

AUDIT REPORT

Denver Human Services

Administration of Child Welfare Placement Services

MARCH 2023



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City and County of Denver



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AUDITOR'S LETTER

March 16, 2023

We audited how Denver Human Services administers child welfare placement services to determine the effectiveness of the kinship caregiver certification process. We also reviewed the agency's procedures for its imprest fund.

While I am pleased that Denver Human Services agreed to all recommendations, our ability to audit was delayed by insufficient initial access to child welfare records as described in [Appendix A](#). This should not have occurred. Also, we were unable to collect financial assistance data from other state databases because of federal data sharing regulations. We are working to resolve this issue for future audits.

The audit found the Denver Human Services caseworkers and support staff who help kinship caregivers become certified lack the consistent training and accurate procedures they need to best serve the caregivers taking care of local children removed from their homes. Additionally, we determined the procedures related to the agency's imprest fund — which is used to provide emergency support to families, children, and caregivers the agency serves — were insufficient. As part of our audit results, we also present our analysis of child welfare case records related to the local children in kinship care and their caregivers. This provides an overview of these populations and their experiences receiving and providing kinship care.

By implementing recommendations for stronger training practices and for complete, updated procedures, Denver Human Services' Child Welfare Division will better equip caseworkers and support staff with the information and tools they need to fully support kinship caregivers. Additionally, more robust procedures for the imprest fund will improve the ability of Denver Human Services' Financial Services Division to ensure the money is being used as intended.

This performance audit is authorized pursuant to the City and County of Denver Charter, Article V, Part 2, Section 1, "General Powers and Duties of Auditor." We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We appreciate the leaders and team members in Denver Human Services' Child Welfare and Financial Services divisions who shared their time and knowledge with us during the audit. Please contact me at 720-913-5000 with any questions.

Denver Auditor's Office

A handwritten signature in black ink, appearing to read "Timothy M. O'Brien".

Timothy M. O'Brien, CPA
Auditor



Administration of Child Welfare Placement Services

MARCH 2023

Objective

To evaluate the effectiveness of Denver Human Services' kinship caregiver certification process and whether the agency's controls over its imprest fund are consistent with city rules and leading practices.

Background

When a child is removed from their home because of reported abuse or neglect, child welfare agencies prioritize placing them with "kin" first — family members or close family friends who have a relationship with the child. Denver Human Services' Child Welfare Division administers kinship placement in the City and County of Denver, and its staff certify the kinship caregivers, also called "providers," who take in children removed from their homes.

Meanwhile, the Financial Services Division oversees an "imprest fund" that provides emergency financial support for families and caregivers served by Denver Human Services.

REPORT HIGHLIGHTS

The kinship caregiver certification process lacks formal training and guidance

Caseworkers and other staff in Denver Human Services' Child Welfare Division do not have consistent training or clear procedures for certifying kinship caregivers. Because of this, child welfare managers cannot ensure these staff members have the knowledge and tools they need to best serve both the local children removed from their homes and their new caregivers.

Specifically, we found:

- The agency has no written guidance outlining policy or requirements for training certification staff.
- Training logs of three certification team members revealed inconsistencies in the types of training they took.
- The agency's procedures for certifying kinship caregivers are only in draft form.
- Checklists and other tools certification staff use lack some details and are inconsistent.

The policies and procedures for Denver Human Services' imprest fund are insufficient and outdated

Denver Human Services' procedures for its imprest account are missing important components referenced in city fiscal rules. And because the fiscal rule for petty cash accounts no longer mentions imprest funds by name, staff within Denver Human Services are unsure what guidance still applies to the agency's fund.

Additionally, limited documented guidance for how to maintain and secure the agency's fund could impact how staff review and approve expenses, keep checks secure, and resolve recordkeeping issues.

WHY THIS MATTERS

When Denver Human Services does not adequately manage how it certifies kinship caregivers, it places added stress on caseworkers and staff who are already prone to turnover. The caregivers themselves can also miss out on needed financial aid when they are not given thorough, accurate, and timely information about the certification process.

Meanwhile, weak policies and procedures for the imprest fund could result in inconsistent practices and potential misuse of money intended to help individuals with urgent needs.

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BACKGROUND

Kinship care

Denver Human Services' Child Welfare Division strives to support families so that Denver area children who are experiencing or are at risk of abuse or neglect have safe, stable home environments. The division investigates reports of abuse or neglect and provides essential services to keep children safe – including placing a child outside their home when that home environment is deemed unsafe.¹

Keeping a child in their home is ideal. But when a child needs to be removed, Denver Human Services relocates the child to an “out-of-home placement,” which temporarily cares for the child. This might be traditional foster care, a group home, or in the care of relatives or close family friends – known as “kinship care.”

Kinship placements are favored because they allow for fewer disruptions and greater stability in a child's life and because the child would already have had a close bond and established trust with their caregiver.

When a child is placed outside their home, Denver Human Services works with the child's family to make the child's home environment safer so they might eventually reunite.²

However, kinship care provides an option for long-term placement should the child not be able to safely return to their home.

About 1,600 local children were placed in some form of kinship care with a relative or close family friend for at least one day from January 2018 through June 2022, according to our analysis of Denver Human Services' child placement records. About half of those children spent 100% of their time in kinship care, while the other half spent at least some time in other out-of-home placements in addition to kinship care.

KINSHIP CARE

When a child experiencing abuse or neglect is removed from their home, “kinship care” means they are placed with a relative, a close family friend, or another person who has a significant relationship with the child.

¹ City and County of Denver Auditor's Office, “Child Welfare Services” Audit Report (October 2017), accessed Jan. 24, 2022, https://www.denvergov.org/files/assets/public/auditor/documents/audit-services/audit-reports/2017/childwelfareservices_october2017.pdf.

² “Foster and Kinship Care,” Denver Human Services webpage, City and County of Denver, accessed Feb. 8, 2022, <https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Denver-Human-Services/Be-Involved/Foster-and-Kinship-Care>.

As shown in Figure 1, many of these children had more than one placement and were in the care of more than one caregiver during their time in the child welfare system.³

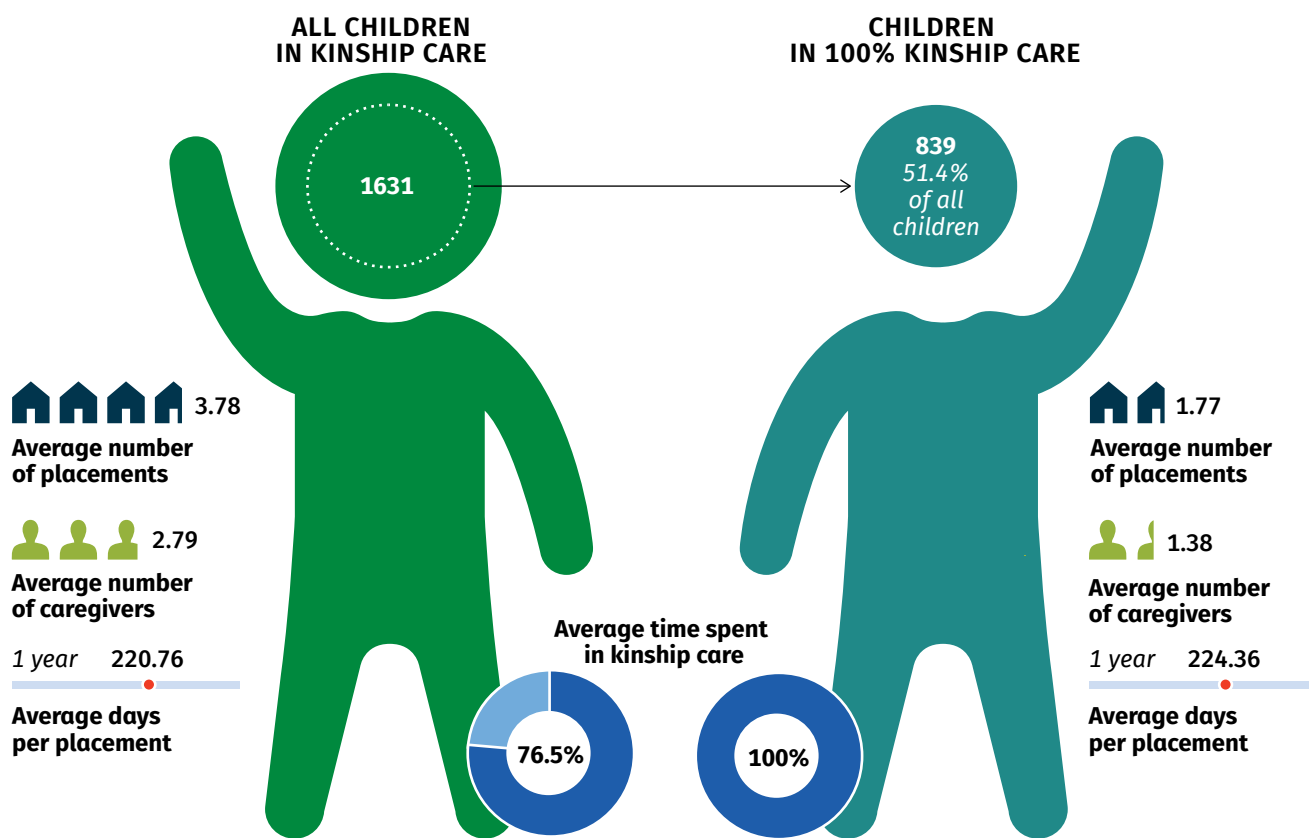
Notably, children who were in kinship care 100% of the time typically had fewer placements and fewer caregivers. On average, the 1,600 children spent around 220 days — or a little over seven months — in each placement.⁴

MORE DETAILS

Appendix B describes our analysis of Denver Human Services' child placement records related to the local children served by kinship care from January 2018 through June 2022.

FIGURE 1. At a glance: Local children in kinship care through Denver Human Services

This data is based on Denver Human Services' records of children who were placed in kinship care for at least one day from Jan. 1, 2018, through June 30, 2022. Additional analysis is available in [Appendix B](#).



Source: Auditor's Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

³ Denver Human Services uses the technical term "provider" to describe someone who cares for a child in the child welfare system. "Caregiver" and "provider" have the same meaning.

⁴ See [Appendix B](#) for additional analysis.

Denver Human Services' child welfare services

In Colorado, government-administered social services — including child welfare services specifically — are run at the county level but they are supervised by the state Department of Human Services.⁵ The state establishes legal requirements, oversees county-level activities, and assists with ongoing federal reviews.

Denver Human Services is the main social services provider for Denver County. The agency provides traditional child welfare services as well as other support for families living in the Denver area, such as through financial assistance, health coverage, and employment development programs.⁶ Although many of those served by the agency live in Denver County, some do not. Children removed from their home may be placed with caregivers outside Denver County. In other cases, Denver County may support a family financially, but another county has a more active role in managing the case.

The agency, as a whole, is expansive. As of early 2022, it had 1,268 employees across various divisions — including 321 assigned to child welfare activities. Denver Human Services has five core values for its child welfare program:

- Strong families.
- Safe children.
- Strong caregiver families.
- Strong effective workforce.
- Supportive communities.

Among its many services, the Child Welfare Division oversees kinship placements and certifies kinship caregivers.⁷

Each child welfare case in Denver is managed by multiple types of caseworkers who specialize in different areas, rather than there being one general caseworker handling all aspects of a case. For instance, when a child is placed outside their home, different caseworkers are involved at various stages including intake caseworkers, ongoing caseworkers, and kinship support caseworkers.

