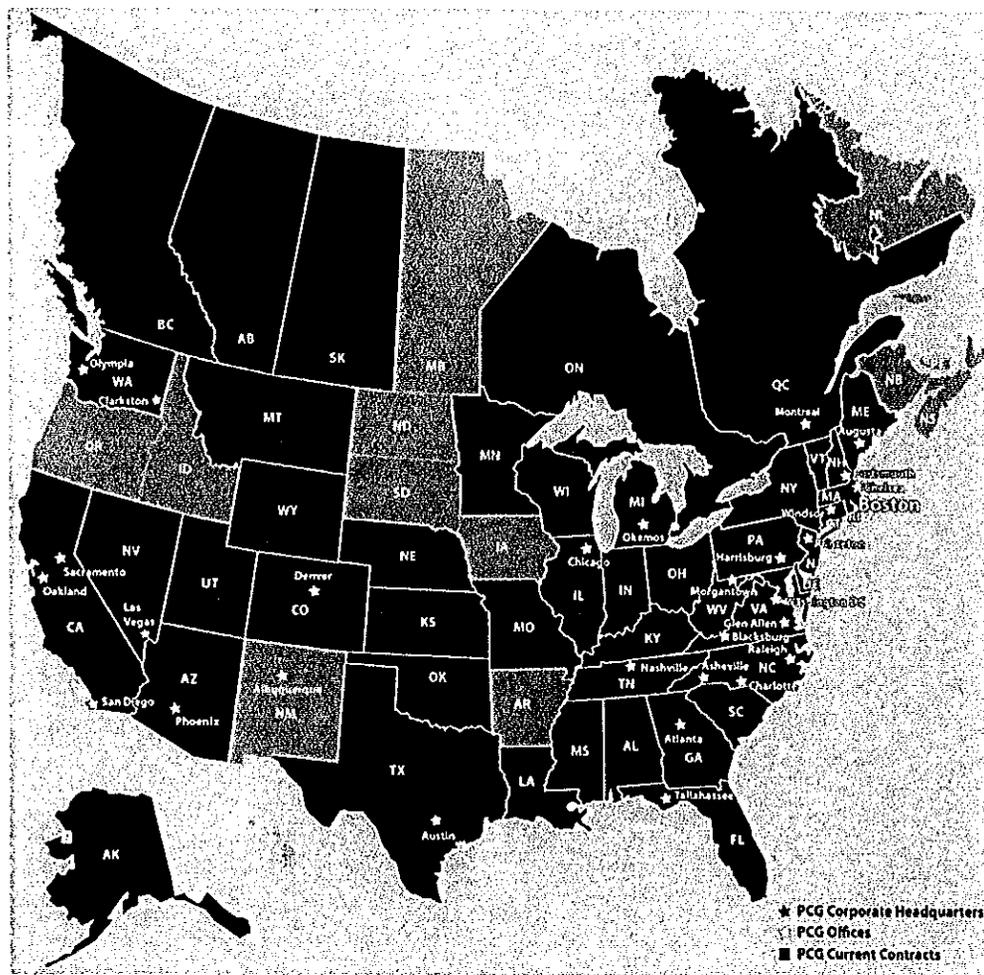
² North Carolina, Department of Human Services, Division of Social Service County Budget Estimates SFY 2011-12

³ Public Law 110-246: The Food and Nutrition Act of 2008, Section 16, Administrative Cost-Sharing and Quality Control
http://www.fns.usda.gov/snap/rules/Legislation/pdfs/PL_110-246.pdf

⁴ North Carolina General Statute, Chapter 108A - Social Services. § 108A-51. Authorization for Food and Nutrition Services.
http://statutes.laws.com/north-carolina/Chapter_108A/GS_108A-51

I. OVERVIEW OF THE PUBLIC CONSULTING GROUP

Public Consulting Group (PCG) is a management consulting firm that primarily serves public sector health and human services, education, and other state and municipal government clients. Established in 1986 with headquarters in Boston, Massachusetts, PCG operates from 35 offices across the U.S. and in Montreal, Canada, and Lodz, Poland. The firm has extensive experience in all 50 states, clients in six Canadian provinces, and a growing presence in the European Union.



Because PCG has dedicated itself almost exclusively to the public sector for nearly 25 years, the firm has developed a deep understanding of the legal and regulatory requirements and fiscal constraints that often dictate a public agency's ability to meet the needs of the populations it serves. We have helped numerous public sector organizations maximize resources, make better management decisions, refine business processes, introduce

performance measures, ensure federal and state compliance, and improve client outcomes. Many of PCG's more than 900 employees have extensive experience and subject matter knowledge in a range of government-related topics, including child welfare, Temporary Assistance for Needy Families (TANF), Welfare to Work (WtW), Medicaid and Medicare policy, special education, literacy and learning, and school-based health services finance. PCG's current work includes more than 1,000 active contracts in more than 40 states as shown on the map above.

We address the unique and often multidimensional challenges of each public sector client by assembling project teams that call on the varied knowledge, skills, and technologies from across our five practice areas. A flexible organizational structure enables PCG to apply resources as needed to meet a client's changing needs and deadlines.

The firm's practice areas include:

PCG Health offers in-depth programmatic knowledge and regulatory expertise to help state and municipal health agencies expand program financing options available from public and private sources, adjust to changing regulations, reduce or contain costs, consolidate programs, develop partnerships with private providers, improve business processes, achieve compliance, and promote improved client outcomes.

PCG Education offers solutions that help schools, school districts, and state departments of education across the U.S. and in Canada to promote student success, improve programs and processes, and optimize financial resources. Together with its state-of-the-art technology products, PCG Education's approach enables educators to make effective decisions by transforming data into meaningful analytical information.

PCG Technology Consulting (TC) provides a full spectrum of quality IT services to assist government agencies at every stage of the IT life cycle. Services include enterprise and technical architecture assessments, project management, procurement support, feasibility studies, application development, management consulting, and infrastructure support services. PCG is in a unique position in the marketplace, offering its clients specialized IT services informed by the programmatic perspective of our other practice areas.

Public Partnerships, LLC (PPL) which was initially formed 10 years ago to provide assistance to the Robert Wood Johnson Foundation's national pilot demonstrations in Self-Determination. The practice area offers an array of fiscal intermediary and related administrative services to public agencies and participants seeking to develop consumer directed services and supports. Currently, PPL assists roughly 32,000 consumers in 18 states, and serves children and adults in protective services, children identified with serious emotional disturbances and their families, persons with developmental disabilities, and adults and elders at risk of nursing home placement.

Our *PCG Human Services* practice area will perform the work under this engagement. PCG Human Services is a leading national provider of management consulting services to state and local human services agencies, working with these organizations to optimize program revenue, contain costs, improve compliance, and, in turn, promote improved client outcomes.

II. PROJECT QUALIFICATIONS

The project qualifications are on the following pages. We also invite you to contact any of the references listed there as well.

STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Title IV-E Revenue Maximization for Child Care Services
January 2011-Present

Scope and Objectives:

PCG has worked with the Division of Child Development and the Division of Social Services to claim eligible Title IV-E expenditures for children receiving care. Since project inception, PCG has evaluated and developed a methodology that addresses all areas of eligibility and compliance with ACF's Child Welfare Policy Manual to identify and claim eligible child care costs to Title IV-E. This has involved:

- Identifying children in foster care receiving child care services who are Title IV-E eligible/reimbursable for retrospective and prospective claiming;
- Performing retrospective claiming, reviewing 8 quarters of child care expenditures to identify fund reclassifications to free up dollars for Title IV-E, including performing a match to identify Title IV-E eligible children and allowable service;
- Reviewing county child care case files to confirm documentation and maintenance of attendance records, employment confirmation, and case file documentation necessary to support Title IV-E claiming; and
- Performing current quarter claiming, performing a match to identify children and allowable services days for current quarter; including preparing claims for submission on the CB-496 report, and working with the Office of the Controller on the quarterly claim development and submission process.