- **INTAKE CASEWORKERS** – These caseworkers investigate initial reports of suspected child abuse or neglect and manage a case for up to two months.
- **ONGOING CASEWORKERS** – These caseworkers take over within the first 30 days of the case opening. They typically manage a case until it is closed.

⁵ U.S. Department of Health and Human Services' Children's Bureau, "State vs. County Administration of Child Welfare Services" (March 2018), accessed Jan. 27, 2022, <https://www.childwelfare.gov/pubPDFs/services.pdf>; Colorado Department of Human Services, "Colorado Five-Year Family First Prevention Services Plan" (March 2022), accessed March 10, 2022, https://co4kids.org/sites/default/files/FF_PreventionPlan_Feb2022-watermark.pdf.

⁶ Colorado Department of Human Services, "Colorado Five-Year Family First Prevention Services Plan."

⁷ 12 Colo. Code Regs. 2509-7, § 7.600 and § 7.601.71.

- **KINSHIP SUPPORT CASEWORKERS** – These caseworkers support kinship caregivers specifically. They provide resources and referrals, visit the placement home, and help caregivers navigate processes.

The Child Welfare Division’s placement services group includes caseworkers, operations administrators, and operations assistants dedicated to kinship support services as well as other activities. Two teams are involved in certifying kinship caregivers: the certification, training, and recruitment team and the kinship care support team.

- **CERTIFICATION, TRAINING, AND RECRUITMENT TEAM** – The six staff members on this team are responsible for certifying caregivers and training and recruiting potential foster families. They are not required to be certified caseworkers.

Three operations assistants on the team primarily help kinship caregivers get certified – which helps those caregivers to then be eligible for monthly financial support. This “certification team” collects required documentation, helps schedule appointments, connects caregivers with community resources, and tracks cases to ensure certification is completed on time. The operations assistants on this three-person team may manage between 15 and 25 certification cases at a time.

Meanwhile, the other three staff members on the larger certification, training, and recruitment team primarily recruit traditional foster families and train kinship caregivers. When needed, they help the certification team by taking on up to five caregivers seeking certification.

- **KINSHIP CARE SUPPORT TEAM** – Ten certified caseworkers on this team support kinship caregivers and the children placed with them. According to placement services managers, these caseworkers have a limited role in actually certifying kinship caregivers. They may discuss the steps with a kinship caregiver and start the paperwork for certification, but it is the certification team that manages all aspects of a kinship caregiver’s certification process.

After caregivers are certified, the foster care support team provides continued support services and ongoing training and manages the process to recertify kinship caregivers.

Because child welfare policies and program rules are made at the state and federal levels, local officials have little flexibility in changing child welfare-related processes. For instance, the state dictates the majority of the requirements for kinship caregiver certification.⁸

Denver is also required to use the state’s information system for its child welfare case management, called “Trails.” The county cannot make changes to the system.

⁸ 12 Colo. Code Regs. 2509-6, § 7.500.2.

Like all other counties in Colorado, Denver Human Services uses Trails to manage official records about reports of suspected child abuse or neglect, child welfare assessments, and case management activities. The state Department of Human Services is responsible for providing training and guidance on the federally required system.

DELAYS AND CHALLENGES IN OBTAINING RELEVANT RECORDS

Appendix A describes how Denver Human Services repeatedly impeded our efforts to obtain Trails data for audit analysis, which delayed our completion of this audit.

How Denver Human Services places children outside the home

Placing a child experiencing or at risk of abuse or neglect outside their home involves a series of assessments and engagement with affected families.⁹ It requires various teams within Denver Human Services' Child Welfare Division to work together and complete the necessary steps.

As shown in Figure 2 on the next page, an out-of-home placement starts when a report of suspected abuse or neglect is received by the statewide hotline or the county. Denver Human Services staff screen these reports to determine whether they meet the criteria for an assessment of abuse or neglect as defined in state regulations.¹⁰

Staff might refer families to other services if a report does not meet state criteria. If staff identify safety concerns, the report is investigated further.¹¹

Denver Human Services caseworkers examine what safety concerns exist, whether those concerns can be addressed, and whether out-of-home placement should be considered for the child's well-being. When safety concerns cannot be addressed or the abuse or neglect is severe enough, an intake caseworker or an ongoing caseworker immediately searches for placement options to relocate the child from their home.

Placing the child with family members is sought first. When this is not possible, caseworkers will look for other options, such as placing the child with another adult they know or in a traditional foster home.¹² Before a child can be placed outside their home, potential caregivers must be fingerprinted and undergo a background check and a caseworker must visit the home.

⁹ 12 Colo. Code Regs. 2509-4, § 7.300.1 and 2509-3, § 7.204.

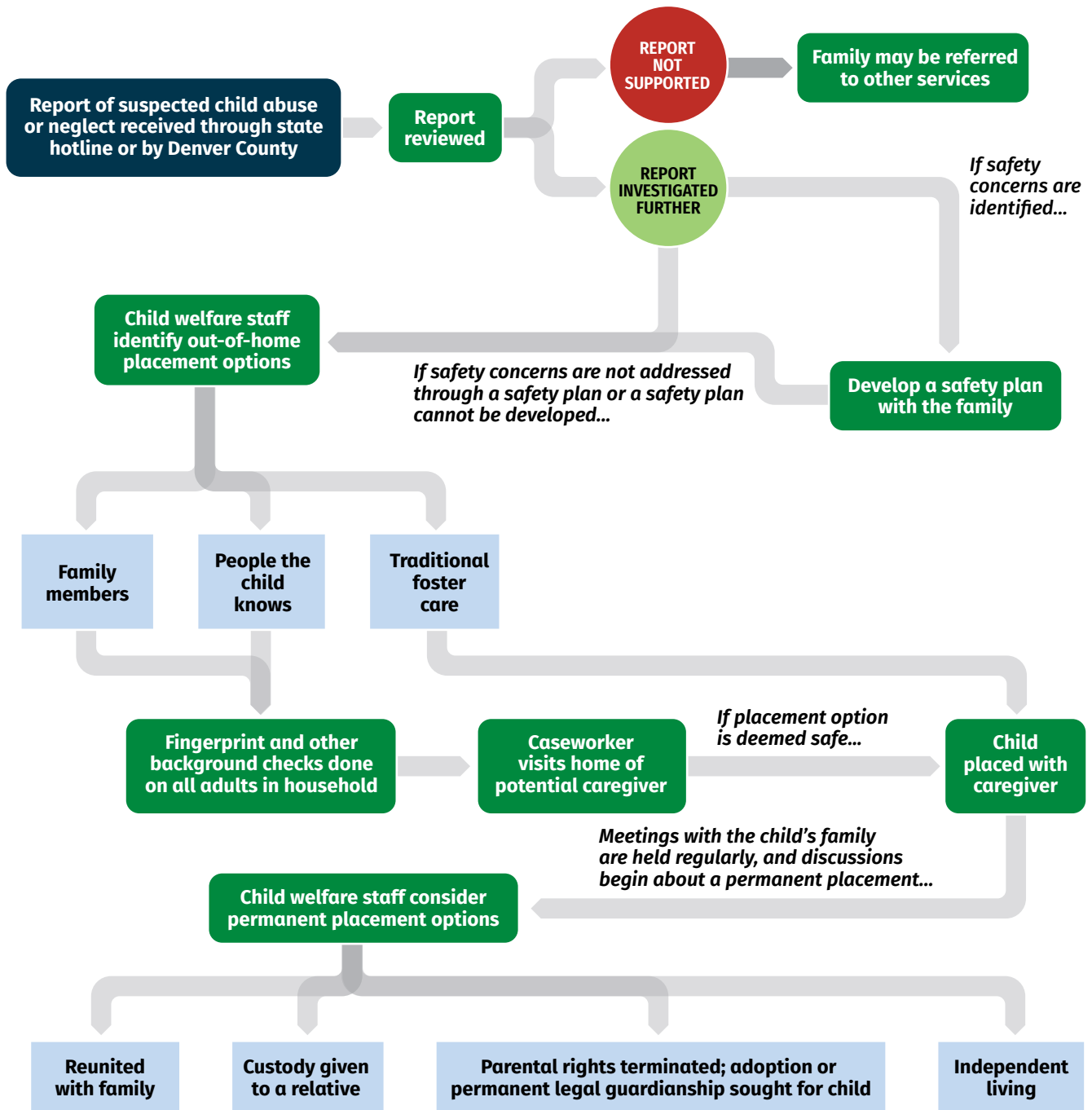
¹⁰ 12 Colo. Code Regs. 2509-2, § 7.103.4-7.103.6.

¹¹ 12 Colo. Code Regs. 2509-2, § 7.103.4-7.103.6 and 2509-8, § 7.701.31-7.701.32.

¹² Denver Human Services, "Foster and Kinship Care – City and County of Denver," accessed Feb. 8, 2022, <https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Denver-Human-Services/Be-Involved/Foster-and-Kinship-Care>.

FIGURE 2. The out-of-home placement process

This is a high-level overview and does not include all required activities. Additionally, traditional foster care homes are vetted – also with fingerprint and background checks and home visits – through a separate process from the one shown here.



Source: Auditor’s Office illustration based on interviews with Child Welfare Division staff and analysis of state regulations and other documents provided by the placement services team.

Once the placement is determined safe and appropriate, the child is sent there. A child can also be sent to a facility, a group home, or a placement that involves therapeutic interventions — but these types of placements follow a different process than the one Figure 2 showed. They also require an independent assessment that determines the appropriate level of care based on the child’s needs.

Caseworkers continue to meet with the child’s family to work on making the child’s home safer so the child and their family can be reunited. When reuniting the child is unsafe or not possible, Denver Human Services considers other options for the child’s long-term care, such as:

- Giving custody of the child to a relative.
- Terminating the parents’ rights and seeking for someone else to adopt or become the permanent legal guardian of the child.
- Allowing the child to live independently with supervision if they are at least 16 years old.

The Family First Prevention Services Act

In 2018, Congress passed the Family First Prevention Services Act, which prioritized keeping children with their families instead of placing them outside the home.¹³ The law is intended to reduce the trauma a child experiences when being placed in out-of-home care and increase the use of kinship care as an option. The law discourages placing children in group homes or other restrictive environments.

Denver Human Services began implementing elements of the Family First Act in 2018, while the state officially did so in 2021 once it addressed issues affecting larger child placement facilities. The federal law bolstered Colorado’s ongoing efforts to prevent child abuse and neglect, ensure early intervention, and place children with family members or close family friends when out-of-home placement is needed.¹⁴

The state updated its regulations to reflect the Family First Act and to emphasize the importance of prioritizing kinship placements. For example, children who must be removed from their home have the right to a diligent search for extended family members as potential caregivers. State regulations also say it is the responsibility of all adults in a child’s life — including family members, foster parents, and county child welfare staff — to promote stability in the child’s life and help them maintain a relationship with their family.¹⁵

Denver Human Services’ Child Welfare Division adopted this same approach. It searches for kinship caregivers before seeking other types of

¹³ Bipartisan Budget Act of 2018, Pub. L. No. 115-123; “Family First Prevention Services Act,” Child Welfare Information Gateway webpage, U.S. Department of Health and Human Services’ Children’s Bureau, accessed Feb. 1, 2022, <https://www.childwelfare.gov/topics/systemwide/laws-policies/federal/family-first/>.

¹⁴ Colorado Department of Human Services, “Colorado Five-Year Family First Prevention Services Plan” (March 2022), accessed March 10, 2022, https://co4kids.org/sites/default/files/FF_PreventionPlan_Feb2022-watermark.pdf.

¹⁵ 12 Colo. Code Regs. 2509-1, § 7.000(D).

placements when a child cannot safely remain at home.

Kinship caregiver certification

Kinship caregivers can receive financial assistance for caring for a child who has been removed from their home as long as certain criteria are met.¹⁶ Namely, a caregiver must be fully certified before they can receive this financial support.¹⁷

Once fully certified, a caregiver can receive on average \$1,200 per month. Certified caregivers can also receive Medicaid for a child in addition to the certification-related financial support. Kinship caregivers who are not certified are not eligible for this assistance — although they can still receive Medicaid and apply for financial aid through other federal programs, such as food stamps.

From January 2018 through June 2022, Denver Human Services had about 1,400 active kinship caregivers for the 1,600 children in kinship care during that time, according to our analysis of child placement records. Of those caregivers, about 18% were certified.¹⁸

The requirements for a caregiver to become fully certified are extensive and lengthy. It can take at least three months, except for those who receive temporary, provisional certification.

ANALYSIS OF CERTIFIED KINSHIP CAREGIVERS

See [Appendix B](#) for our analysis of certified kinship caregivers in the Denver area.

To obtain certification, caregivers must complete 36 hours of training, submit more than 20 documents and other records, and pass two rounds of background checks. Caregivers must also pass a home study assessment, which evaluates whether they are fit to take a child into their home. In addition to the initial certification, kinship caregivers must be recertified each year — which involves 20 more hours of training and more documents and background checks.

Denver Human Services' imprest fund

To help local families and individuals with urgent needs, Denver Human Services has an "imprest fund" — a cash account the agency uses as an emergency resource to help those it serves pay for food, rent, childcare, and other time-sensitive expenses. The fund is managed by Denver Human Services' Financial Services Division, and it is available to all divisions of the agency.

The Child Welfare Division is one of the divisions that uses the imprest fund the most. Because of the urgent needs for support that underly requests for imprest funds, Denver Human Services prepares checks as

¹⁶ 42 U.S.C. § 672.

¹⁷ 12 Colo. Code Regs. 2509-7, § 7.601.71(C).

¹⁸ See [Appendix B](#) for additional analysis.

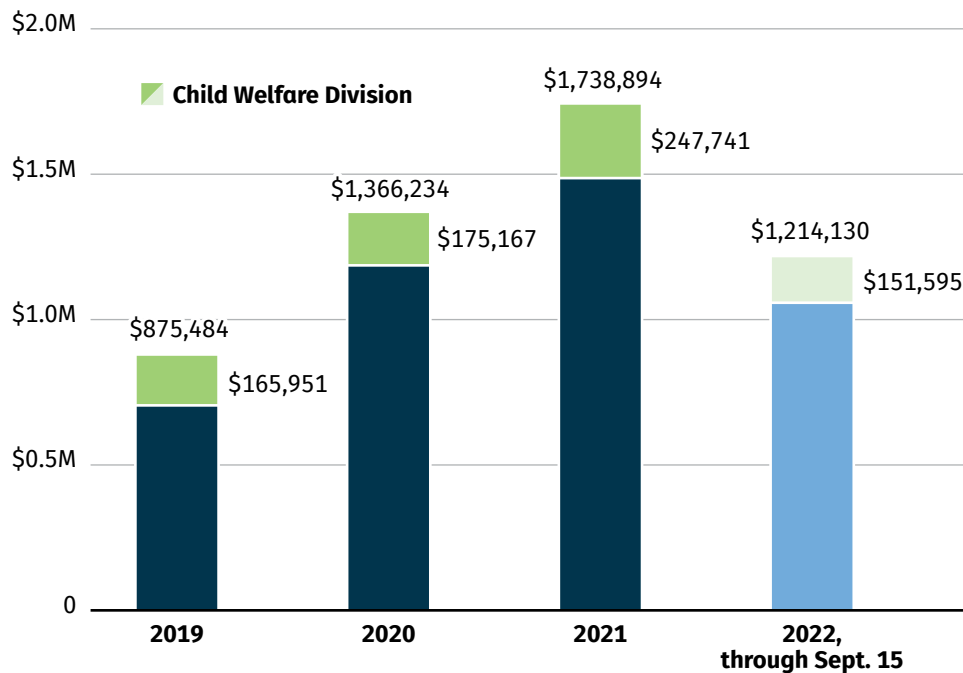
quickly as possible. Daily check processing is common.

Generally, imprest accounts are cash accounts that organizations can use to minimize red tape and to pay for small-dollar expenses with more flexibility, similar to petty cash accounts.¹⁹ The city has at least two other imprest funds, which are managed by the Denver Police Department and the City Attorney’s Office. Controller’s Office staff said the Denver Human Services’ imprest fund is unique because it must keep a fixed balance of \$80,000.

Imprest funds are similar to petty cash accounts.

Figure 3 shows how much Denver Human Services has spent from its imprest fund from Jan. 1, 2019, through Sept. 15, 2022. For the first three years of that period, the agency spent about \$4 million from the fund – with nearly \$590,000 on child welfare expenses. In 2022, the agency had spent \$1.2 million from the fund by mid-September, including about \$150,000 on child welfare expenses.

FIGURE 3. Denver Human Services’ imprest fund spending, 2019 through mid-September 2022



Source: Auditor’s Office analysis of supplier invoices in Workday, the city’s system of record.

As Denver Human Services spends money from the fund, staff in the agency’s Financial Services Division replenish the account to maintain the required fund balance.

¹⁹ Olusegun Ogunnaik and Jay Bostick, “How to Control Cash Risks from Imprest Funds,” Ernst & Young Global Limited, May 23, 2022, accessed July 12, 2022, https://www.ey.com/en_us/risk/why-it-is-important-to-have-imprest-funds.

Denver Human Services' imprest fund is governed by certain elements of the city's Fiscal Accountability Rules. The rule governing petty cash funds mentioned imprest funds before it was revised in 2018. That rule put a \$125 limit on petty cash transactions – including imprest fund expenses.²⁰ Denver Human Services received a waiver from the city Controller's Office in 2013, allowing it to exceed that limit to meet the emergency needs of those it serves.

²⁰ City and County of Denver, Fiscal Accountability Rules, "Rule 3.2 – Petty Cash Fund" (last revised 2018), accessed June 1, 2022, https://www.denvergov.org/content/dam/denvergov/Portals/344/documents/Fiscal_Rules/chapter_3_Cash_Mgmt/Rules/Rule_3_2_PettyCashFund.pdf.

FINDING 1 AND RECOMMENDATIONS

The kinship caregiver certification process lacks formal training and guidance

Child welfare services is an inherently difficult line of work — which brings added stress on caseworkers and increases the chance they may leave their positions.

Various staff who are involved with certifying kinship caregivers say they lack adequate training, up-to-date procedures, and consistent and accurate tools to do their work. We found this stems from the agency not having a formal, structured approach to managing the caregiver certification process.

Compounding these concerns, child welfare services is an inherently difficult line of work — which brings added stress on caseworkers and increases the chance they may leave their positions. We found the Child Welfare Division lacks documented strategies to address this systemic risk of staff turnover. This could impair the quality and consistency of service the division provides kinship caregivers.

Without a formal and structured approach, division managers cannot be assured caseworkers and other staff have the necessary knowledge and resources to manage their increasing workloads and that the division has adequately trained staff to effectively serve hundreds of Denver area families who need support.

ADDITIONAL INFORMATION

Because child welfare services are supervised by the state but run by the county, Denver Human Services has little flexibility in changing policies or requirements around the kinship care certification process.

See [page 35](#) to learn more about the factors that are outside the agency's control in administering child welfare services and how our analysis supports the need for potential changes.

Training for caseworkers and staff that is specific to kinship caregiver certification is informal and inconsistent

Members of the division's six-person certification, training, and recruitment team — which is the unit primarily responsible for certifying kinship caregivers — told us there is a lack of training for their positions. Various other staff told us they also could benefit from better training than is available to them about the kinship caregiver certification process. We found most existing trainings do not focus on this topic.

We surveyed caseworkers and support staff in the Child Welfare Division who might interact with kinship caregivers — including a mix of caseworkers, operations assistants, and business operations

administrators. In total, we invited 162 caseworkers and support staff to participate in our survey. We received 75 responses, but not all 75 individuals responded to each question. Additionally, by design, only those survey recipients who are responsible for some aspects of the caregiver certification process responded to our questions related to caregiver certification.

CASEWORKER AND SUPPORT STAFF SURVEY

See [Appendix C](#) for details on how we surveyed child welfare caseworkers and support staff.

40% of 20 survey respondents felt they had not received adequate training on caregiver certification requirements.

The results appeared to support what some individual staff members told us directly: 40% of the 20 survey respondents who assist kinship caregivers with certification requirements felt they had not received adequate training on kinship caregiver certification requirements. About 56% of 42 survey respondents wanted regular trainings specific to updates of federal and state rules.²¹

Leaders of Child Welfare’s placement services group said the division does not have a written training policy or plan that outlines training requirements for staff nor does it have a process to develop individual training plans. Instead, managers rely on the state’s training program — which includes required training intended for those becoming certified caseworkers.²²

However, the six members of Denver Human Services’ certification, training, and recruitment team — which includes three operations assistants dedicated to caregiver certification — are not required to be certified caseworkers.

Most of the state’s current training content is designed for certified caseworkers. Courses are meant for new caseworkers to obtain their initial certification and to then maintain it each year.

Denver’s child welfare staff can access the state’s library of training courses for caseworkers and supervisors, but otherwise, the Child Welfare Division’s own learning and development team provides county-specific training that supplements the state training for certified caseworkers.

This internal training does not focus on kinship caregiver certification either. Rather, it trains new caseworkers by introducing staff to Denver County-specific procedures and subject-matter experts who do the work. It is meant to help Denver’s caseworkers maintain their own caseworker certification status. Briefings during monthly team meetings about processes and programs are also meant for caseworkers.

Aside from one initial state course on kinship caregiver certification, members of the Child Welfare Division’s three-person certification team primarily receive on-the-job training — such as learning from their

²¹ See [Appendix C](#) for more information.

²² 12 Colo. Code Regs. 2509-7, § 7.603.

immediate supervisor and experienced colleagues. Among 69 respondents to our survey question, 76% agreed that most of their knowledge came through on-the-job experience over formal training.

How adequate a staff member's on-the-job training is depends on their team and their supervisor. Given that on-the-job training is team-specific, the quality can differ across the division and some staff may receive more or better on-the-job training than others.

Child Welfare Division officials told us the one state-provided course that discusses the essentials of kinship caregiver certification is required for new operations assistants joining the division's three-person certification team, even though this is not documented in any division policy. Division officials also said they encourage the certification team to take up to 40 hours of training each year, either externally such as through the state's training system or internally such as through on-the-job training.

Within Denver's Child Welfare Division, we found inconsistencies in how much training the six-person certification, training, and recruitment team took over a two-year period. Records showed one member of the three-person certification team had not signed up to take the state training on kinship caregiver certification until eight months after they were hired. Another newer employee on the six-person certification, training, and recruitment team who may be asked to assist the certification team had no record of taking the course since being hired in 2021.

Members of the three-person certification team told us they would benefit from taking the state course on kinship caregiver certification at least every year to allow them to keep up with updates to state regulations. We did not review the training content to confirm how often the state updates that course to reflect the latest regulations. However, some Denver Human Services staff said that with the volume of policy and operational changes that come down from the state, they find it difficult to keep up with what new directives apply to their work.