Key Achievements:

Since project inception, PCG's claiming efforts have identified more than \$4 million dollars in Title IV-E Eligible Child Care Subsidy payments, resulting in claim submission of more than \$2.8 million dollars for reimbursement.

PCG Contacts: The following staff works directly on this engagement:

Beth Maxcy
Senior Consultant
(617) 426-2026

Samantha Vidal
Business Analyst
(617) 426-2026

Client Reference: The following person can be contacted for more information about PCG's work on this project:

Robert Kindsvatter
Department of Health and Human Services
Division of Budget and Analysis
Program Budget Section Chief
2001 Mail Service Center
Raleigh, NC 27699-2001
rob.kindsvatter@dhhs.nc.gov

**NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
THE DIVISION OF BUDGET AND ANALYSIS
NC TANF Contingency Fund
FFYs 2009 - Current**

Scope of Work and Services Related to RFP: PCG was awarded a contract with North Carolina's Department of Health and Human Services (DHHS) to help the state access additional federal revenue through the Temporary Assistance for Needy Families (TANF) Contingency Fund. PCG has helped North Carolina leverage current unmatched spending from state and county agencies as TANF Maintenance of Effort (MOE) to meet Contingency Fund requirements and drawn \$71.7M of Contingency Funding since FFY09 – the maximum amount of revenue available to the state. In addition to the Contingency Fund revenue, many of the MOE sources identified by PCG were utilized to draw an additional \$79.7M of TANF Emergency Fund revenue.

Deliverables: The following deliverables were provided to, and accepted by the client:

Service Deliverables & Tasks	
✓	PCG conducted an initial review of state and local spending to identify programs that were potentially eligible to be claimed as TANF MOE
✓	Developed an initial list using program descriptions, budget information, and other policy documentation provided by DHHS
✓	PCG conducted interviews with state and local county program managers to collect all information and data necessary to develop claims

Results: Our efforts resulted and the identification and documentation of more than \$165M of additional MOE eligible spending, including expenditures from:

✓	State Earned Income Tax Credits
✓	More at Four (early education/pre-K)
✓	Drop Out Prevention, After School, and other school-based programs
✓	County based human service programs
✓	Child Care supports for the newly unemployed

PCG developed all necessary claim materials and provided documentation of our methodology to support the state during audit reviews.

Standards Used: PCG uses PMI standards for all projects and engagements.

Project Team Contacts: The following staff worked directly on this engagement:

Jill Reynolds	Brian Howells	Ezra Sykes
Manager	Associate Manager	Senior Consultant
(617) 426-2026	(617) 426-2026	(617) 426-2026

Reference: The following individual may be contacted to learn more about PCG's work:

Jim Slate
Division Director, Budget and Analysis
North Carolina Department of Health and Human Services
2001 Mail Service Center, Raleigh, NC 27699-2001
919-733-6396
jim.slate@ncmail.net

III. STAFF RESUMES

The following key members of the project team are highlighted on the following pages.

BETH MAXCY
Senior Consultant
Public Consulting Group, Inc.

RELEVANT PROJECT EXPERIENCE

State of North Carolina, Department of Health and Human Services, Division of Social Services

Title IV-E Child Care Claiming

Currently, leading efforts to attain Title IV-E revenue for child care services for DSS. Identifying children in foster care receiving child care services who are Title IV-E eligible/reimbursable. Developing a claiming methodology and a quality assurance process for child care costs to Title IV-E for retro and prospective claiming. Assisting in the preparation of claims to attain Title IV-E federal reimbursement for DSS.