Placement services leadership said staff can retake the state's kinship caregiver certification course as a refresher whenever they need to.

Meanwhile, the training records we reviewed showed other inconsistencies in the types and amounts of training received by the three-person certification team and the other three operations assistants who make up the overall certification, training, and recruitment team. For example, one member of the three-person certification team attended two specific trainings related to supporting kinship caregivers over a two-year period that two others had not.

We noted the other three operations assistants on the certification, training, and recruitment team took training in varied subjects but received limited training on the kinship caregiver certification process specifically — even though they may be asked to help with some certification cases. Although some variety in training among individual team members is expected, a documented training plan would benefit the

three-person certification team and others who assist with the caregiver certification process. It would also ensure they have the knowledge needed to consistently, effectively, and efficiently work with kinship caregivers.

The National Child Welfare Workforce Institute — which is funded through the U.S. Department of Health & Human Services — and the Butler Institute for Families at the University of Denver are two advocacy organizations that offer leading practices on child welfare management. Both consider training policies for staff development essential to building knowledge and skills.²³ The institutes say an effective training system would include a training plan that addresses lessons, methods, and proposed outcomes for all levels of staff and requires individual learning plans.

An effective training system would also have a plan for the organization to:

- Evaluate its array of trainings and how well staff acquire knowledge and skills.
- Assess all lessons every two years to ensure the content meets staff needs.
- Update the training plan accordingly.²⁴

The institutes also say managers and supervisors should work with staff to create individual development plans that address employee-specific needs and guide staff in learning skills, recommend appropriate training and information sources, and encourage staff participation in training opportunities.²⁵

Furthermore, the U.S. Government Accountability Office recommends managers put safeguards in place to ensure efficiency and effectiveness of operations, as well as compliance with laws and regulations. Training is an important safeguard for an organization, including local government agencies. Establishing expectations of competency for key roles and other staff — such as the knowledge, skills, and abilities gained from training — enable an organization to achieve its objectives.²⁶

Kinship support caseworkers — who work with caregivers but have a limited role in certifying them — told us that not having a full understanding of the caregiver certification process prevents them from helping when the certification team needs extra support. Members of the three-person certification team were also concerned about the possibility

²³ Butler Institute for Families at the University of Denver, “Assessing Your Training System” (2018), accessed Aug. 17, 2022, <https://ncwwi-dms.org/resourcemenue/resource-library/education-professional-development/training/1457-assessing-your-training-system/file>; National Child Welfare Workforce Institute, “NCWWI Leadership Competency Framework Guide” (2020), accessed Aug. 17, 2022, <https://ncwwi-dms.org/resourcemenue/resource-library/leadership/1588-leadership-competency-framework-guide/file>.

²⁴ Butler Institute for Families at the University of Denver; National Child Welfare Workforce Institute, “NCWWI Leadership Competency Framework Guide” (2020).

²⁵ Butler Institute for Families at the University of Denver; National Child Welfare Workforce Institute, “NCWWI Leadership Competency Framework Guide” (2020).

²⁶ U.S. Government Accountability Office, GAO-14-704G, “Standards for Internal Control in the Federal Government” (2014), accessed Sept. 29, 2022, <https://www.gao.gov/products/gao-14-704g>, paras. 4.02 and QV2.22.

Certification is not a good fit for every kinship caregiver or every situation.

that other agency staff tasked with helping may lack training and a full understanding of the requirements, including who is responsible for what. This has already resulted in discrepancies for caregivers' steps and documentation toward certification.

Certification is not a good fit for every kinship caregiver or every situation. Ultimately, if caseworkers and other staff who work directly with kinship caregivers do not fully understand the certification process and its requirements, they risk giving caregivers bad advice or inaccurate information.

This lack of understanding was evident in our survey results. Only 40% of 71 respondents understood that Denver Human Services must have legal custody of a child for a kinship caregiver to be eligible for certification. Additionally, only 41% of 71 respondents understood that they should consider how soon a case may wrap up before encouraging a kinship caregiver to seek certification, given the number of requirements and several months involved.

When a caseworker or other certification team member misinforms a kinship caregiver or misses a required deadline in the certification process, the caregiver could miss out on the monthly financial support they can receive once certified. That error could be significant because some caregivers rely on those payments — the caregiver may need that money for rent or food for the child in their care.

Therefore, it is imperative that the Child Welfare Division ensure all staff involved with the kinship caregiver certification process are trained thoroughly and consistently to provide caregivers accurate, high-quality support.

Clear, current procedures and consistent tools do not exist for the kinship caregiver certification process

The National Child Welfare Workforce Institute says youth outcomes improve when organizations have a proficient culture where caseworkers have “up-to-date knowledge” and a functional environment where “caseworkers feel they receive the resources they need to successfully perform their job duties.”²⁷

But Denver’s Child Welfare Division lacks clear, up-to-date procedures on the kinship caregiver certification process to support its staff and the kinship caregivers seeking to be certified. We also identified various deficiencies and gaps in the guidance and tools staff use to certify kinship caregivers, which affects the accuracy and quality of service the staff members provide.

In our survey of child welfare caseworkers and support staff, only 30% of 20 survey respondents said they could find the answer to a question about

²⁷ National Child Welfare Workforce Institute, “Organizational Environment” (2015), accessed Aug. 17, 2022, https://ncwwi.org/files/Org_Environment/1-page_summary_Williams_and_Glisson_2014.pdf.

Gaps and inconsistencies in guidance documents reduce their value to staff members who lack a full understanding of the process.

the kinship caregiver certification process in documented policies and procedures.

The Child Welfare Division does not have complete, approved written guidance that outlines the steps and procedures staff must follow to certify kinship caregivers. Specifically, the three-person certification team and others who assist with certifying caregivers expressed concern about not having updated procedures that include all steps — including ones to reflect changes the Child Welfare Division implemented since 2018. For example, with the increase in remote work across the city since the pandemic, the division has yet to finalize procedures that fully explain the transition from paper to digital formats.

When we requested existing policies and procedures, the certification team gave us an undated draft that was uploaded to an internal shared drive in February 2018. Meanwhile, the team’s supervisor was updating another draft a different employee had created since then.

The U.S. Government Accountability Office says policies and procedures are necessary for organizations to operate effectively and that managers should periodically review them for continued relevance and effectiveness in achieving the organization’s objectives.²⁸

We also identified some gaps and inconsistencies in the tools staff use to guide them through the kinship caregiver certification process — including a tracking checklist and a flowchart staff use in the absence of approved, current procedures. When analyzing these two tools, we found it necessary to refer to the draft procedure from 2018 because it provided greater detail and clarity on specific steps. Most steps aligned among the documents, but the checklist that staff rely on had some inconsistencies. This reduces its value to staff members on other teams who do not have a full understanding of the certification process.

For example, the checklist does not mention:

- The placement services supervisor’s responsibility to check a kinship caregiver’s certification application or referral for completion before assigning the case to a member of the certification team.
- The certification team member’s task of assembling critical documents from a kinship caregiver ahead of the home study assessment.
- The steps for a caregiver to receive temporary, provisional certification, which caregivers can receive if they meet certain income requirements.

While the flowchart provided a comprehensive look at the kinship caregiver certification process, some steps were not clear or accurate. For example, the chart did not clearly identify the two different directions a case can take after a kinship caregiver initially submits their application

²⁸ U.S. Government Accountability Office, GAO-14-704G, “Standards for Internal Control in the Federal Government” (2014), accessed Sept. 29, 2022, <https://www.gao.gov/products/gao-14-704g>, para. 12.05.

to become certified. A case will either follow the standard process or a provisional process, but this detail is not shown in the chart.

Additionally, the provisional process is not shown accurately in the flowchart because it says the kinship care support team helps the caregiver until they are certified. In fact, it is the foster care support team that provides this help.

Updating and correcting the flowchart would not only help staff in knowing the certification process better, it would also help them accurately explain it to kinship caregivers. The process to be certified as a caregiver is complex and can be confusing — especially with so many different staff involved. Our analysis of Denver Human Services’ records found caregivers are likely to interact with, at a minimum, between four and 6.2 different child welfare staff between their case’s primary caseworkers and other support staff.²⁹

Finally, we found some tools were not dated and staff were accessing outdated and incomplete information on the agency’s shared drive because old versions remained there. Having dates on such files would indicate when the tools were created and how current they were. The certification team supervisor said they did not know where some of the tools came from or when they were created because the tools predated their time with the division.

The division has no process to organize and delete outdated, unnecessary files that staff can access in the shared drive. After we completed our audit work in December 2022, placement services leadership told us they were taking steps to address this issue.

In surveying child welfare staff and hearing from a few kinship caregivers, we heard reports of inadequate guidance and misconceptions that have already impacted at least some kinship families.

The certification team told us they frequently have to clear up inconsistencies and correct misconceptions that other child welfare teams communicate to caregivers about the certification process. For example, a kinship caregiver was once told they could receive immediate certification-related financial support for a child placed with them and they were upset to find out later that this was not true. Kinship caregivers cannot receive the financial support associated with being certified until they complete the certification process — which can take at least three months, except for those who receive provisional certification.

When a kinship caregiver is relying on this monthly payment to help care for a child, this error could jeopardize the stability of that placement. Therefore, it is imperative that the information all child welfare staff provide to kinship caregivers is accurate and not misleading — particularly about the amount and timing of any financial assistance they may receive as part of being certified.

The certification team told us they frequently have to clear up inconsistencies and correct misconceptions that other child welfare teams communicate to caregivers about the certification process.

²⁹ See [Appendix B](#) for additional analysis.

In our review of exit interviews Denver Human Services conducted with employees who left the agency from January 2018 through June 2022, we noted one employee explained in their exit survey that, “Denver Human Services employees don’t seem to have a standard for work[,] which leads to caseworkers and supervisors providing inconsistent service to families and coworkers.” Other employees who left the agency after March 2020 talked in their exit interviews about a lack of training, guidance, and standardized practices as factors in their decision to leave.

After the pandemic began, several teams within the placement services group had a major role in helping with kinship caregiver certifications through the end of 2020, as Denver Human Services saw a rise in applications amid reported staffing shortages. Several staff who were asked to help the certification team said the lack of standardized, consistent tools hindered their ability to assist effectively. Inefficient or ineffective processes increased staff frustration because case management processes took too long, involved multiple unnecessary staff, or did not effectively serve families.

Meanwhile, of the five kinship caregivers we heard from, one said they were not told who their kinship caseworker was until two months after a child was placed with them. Another told us they waited four months to learn who their kinship caseworker was. This means months may have needlessly passed before these caregivers learned about the certification process, the financial assistance associated with it, or other financial support they might have been able to receive.

When we asked about current efforts to address staff concerns, a Child Welfare Division official said they were taking “a piecemeal approach” to reviewing how to improve the kinship caregiver certification process. They were holding workshops with an internal specialist and obtaining input from staff on processes that need improvement.

We also learned Denver Human Services had submitted a request for two more kinship support caseworkers for 2023. However, we were prevented from analyzing the details of this budget request, because the Budget and Management Office denied our request for the supporting documentation that would demonstrate how Denver Human Services determined the number and type of additional caseworkers it needed.³⁰

Staff turnover compounds the Child Welfare Division’s need for more structured training plans and documented policies

The inconsistent training practices and inadequate procedures associated with the caregiver certification process were caused by the Child Welfare Division lacking a formal, structured approach to managing both the caregiver certification process and the caseworkers and other staff responsible for elements of this process. More specifically, the division

³⁰ See Appendix A for more details about city agencies’ lack of cooperation in providing us access to requested data and records during this audit.

has not developed a formal training program specific to the caregiver certification process, even though changes to federal law in recent years placed a greater emphasis on certifying kinship caregivers. The division also has no formal process to develop and maintain standard, written procedures, including who is responsible for developing such procedures and how often the procedures should be reviewed and updated.

Staff turnover is another challenge Denver Human Services' Child Welfare Division is having to manage. Turnover is typical for child welfare agencies as the job is emotionally demanding and prone to burnout.³¹

However, the Child Welfare Division estimates about 25% of its positions are vacant in addition to the rates of turnover typical for child welfare agencies. Division managers say neighboring counties are experiencing similar trends. They say recruitment strategies that used to work before the pandemic — like continually posting jobs and overfilling critical positions — are no longer effective.

Placement services caseworkers told us turnover has been particularly high in the last two years, and we observed examples of how this is affecting agency operations through the draft procedures and other tools created by supervisors who left before those documents were finalized. The high turnover emphasizes the need for a more formal training plan and approved policies and procedures for the kinship caregiver certification process, because the division cannot rely on its staff's institutional knowledge.

Casey Family Programs, a leading nonprofit organization dedicated to improving children's welfare, says the annual rate of turnover should optimally stay below 10% to 12%.³²

As shown in Figure 4 on the next page, our analysis of quarterly staff turnover rates from January 2018 through June 2022 found the Child Welfare Division's turnover rate for the placement services group — including both employees leaving the agency and transferring to other positions within Denver Human Services — reached or exceeded that optimal range several times during the time frame we looked at.³³

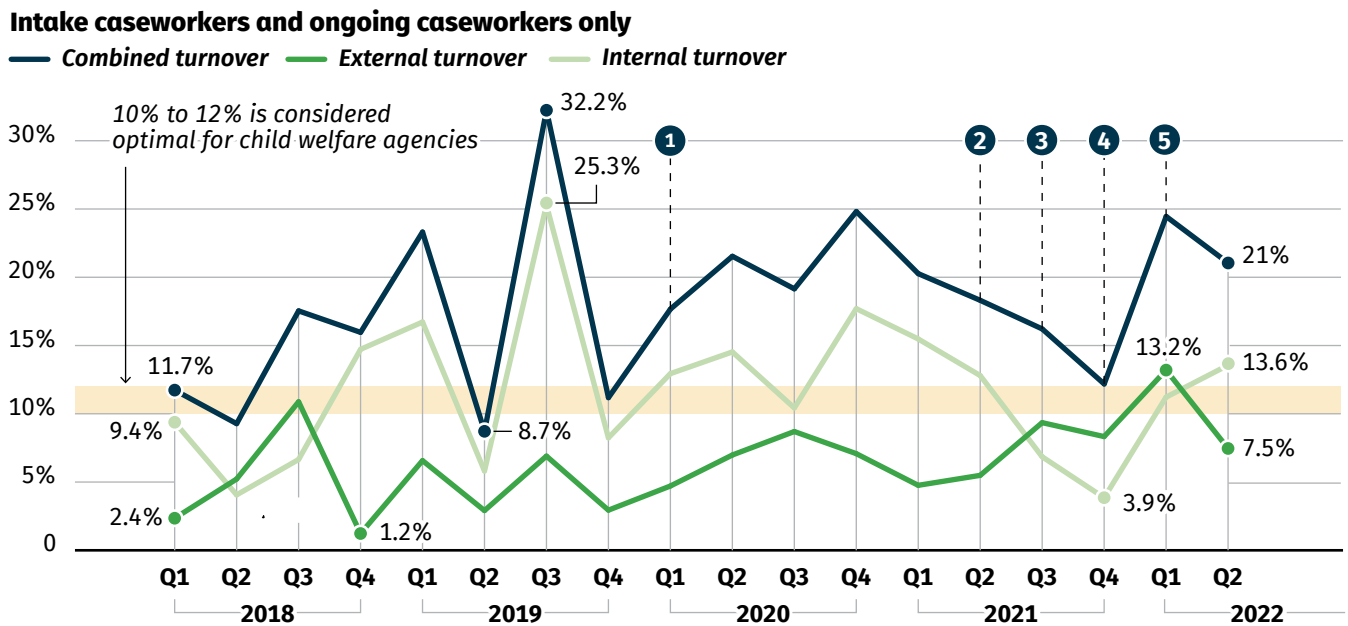
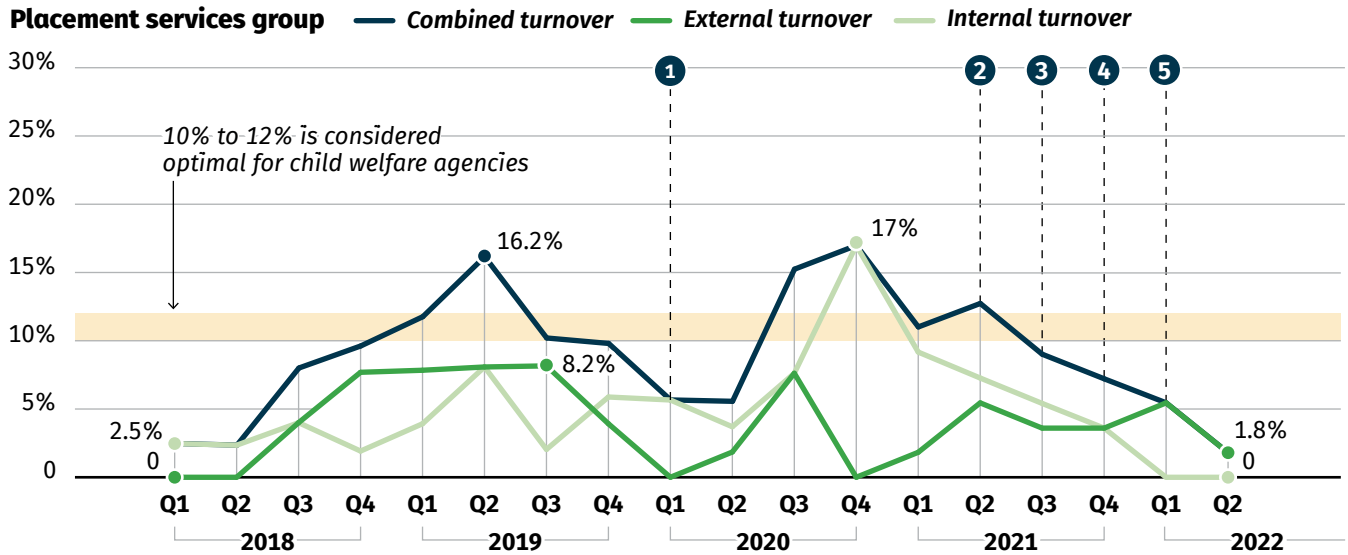
³¹ Casey Family Programs, "How Does Turnover Affect Outcomes and What Can Be Done to Address Retention?" (October 2017), accessed May 25, 2022, <https://www.casey.org/turnover-costs-and-retention-strategies/>; Sharon E. Williams, "Organizational Culture, Supervision and Retention of Public Child Welfare Workers," *Journal of Sociology and Social Work* 6, no. 2 (December 2018): 1-5, accessed June 27, 2022, http://jsswnet.com/journals/jssw/Vol_6_No_2_December_2018/1.pdf.

³² Casey Family Programs, "How Does Turnover Affect Outcomes and What Can Be Done to Address Retention?"

³³ Our analysis looked only at unlimited positions, which have no end date. We excluded short-term and on-call positions to avoid inflating turnover patterns. We included intake and ongoing caseworkers, placement services caseworkers and support staff, and other child welfare support staff. We grouped individual positions and teams within these three categories to identify potential trends. However, these groupings may make it difficult to see variations in turnover among smaller teams grouped together in our analysis. We did not show the "other child welfare support staff" category in Figure 4 because these staff are less likely to interact with kinship caregivers. See [Appendix C](#) for more details on our methodology.

FIGURE 4. Staff turnover rates for selected staff within the Child Welfare Division, January 2018 through June 2022

“External turnover” is when an employee left the agency, including by transferring to another job at another city agency. “Internal turnover” is when an employee changed jobs within Denver Human Services.



- 1 **March 15, 2020:** States begin to announce stay-at-home orders.
- 2 **May 1, 2021:** Vaccines available to all adults nationwide.
- 3 **Sept. 30, 2021:** City and County of Denver employees required to be vaccinated.
- 4 **November 2021:** Omicron wave starts.
- 5 **March 7, 2022:** City requires staff to work in the office at least two days per week beginning in April.

Note: Our analysis looked only at unlimited positions, which have no end date. We excluded short-term and on-call positions to avoid inflating turnover patterns. The combined turnover rates incorporate both external and internal turnover.

Source: Information from Casey Family Programs and an Auditor’s Office analysis of city employment reports.

Among intake caseworkers and ongoing caseworkers specifically — those who investigate initial reports of suspected abuse or neglect and then manage out-of-home placement cases until they close — the combined turnover went beyond the optimal range for much of the period we reviewed. However, for this group, it appears that employees leaving their current position and transferring to another position in the agency made up a large portion of the turnover.

After peaking in 2019, the rates of turnover increased again after March 2020 when remote work became more common. But other pandemic-related milestones, as Figure 4 showed, did not appear to have a noteworthy impact on turnover trends for these groups.

CALCULATING TURNOVER

See Appendix C for more on how we calculated staff turnover rates.

Our review of annual combined turnover rates found a pattern similar to our analysis of quarterly turnover rates. Both the placement services group and the intake and ongoing caseworkers consistently exceeded the 10% to 12% threshold. The placement services group's annual combined turnover rates ranged from a low of 24% to a high of 47%, while the intake and ongoing caseworkers' combined turnover rates were between 54% and 84%.

In our review of exit interview comments made by employees who left their jobs before and after the pandemic began in March 2020, we found they increasingly cited workload, compensation, and job duties as primary concerns. Other factors like personal reasons, career development, or the work environment decreased in importance to them.

The workload concerns were supported by responses to our survey. Four of the six placement services caseworkers who assist kinship caregivers with the certification process responded that they could not fully support their assigned cases because of the amount of time they must spend on kinship caregiver certification activities — tasks the certification team is supposed to be responsible for.

The Child Welfare Division has sought to improve caseworker and support staff retention by partnering with the Office of Human Resources to administer annual surveys of current staff and exit interviews to staff who leave the agency, involve staff in management decisions such as the division's recent restructuring, and make recent pay-equity adjustments. However, the division has no documented plan to address the turnover among its caseworkers using practices recommended by leading child welfare organizations or resources offered by the city.

Recommended strategies would include offering alternative schedules, remote work options, job sharing, administrative support positions, and seasonal positions. The division could also use case management tools to streamline paperwork and workflows and offer incentives and bonuses for

Child Welfare Division officials told us they had no plans to evaluate their hiring or retention practices for caseworkers.

demanding positions.³⁴

However, Child Welfare Division officials told us they had no plans to evaluate their hiring or retention practices for caseworkers in the placement services group; instead, they focus on reviewing their hiring and retention practices at the division level. They said they are not concerned about turnover in every position, such as among the operations assistants who make up the three-person certification team.

The division is participating in a workload study commissioned by the state Department of Human Services to help inform how Denver’s agency evaluates caseloads going forward.