Commonwealth of Massachusetts, Department of Children and Families

Title IV-E Revenue Management Services

Consulting lead for Title IV-E eligibility unit. Provide project management and coordinate consulting resources for all aspects of the Title IV-E project including Title IV-E eligibility, quality assurance, policy and procedures, and assist with work flow management. Assist DCF in obtaining increased Title IV-E revenue by reviewing process and procedures for the eligibility rate. Work with DCF Information Technology staff to identify improvements to the current automated Title IV-E eligibility system.

Title IV-E Audit Preparation

Led audit preparation efforts to prepare DCF for their primary Administration of Children and Families audit. Identified and provided claims data. Coordinated PCG Title IV-E eligibility staff to compile case documentation for 100 cases, and worked with DCF legal and licensing staff to locate all required documentation. Identified audit exclusions and provided supporting documentation for DCF to present to

ACF. Available on-site during the audit to provide information and explanation of documentation to federal and state reviewers.

Commonwealth of Pennsylvania, Department of Public Welfare

Title IV-E Compliance Services

Serve as Quality Assurance Coordinator for statewide quality control administration for 67 counties. Responsibilities include coordinating, scheduling, and providing quality assurance and technical assistance to counties regarding Title IV-E maintenance and administrative claiming. Assisting in efforts to develop a Title IV-E policy and procedures manual. Also, provide technical assistance to Random Moment Time Study (RMTS) coordinator for operational efforts.

State of Mississippi, Department of Human Services

Title IV-E Revenue Maximization

Managed efforts on Title IV-E county case reviews for the current "denied" caseload for children in foster care to improve revenue and create appropriate back-up documentation according to Title IV-E federal guidelines.

Federal Grants Management:

Assist in the initiative to ensure that the State retains all federal funding that supports DHS by identifying allowable expenditures and allowable match for applicable funding sources. Working to improve reporting and identification efforts to fully maximize those funds which are available to DHS.

District of Columbia, Department of Children and Family Services

Business Services Unit Organization and Re-Design

Integral team member responsible for reporting on current business practices within the Child and Family Services Agency. Interviewed numerous staff members through the agency to understand and analyze current business practices, policies and procedures. Developed

suggested process improvements, identified revenue maximization opportunities, and suggested data enhancements to 11 different practice areas.

Title IV-E Revenue Maximization

Assist the district in cleaning up the pending Title IV-E caseloads to improve revenue and create complete eligibility files with appropriate back-up documentation according to Title IV-E federal guidelines. Responsible for over 1,000 undetermined cases within the District for Title IV-E and Adoption Subsidy.

Title IV-E Training:

Team lead on Title IV-E training for CFSA eligibility, social worker, and policy staff. Responsible for developing training curriculum and training materials

**State of Florida, Children's Services Council
of Palm Beach County**

Revenue Maximization and Compliance Service

Assist with the preparation and submission of quarterly maintenance claims for child care services provided to Title IV-E eligible children.

**State of Arizona, Department of Economic
Security**

Title IV-E Eligibility Determination Project

Assisted the State in conducting eligibility determinations on their pending caseload. Reviewed the SACWIS system for child information, the financial eligibility system, and court orders for completeness in terms of Title IV-E.

**State of Rhode Island, Department of
Children, Youth and Families**

Cost Allocation Plan

Prepared and submitted the quarterly Cost Allocation Plan for federal Title IV-E and XIX reimbursement. CAP is prepared in accordance with OMB A-87 guidelines and maximizes recovery of general fund expenditures. Work closely with the Office of Management and Budget to ensure that all statistical and cost

information is accurate and is supported by reliable documentation.

PROFESSIONAL EXPERIENCE

Office of the Governor

Staff Assistant

Assisted Deputy Chiefs of staff for Cabinet and Policy. Researched and organized policy reports for the Governor's consideration on health and human service policy initiatives.

**Community Research Initiative of New
England**

Data Management Specialist

Responsible for regulatory functions on 20 active investigator and industry initiated clinical research trials for HIV/AIDS drugs.

EDUCATION

Suffolk University

Master in Public Administration

Master in Political Science

Western New England College

Bachelor of Arts in Political Science

EZRA SYKES
Senior Consultant
Public Consulting Group, Inc.

RELEVANT PROJECT EXPERIENCE

**Michigan Department of Human Services
Early Childhood Investment Corporation
Parental Choice in Child Care and Early
Education Study**

Team member for study of parental choice in child care and early education. Michigan families choose Aids and Relatives care at significantly higher rates than families in other states. PCG is designing the survey instrument, conducting data collection and focus groups, ensuring a statistically valid sample and analyzing and presenting the results to state stakeholders.

**North Carolina Department of Health and
Human Services**

TANF Emergency Fund Project

Assisted the state access federal TANF funds from the \$5B TANF Emergency Fund. Analyzing existing state expenditures to determine TANF or TANF MOE eligibility; assessing each new opportunity for risk and implementation difficulty; assisting state in fiscal management decisions to maximize claiming potential.

**North Carolina Department of Health and
Human Services**

Integrated Eligibility Project

Assisting the state determine integrated eligibility opportunities for means-tested programs, including Child Care, Food Stamps and Medicaid. Identified similarities and differences among programs, conducted time-savings analysis, and recommended steps to increase efficiency for eligibility determination processes among means-tested programs.

Work Support Strategies Project

Assisting the state in streamlining eligibility determination, verification, and case management business processes across human

services programs; conducting an analysis of the benefits of an integrated service delivery model; identifying opportunities to reduce client churning at application and recertification; and planning for the implementation of statewide policy changes.

**Wisconsin Department of Health Services
Program Integrity and Overpayment Recovery
Project**

Assisting the WI Department of Health Services to design and implement a comprehensive Program Integrity System intended to improve fraud prevention, fraud detection, and benefit overpayment recovery efforts. Conducted an assessment of program integrity efforts in place and working to establish fraud prevention operations.

**Massachusetts Commission for the Deaf and
Hard of Hearing (MCDHH) Business Process
Review of Interpreter Referral Service**

Conducted a business process review of the Commission's Interpreter Referral Service, and provided findings and recommendations to assist the Commission in planning efforts. Identified inefficiencies and provided near-term and long-term solutions to increase efficiency and maintain a high level of customer service.

**Missouri Family Support Division (FSD),
Division of Social Services (DSS)
Audit/Review of Missouri Employment and
Training Program (METP)**

Led project to improve financial oversight of METP, the state's SNAP Employment and Training program. Reviewed expenditures to determine whether federal funds were being used appropriately for the program, and reviewed cost allocation plan and office procedures to determine whether claims were accurate and reasonable.

Delaware Department of Health and Social Services (DHSS), Division of Management Services (November 2010-Present)

Grants Administration Review

Assisting the state to determine strengths and weakness of current federal grants management practices, including a review of internal controls, staffing, spending plans, and interagency collaboration.

PROFESSIONAL BACKGROUND

**Commonwealth of Massachusetts
Department of Transitional Assistance**

Served as Director of Project Management for DTA, providing broad oversight and coordination of agency initiatives and facilitating the planning and implementation of projects related to SNAP and TANF; served as project manager for large scale, multi-pronged effort to improve efficiency and customer service at DTA's 24 local offices through business process redesign, communication efforts and physical improvements to local offices.

Massachusetts Housing and Shelter Alliance (MHSA)

Director of Policy and Advocacy for non-profit, statewide public policy advocacy organization consisting of 88 member agencies. Led advocacy efforts and initiatives to end homelessness working with private and public sectors; served as Legislative liaison, meeting with State Legislators to inform policy and budget decisions; wrote speeches, testimony and policy documents; conducted, tracked and analyzed research and legislation regarding homelessness.

EDUCATION

Suffolk University
Masters of Public Administration

University of Kansas
Bachelor of Science
Journalism