Academic research referenced by the Child Welfare Information Gateway — a resource of the U.S. Department of Health and Human

Services’ Children’s Bureau — says turnover in child welfare agencies can harm the families served and that the employees who stay struggle to maintain quality services when vacancies are filled by inexperienced staff. Given the burnout and stress that often happens in social work — and its systemic patterns of turnover — it is even more imperative for the Child Welfare Division to have formal retention strategies.³⁵

A documented staff retention plan would help the division ensure its approach is relevant to the challenges cited by departing and remaining staff and that any individual strategies complement one another. A documented plan would also allow staff to understand management’s commitment to them and better hold managers accountable for these efforts. Leading practices in caseworker management support this type of transparency as a retention strategy in itself.³⁶

One of Denver Human Services’ core child welfare values is a “strong effective workforce” — which references providing staff with the tools and resources to do their jobs well. The division also communicates the importance of increasing efficiency and effectiveness in achieving its outcomes by providing quality, timely, and essential services.

SURVEY OF CHILD WELFARE CASEWORKERS AND SUPPORT STAFF

See Appendix C for more details on how we did our survey and analyzed the results.

³⁴ Casey Family Programs, “Healthy Organizations” (2015), accessed June 23, 2022, <https://www.casey.org/turnover-costs-and-retention-strategies/>.

³⁵ Brittany B. Kowalewski, “Staff Retention and Job Satisfaction in Child Protection” (The Libraries of St. Catherine University’s SOPHIA research paper repository, 2015), accessed May 25, 2022, https://sophia.stkate.edu/cgi/viewcontent.cgi?article=1474&context=msw_papers; The Annie E. Casey Foundation, “Five Steps to a Stronger Child Welfare Workforce: Hiring and Retaining the Right People on the Frontline” (2018), accessed May 25, 2022, <https://assets.aecf.org/m/resourcedoc/aecf-fivestepstostrongerchildwelfare-2018.pdf>.

³⁶ The Annie E. Casey Foundation, “Five Steps to a Stronger Child Welfare Workforce: Hiring and Retaining the Right People on the Frontline.”

But without formal processes to train staff, maintain current and consistent procedures, and reduce staff turnover, Child Welfare officials cannot ensure the division’s caseworkers and other staff are equipped to effectively serve Denver area children and their families and caregivers – including adequately supporting those seeking kinship caregiver certification.

1.1 **RECOMMENDATION** **Develop a formal training plan**

Managers in the Child Welfare Division’s placement services group should develop and document a formal training plan specific to the certification, training, and recruitment team. This plan should include, at a minimum:

- A list of the types of training required and how often each training should be taken after an employee is hired (for example, only one time versus once each year).
- A description of how the division will track and document training.
- How often the training plan should be reviewed and updated.
- How the division will develop and use individual training plans to ensure a focused approach to staff training and development.

This training plan should also identify which staff – in addition to intake caseworkers and ongoing caseworkers – should be trained in the kinship caregiver certification process, as well as the types of training they should receive and how often.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – MAY 31, 2023
SEE [PAGE 32](#) TO READ THE AGENCY’S RESPONSES.

1.2 **RECOMMENDATION** **Update procedures**

Managers in the Child Welfare Division’s placement services group should develop and document current guidance on the kinship caregiver certification process that accurately describes all required steps, who is responsible for those steps and for updating the procedures, and how often the procedures should be reviewed and updated. In addition, the procedures should include an effective date.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – MAY 31, 2023
SEE [PAGE 32](#) TO READ THE AGENCY’S RESPONSES.

1.3**RECOMMENDATION****Review file storage**

Managers in the Child Welfare Division's placement services group should review the agency's internal shared drive and any other file storage areas to identify and remove outdated procedures associated with the kinship caregiver certification process. Then, managers should identify where current procedures should be kept going forward and communicate that to all relevant staff.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – FEB. 27, 2023
SEE [PAGE 32](#) TO READ THE AGENCY'S RESPONSES.

1.4**RECOMMENDATION****Develop caseworker and support staff retention plan**

The Child Welfare Division should develop and document a plan to reduce caseworker and support staff turnover. This plan should:

- List strategies for improving caseworker and support staff retention using best practices from leading child welfare organizations and the city.
- Describe the division's assessment of potential caseworker and support staff retention strategies and which it will use.
- Document the individuals responsible for regularly reviewing and updating the retention plan and how often this should happen.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – MAY 31, 2023
SEE [PAGE 32](#) TO READ THE AGENCY'S RESPONSE.

FINDING 2 AND RECOMMENDATIONS

The policies and procedures for Denver Human Services' imprest fund are insufficient and outdated

Denver Human Services does not have adequate procedures for its imprest fund. The procedures are missing elements called for in the city's fiscal rules and do not include important steps agency staff do take to ensure the money is used responsibly and for its intended purpose.

Without complete procedures, the agency cannot ensure staff across its various divisions consistently follow the steps necessary to obtain sufficient approvals to use these funds and to keep unauthorized individuals from accessing blank imprest checks.

Staff in the agency's Financial Services Division mentioned several city Fiscal Accountability Rules that they use to manage the agency's imprest fund. Until 2018, the rule for petty cash accounts in particular specifically referenced imprest funds. Managers of the Financial Services Division told us they believe some requirements of that rule still apply to Denver Human Services' imprest fund — and the city controller confirmed this to us.

Other fiscal rules that apply to the agency's imprest fund provide guidance on delegating spending authority, reconciling accounts, rotating duties, supporting expenses with documentation, and assessing the appropriateness of expenses.³⁷

The Financial Services Division developed two documents with guidelines for Denver Human Services staff to request imprest funds: a one-page set of guidelines for employees and another document that describes various payment processes, including imprest funds. According to this guidance, staff must fill out a specific form, obtain the signature of their supervisor and a division-authorized approver, collect supporting documentation, and provide the information to Financial Services for any imprest requests.

Accounting staff and a division supervisor review the imprest request form and supporting documentation before issuing the check. A second

WHAT IS AN IMPREST FUND?

Imprest funds are similar to petty cash accounts.

Denver Human Services uses its imprest fund as an emergency resource to help those it serves pay for food, rent, childcare, and other time-sensitive expenses.

Both Denver Human Services and the Controller's Office agree at least some aspects of the fiscal rule for petty cash accounts still apply to this imprest fund.

³⁷ City and County of Denver, Fiscal Accountability Rules, accessed Aug. 8, 2022, <https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Department-of-Finance/Fiscal-Accountability>. In addition to Rule 3.2 about petty cash funds, the applicable rules are 2.1, 2.2, 2.4, 2.5, and 7.1.

division supervisor’s approval is required for imprest requests over \$1,000. However, we learned at least one division in Denver Human Services — the Child Welfare Division — has its own procedures and forms in addition to those required by the Financial Services Division. For example, the Child Welfare Division uses an extra form that captures the signature of the division-authorized approver as well as a second authorized approver’s signature for requests over \$1,000.

We did not analyze individual transactions that used imprest fund dollars. Instead, we focused on how adequate the existing procedures were for managing the fund, given that documented guidelines are a foundation of an organization’s ability to achieve objectives and address risk.³⁸

Policies and procedures are missing important components

Denver Human Services’ current procedures for its imprest fund lack many elements referenced in the city’s fiscal rule for petty cash accounts. Even though the rule was revised in 2018, some aspects of it do still apply to Denver Human Services’ imprest fund, according to the city controller.³⁹

The rule and its related procedure describe many requirements city agencies must follow when establishing and maintaining a petty cash fund. For example, petty cash funds must be assigned a custodian who administers, safeguards, and disburses the money — and it is required that this role be rotated among other staff for two weeks each year.

Steps for replenishing a petty cash fund and reconciling the account are also described in the rule.⁴⁰ City agencies are required to establish and maintain procedures for their petty cash funds and review the procedures each year to ensure they comply with the rule.

Even though this rule no longer specifically references imprest funds and some requirements are clearly not applicable to an imprest fund, Controller’s Office staff told us some elements of the rule do apply to Denver Human Services’ imprest fund.

With that in mind, we compared the agency’s imprest fund procedures to the fiscal rule for petty cash accounts and found several examples of fiscal rule requirements that are missing in the agency’s procedures for its imprest fund.⁴¹ For example, the procedures do not:

- Assign a custodian for the account or detail the custodian’s role and responsibilities.
- Require that the custodian role be rotated.

³⁸ U.S. Government Accountability Office, GAO-14-704G, “Standards for Internal Control in the Federal Government” (2014), accessed Sept. 29, 2022, <https://www.gao.gov/products/gao-14-704g>, para. 10.02.

³⁹ City and County of Denver, Fiscal Accountability Rules, “Rule 3.2 – Petty Cash Fund” (last revised 2018), accessed June 1, 2022, https://www.denvergov.org/content/dam/denvergov/Portals/344/documents/Fiscal_Rules/chapter_3_Cash_Mgmt/Rules/Rule_3_2_PettyCashFund.pdf.

⁴⁰ City and County of Denver, Fiscal Accountability Rules, “Rule 3.2 – Petty Cash Fund.”

⁴¹ City and County of Denver, Fiscal Accountability Rules, “Rule 3.2 – Petty Cash Fund.”

- Describe how often the procedures should be reviewed and updated.
- Detail how and how often staff should reconcile the fund or who is responsible for that task.

The agency’s Financial Services Division reconciles the imprest fund on a monthly and annual basis, but two more types of reconciliations are also required by the fiscal rule: random checks and a reconciliation before a different staff member takes over the custodian role.

Standards from the U.S. Government Accountability Office say managers should define responsibilities, assign key roles, and delegate authority to achieve the organization’s objectives.⁴² To that end, policies should be documented with the appropriate level of detail to allow management to effectively monitor a task.⁴³

These federal standards also say procedures should be reviewed periodically to ensure they remain relevant and that procedures should say when a task, such as a reconciliation, is supposed to happen.⁴⁴

INTERNAL CONTROLS

“Internal controls” are standards that help government organizations ensure efficiency, effectiveness of operations, and compliance with laws and regulations.

Controls can include policies, procedures, and other tools.

Meanwhile, we noted several other examples where Denver Human Services’ procedures lack clarity or sufficient detail:

- They fail to mention the tasks agency staff do to authorize spending from the imprest fund and to keep the money secure — such as how they review fund requests and safeguard blank checks.
- The procedures do not mention the other form the Child Welfare Division uses to document the review and approval of an authorized approver.
- The procedures do not describe the extra approvals needed for imprest fund payments that exceed \$1,000 nor do they say where the approvals are documented.
- The daily transaction limit of the imprest fund could be made clearer, as the current limit is equal to the \$80,000 maximum balance of the fund — but in reality, no single transaction could approach that amount since the account balance fluctuates based on the number and amount of transactions.

⁴² U.S. Government Accountability Office, GAO-14-704G, “Standards for Internal Control in the Federal Government” (2014), accessed Sept. 29, 2022, <https://www.gao.gov/products/gao-14-704g>, para. 10.02.

⁴³ U.S. Government Accountability Office, para. 12.05.

⁴⁴ U.S. Government Accountability Office, para. 12.04.

- There is no description in the procedures for how staff should identify and resolve outstanding checks and ensure each voided check is recorded.
- One of the two procedure documents had no dates to indicate whether it was still in effect and when it was last reviewed.

A Financial Services official told us the division does not keep procedures or copies of forms other Denver Human Services divisions may use for their own purposes, like those the Child Welfare Division has. Nor does the agency mention these other processes in any existing procedures for the imprest fund.

Even if Financial Services does not want to centralize all guidance on the imprest fund process in agencywide procedures, these guiding documents could still mention that other divisions may have extra forms and required steps and they could include contact information for the staff who know division-specific processes.

Policies and procedures are not finalized for secure storage devices

The Financial Services Division’s security practices regarding its cashier safes and the vault used to store blank imprest fund checks are consistent with city fiscal rules and leading practices.

Physical safeguards are required by the city’s fiscal rule for petty cash accounts.⁴⁵ Additionally, the U.S. Government Accountability Office says managers should limit access to assets, such as cash, that are vulnerable to unauthorized use.⁴⁶ We observed that access to the imprest fund checks was restricted using locked storage areas and that a surveillance camera monitored the vault area.

However, the division has no approved, written procedures describing these practices and how the division keeps its imprest fund checks secure.

Shortly before we finished our audit work in December 2022, division managers gave us a copy of draft procedures they had written to document their security practices for the vault, safes, and other secure storage areas, including those used to store imprest fund checks.

We noted the draft procedures include an authorization form to document who accesses secured devices, when the devices were accessed, and who at the director level gave approval. This is consistent with leading practices that recommend keeping a log of activities when imprest funds are

Managers have drafted procedures to document security practices.

⁴⁵ City and County of Denver, Fiscal Accountability Rules, “Rule 3.2 – Petty Cash Fund” (last revised 2018), accessed June 1, 2022, https://www.denvergov.org/content/dam/denvergov/Portals/344/documents/Fiscal_Rules/chapter_3_Cash_Mgmt/Rules/Rule_3_2_PettyCashFund.pdf.

⁴⁶ U.S. Government Accountability Office, GAO-14-704G, “Standards for Internal Control in the Federal Government” (2014), accessed Sept. 29, 2022, <https://www.gao.gov/products/gao-14-704g>, para. 10.03.

accessed.⁴⁷

The draft procedures also address the elements described in the city's fiscal rule for petty cash accounts and other leading practices — including describing who is responsible for safeguarding the secure areas, tracking who accesses the vault, restricting who has access to imprest fund checks, and how often the locks to the safes and vault should be changed.⁴⁸

However, until the draft procedures are approved and distributed to staff, the risk remains that these important activities may not occur consistently.

Denver Human Services staff remain uncertain about which fiscal requirements apply to the imprest funds

Several factors contribute to the agency's imprest fund procedures being insufficient. Foremost among them: The Controller's Office's removal of explicit references to imprest funds when it revised the fiscal rule for petty cash accounts five years ago led to uncertainty within Denver Human Services about how much of the rule's requirements still apply to the agency's imprest fund.

We even heard differing positions from the Controller's Office about this. Staff there initially told us that all aspects of the rule apply to Denver Human Services' imprest fund — but later they said only “certain elements” of the rule apply to the agency's fund.

Additionally, due to the relatively low dollar amount associated with imprest fund requests, Financial Services Division managers did not prioritize creating more robust procedures for imprest fund activities. For example, even though imprest fund requests for assistance with rent can be close to or exceed \$1,500, total spending agencywide in 2021 was just over \$1.7 million, as shown in [Figure 3 on page 9](#).

Having inadequate procedures can lead to inefficient recordkeeping and inconsistent practices that impact the levels of review and approval for imprest fund expenses and the security of imprest checks. Further, fraud is also a risk if important review and account-monitoring activities are not done regularly.

During our audit, we identified examples of what can happen when procedures are not fully documented. For instance, a canceled check from February 2020 was not recorded in the division's imprest fund records and we found five checks outstanding for longer than six months. City ordinance says all City and County of Denver checks should be voided

⁴⁷ Olusegun Ogunnaike and Jay Bostick, “How to Control Cash Risks from Imprest Funds,” Ernst & Young Global Limited, May 23, 2022, accessed July 12, 2022, https://www.ey.com/en_us/risk/why-it-is-important-to-have-impres-t-funds.

⁴⁸ Olusegun Ogunnaike and Jay Bostick; City and County of Denver, Fiscal Accountability Rules, “Rule 3.2 – Petty Cash Fund” (last revised 2018), accessed June 1, 2022, https://www.denvergov.org/content/dam/denvergov/Portals/344/documents/Fiscal_Rules/chapter_3_Cash_Mgmt/Rules/Rule_3_2_PettyCashFund.pdf; U.S. Government Accountability Office, GAO-14-704G, “Standards for Internal Control in the Federal Government” (2014), accessed Sept. 29, 2022, <https://www.gao.gov/products/gao-14-704g>, para. 10.03.

within 180 days of issuance.⁴⁹

Financial Services managers said they canceled these outstanding checks upon discovering their status. They took steps to prevent this in the future, but these practices are not documented. Outstanding checks that are not canceled within 180 days could lead to the city overdrawing its account if the recipient deposited the check late, in addition to other recordkeeping and account reconciliation issues.

Without thorough and sufficiently detailed procedures for its imprest fund – and full clarity about which fiscal rules apply to it – Denver Human Services risks spending the money on other purposes than the urgent needs it is intended for: food, housing, childcare, and other emergency expenses to help the local families the agency serves.

2.1

RECOMMENDATION

Apply for a fiscal rule waiver

Denver Human Services' Financial Services Division should apply for another waiver from the Controller's Office to clarify which elements of Fiscal Accountability Rule 3.2 apply to Denver Human Services' imprest fund.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – MAY 31, 2023
SEE PAGE 32 TO READ THE AGENCY'S RESPONSES.

⁴⁹ Denver Revised Municipal Code § 20-43(a).

2.2**RECOMMENDATION****Develop, document, and approve procedures**

Denver Human Services' Financial Services Division should develop, document, and approve more robust procedures for its imprest fund. The procedures should mention which specific requirements from Fiscal Accountability Rule 3.2 apply based on the guidance from the Controller's Office. The procedures should also detail, at a minimum:

- How often the procedures should be reviewed and updated.
- The types of reconciliations required along with those responsible for completing them and how often reconciliations should happen.
- Any additional forms other divisions require to document spending approvals.
- The requirement for additional approvals for requests that exceed \$1,000 and where those approvals are to be documented.
- The process for identifying and resolving outstanding checks and ensuring each voided check is recorded.
- The actual daily transaction limit.
- An effective date.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – MAY 31, 2023
SEE [PAGE 32](#) TO READ THE AGENCY'S RESPONSES.

2.3**RECOMMENDATION****Approve and implement draft procedures for storage devices**

Denver Human Services' Financial Services Division should finalize its draft procedures regarding secure storage devices, including its authorization form. Once the procedures are approved, the division should implement them and communicate them to all relevant staff.

AGENCY RESPONSE – AGREE, IMPLEMENTATION DATE – FEB. 28, 2023
SEE [PAGE 32](#) TO READ THE AGENCY'S RESPONSES.

AGENCY RESPONSE TO AUDIT RECOMMENDATIONS

The following agency narratives are reprinted verbatim from the agency's response letter.



RECOMMENDATION 1.1

**AGENCY RESPONSE:
AGREE**

**AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
MAY 31, 2023**

Denver Human Services (DHS), Child Welfare Division is guided by the Code of Colorado Regulations, Volume 7, which provides standard guidance for Child Welfare requirements to all counties in Colorado.

The Certification, Training, and Recruitment team consists of six staff and one supervisor who are responsible for the certification of foster parents. The Social Case Workers (SCW) on this team are required to follow the training and tracking requirements outlined in Volume 7 to maintain their certification as a SCWs. The certification staff on this team are classified as Business Operation Assistants and there are no training requirements outlined in Volume 7 for certification staff. DHS values professional development and created a training policy for the certification staff, the others on the team who are crossed trained to certify foster families and the intake and on-going caseworkers in Child Welfare.

RECOMMENDATION 1.2

**AGENCY RESPONSE:
AGREE**

**AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
MAY 31, 2023**

The kinship rule (7.304.21 C,5) guiding the child welfare practice when children and youth are placed with kin was changed to set time limitations on how long a child can remain in a non-certified kinship home while in the custody of the county. This rule went into effect on March 1, 2021. This was a significant change in practice for Denver County. We began strategizing ways to (1) increase the number of kinship families we were certifying as foster families and (2) grant kinship families' temporary legal custody (TLC) within 90 days of taking custody. We created a means to track the length of stay in non-certified kinship homes, which the state did not offer at that time. We also began updating certification paperwork to be more kinship friendly.

In collaboration with DHS' Performance Improvement and Accountability Division (PIAD), the Placement Services section scheduled three two-day Operational Standard Work (OSW) events to get a standardized, sustainable process in place to ensure compliance with this rule change. Given the far-reaching impacts this rule had, it was determined it would be best to break the work into three separate OSW events. The first OSW took place in September 2021, the second was held in November of 2022, and the third was held in February of 2023. Monthly check ins will continue through June of 2023 or until all OSW tasks have been completed. OSW tasks include creating a document and training identified staff to assist them with the new process, as an example.

Throughout the OSW process, guidance on the kinship caregiver certification process is continually being updated to accurately describe all required steps, who is responsible for those steps and for updating the procedures, and how often the procedures should be reviewed and updated.

RECOMMENDATION 1.3

**AGENCY RESPONSE:
AGREE**

**AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
FEB. 27, 2023**

The internal shared drive (S Drive) has been reviewed and organized so documents related to the kinship caregiver certification process can easily be found by Placement Services staff. All relevant staff were made aware that the current certification documents can be found in the S Drive on February 27, 2023.

RECOMMENDATION 1.4

**AGENCY RESPONSE:
AGREE**

**AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
MAY 31, 2023**

The Denver Child Welfare division acknowledges that ongoing and innovative recruitment and retention strategies are an important part of retaining a strong workforce. In 2022, our overall vacancy rate was 12%, and 24% of all hiring actions were promotions. Internal movement is one of our retention strategies. It supports staff learning and growth, provides opportunities to experience different work functions and increases staff engagement. The Child Welfare division has continuously explored and implemented several recruitment and retention strategies which will be included within our retention plan.

RECOMMENDATION 2.1

**AGENCY RESPONSE:
AGREE**

**AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
MAY 31, 2023**

DHS is in the process of drafting a waiver request to submit to the Controller's Office for review clarifying which aspects of Fiscal Accountability Rule 3.2 apply.

RECOMMENDATION 2.2

AGENCY RESPONSE:
AGREE

AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
MAY 31, 2023

DHS is in the process of revising its imprest fund procedures to include more details.

RECOMMENDATION 2.3

AGENCY RESPONSE:
AGREE

AGENCY'S TARGET DATE
FOR IMPLEMENTATION:
FEB. 28, 2023

This recommendation is already implemented.

ADDITIONAL INFORMATION

Underlying challenges facing child welfare caseworkers and staff

Factors beyond Denver Human Services' control affect how it can support kinship caregivers in the Denver area and provide other child welfare services.

The structure of Colorado's child welfare system limits Denver officials' ability to make changes. Federal laws set requirements for child welfare administration. States may also set their own additional requirements as they develop their state plan to implement child welfare activities in line with the federal requirements. In Colorado, the state is in charge of supervising child welfare services — and the state tasks individual counties with running programs at the local level.⁵⁰

Aspects of our audit analysis and some testimony we heard directly from Denver's child welfare caseworkers and staff highlight the need for potential state and federal action to address systemic risks that restrict how well Denver Human Services can support kinship caregivers.

For example, several Denver Human Services staff told us the kinship caregiver certification process requires too much of kinship caregivers and that changes are needed so the agency can better serve individual caregivers.

As we said in [Finding 1](#), certification may not be a good fit for every kinship caregiver or every situation. As it stands, though, certification offers the most significant monthly financial support for fostering a child. Caseworkers estimated, in their experience, kinship caregivers typically receive around \$1,200 a month.⁵¹ The amount of public assistance potentially available through other government programs is far less — for example, cash assistance available to low-income families through the federal Temporary Assistance for Needy Families program averages around only \$100 per month.

But one of the caseworkers we spoke with likened the idea of using the certification process to support kinship caregivers as “trying to fit a square peg in a round hole.” Other staff we spoke with throughout the audit echoed that sentiment.

According to some caseworkers, many caregivers who want to become certified choose not to go through the process because of the burdensome requirements for full kinship certification.

One child welfare manager described the predicament many caregivers find themselves in when attempting to become certified:

“Providers (kinship caregivers) who decide to become certified may do so because they need the \$1,100/month financial assistance. However, obtaining certification for these providers who need the financial assistance the most can be difficult because they frequently have the most kids in the home, and also may have the most barriers to becoming certified.”

⁵⁰ U.S. Department of Health and Human Services' Children's Bureau, “State vs. County Administration of Child Welfare Services” (March 2018), accessed Jan. 27, 2022, <https://www.childwelfare.gov/pubPDFs/services.pdf>; Colorado Department of Human Services, “Colorado Five-Year Family First Prevention Services Plan” (March 2022), accessed March 10, 2022, https://co4kids.org/sites/default/files/FF_PreventionPlan_Feb2022-watermark.pdf.

⁵¹ Our review of Denver Human Services' child welfare case records from Jan. 1, 2018, through June 30, 2022, found a higher average of about \$1,500. See [Appendix B](#) for more information.

Because local, state, and federal policy in the wake of the 2018 Family First Prevention Services Act emphasizes kinship placements, kinship caregivers' needs should also be prioritized.

Minimizing the potential barriers for kinship caregivers to get certified — and thereby be eligible for this particular financial aid — or even identifying another resource or program that could adequately support them would be the responsibility of the state and federal levels of government.⁵²

Our analysis of Denver Human Services' child welfare case records seems to support caseworkers' belief that the kinship caregiver certification process is not serving the caregivers who likely need it most.

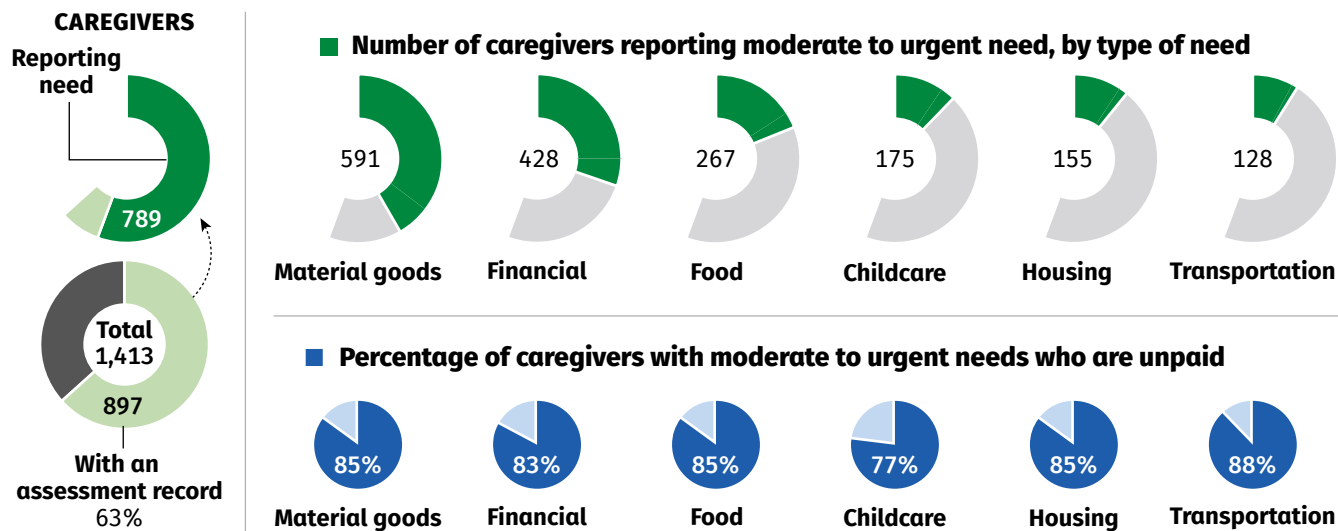
When we looked at the 1,413 caregivers who had an active kinship placement for at least one day from January 2018 through June 2022, we found kinship caregivers who reported "moderate" to "urgent" needs were not typically accessing the certification-related funds either because they could not fulfill the certification requirements or because they chose not to become certified.⁵³

Among that group of 789 kinship caregivers who reported "moderate" to "urgent" needs, only about 15% were receiving certification-related payments during our time frame. The other 85% — or 667 caregivers — were not.

Figure 5 displays the number of caregivers reporting "moderate" to "urgent" needs among several general categories of needs and what percentage of each group did not receive these monthly payments.

Assessed needs that involve home setup or ongoing physical needs to care for a child might include money, food, housing or rental assistance, clothes or furniture, transportation, and childcare. Specifically, we found between 77% and 88% of the caregivers who reported "moderate" to "urgent" needs in one of these areas did not receive certification-related payments.

FIGURE 5. Kinship caregivers' reported needs



Note: See Appendix B for more details about our analysis.

Source: Auditor's Office analysis of kinship caregivers' needs assessment records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

⁵² 42 U.S.C. § 672.

⁵³ See Appendix B for more details on the results of our analysis.

Although Denver Human Services' staff may have helped these caregivers access other types of public assistance, the results of our analysis indicate certification-related payments are not a major source of assistance for most kinship caregivers with reported needs. Due to scope limitations for this audit and a lack of access, we were unable to determine the extent to which kinship caregivers received other public assistance.⁵⁴

Considering the emphasis Denver Human Services and its state and federal partners have placed on certification payments as being the most significant and best available source of support for kinship caregivers, this limited use is significant.

The state legislature has considered proposals to reduce the certification requirements and make the process easier for caregivers. For example, last year, the state proposed reducing the number of training hours required. However, lawmakers did not pass legislation to make that proposed change.⁵⁵

Although Denver Human Services is constrained in its ability to act on this information, we mention this issue because our analysis of the agency's data supports caseworkers' concerns about the suitability of the certification process to help kinship caregivers with what is ultimately the child welfare system's responsibility at the state and federal levels.

⁵⁴ We sought access to data on other financial assistance that the caregivers in our population may have received, but the state Department of Human Services did not agree to provide us with that information by the time we completed audit fieldwork in December 2022, citing federal privacy rules and regulations.

⁵⁵ The Kinship Foster Taskforce was established to discuss changes to state laws and rules to reduce barriers for kin to become certified foster caregivers and to establish practices that better support kinship care. Colorado Department of Human Services, "Family First Prevention Services Act in Colorado, An Implementation Guide for County Directors," accessed Jan. 18, 2023, https://co4kids.org/sites/default/files/FF_Guidebook_2.3.pdf.

OBJECTIVE

- To evaluate the effectiveness of Denver Human Services' kinship caregiver certification process.
- To analyze how well Denver Human Services' controls over its imprest fund are consistent with city rules and leading practices.

SCOPE

We looked at Denver Human Services' kinship care program and the processes associated with kinship caregiver certification and caseworker management since 2018. Additionally, we examined agency controls for the imprest fund that provides emergency support to families, including kinship caregivers.

METHODOLOGY

We used several methodologies to gather and analyze information related to the audit objectives. The methodologies included but were not limited to:

- Interviewing:
 - Denver Human Services' officials from the Child Welfare Division and the Financial Services Division.
 - Child Welfare Division managers and staff with responsibilities related to the child placement process and the kinship caregiver certification process — including caseworker supervisors and operations assistants.
 - Denver Human Services' child welfare system support administrator.
 - Staff from the Child Welfare Division's Performance Improvement and Accountability Division and its performance evaluation and development group.
 - Representatives of the Child Welfare Division's learning and development team.
 - Denver Human Services' privacy officer.
 - The information technology manager and associates in Denver's Technology Services agency.
 - Office of Human Resources staff with knowledge of caseworker retention and turnover in Denver Human Services.

- Controller’s Office staff.
- Managers of the Department of Finance’s Risk Management and Workers’ Compensation Division.
- Colorado Department of Human Services’ leadership, including leaders of its Administrative Review Division.
- Reviewing:
 - Local, state, and federal legal requirements applicable to child welfare out-of-home placement.
 - The city’s budgets from 2018 through 2022 and the city’s Annual Comprehensive Financial Reports from 2018 through 2020.
 - City Fiscal Accountability Rules.
 - The Child Welfare Division’s policies, procedures, practices, and management oversight related to the kinship caregiver certification process and Denver Human Services’ imprest fund – including:
 - Documentation of required steps, the tools used, and staff training associated with the kinship caregiver certification process.
 - How managers monitor staff time spent on caregiver certification activities.
 - Job descriptions and other ways the division documents staff responsibilities.
 - Policies and procedures related to the issuance of imprest fund checks, transaction approvals, and the vault.
 - Leading practices on internal controls from the U.S. Government Accountability Office.
 - Leading practices on caseworker training, policies and procedures, and imprest funds from:
 - The National Child Welfare Workforce Institute.
 - The Butler Institute for Families at the University of Denver.
 - The Annie E. Casey Foundation.
 - GovLeaders.org.
 - The International City and County Management Association.
 - Ernst & Young Global Limited.
 - Leading practices on child welfare workforce management recommended by the U.S. Department of Health & Human Services’ Children’s Bureau, including:
 - The Annie E. Casey Foundation.
 - Casey Family Programs.
 - The Journal of Sociology and Social Work.
 - San Diego State University School of Social Work.
 - A master of social work clinical research paper.
 - ICF International reports from 2014 and 2016 on case and workload studies of child welfare staff across Colorado.
- Comparing:
 - The Child Welfare Division’s placement services’ policies, procedures, practices, and management oversight related to the kinship caregiver certification process and imprest fund transactions and approvals with applicable rules and leading practices.
 - Placement services’ existing policies and procedures against one another to identify inconsistencies or gaps.

- The Child Welfare Division’s caseworker turnover rates against industry-recommended turnover rates and pandemic milestones.
- The approval process for imprest fund transactions against documented procedures and city rules.
- Surveying:
 - Child Welfare Division caseworkers and support staff about their job satisfaction, workloads, training, time spent on caregiver certification tasks, and understanding of key job functions and responsibilities, as detailed in [Appendix C](#).
 - Kinship caregivers regarding their experiences and challenges and the services provided by Child Welfare Division staff, as detailed in [Appendix C](#).
- Analyzing:
 - Trails data related to the population of kinship caregivers, children placed outside their home, caregiver-reported needs, certification-related financial assistance, and staff assignments for kinship placement cases as detailed in [Appendix B](#).
 - Training records of placement services staff who assist kinship caregivers with becoming certified.
 - The content and consistency of communications and materials provided to kinship caregivers about the caregiver certification process.
 - Records of agency exit interviews on reasons employees resigned their position.
 - Workforce reports to calculate caseworker turnover, as detailed in [Appendix C](#).
 - The frequency and completeness of imprest fund reconciliations conducted by the Financial Services Division.
- Observing security practices associated with accessing blank checks used for Denver Human Services’ imprest fund.

APPENDICES

Appendix A – City agencies’ lack of cooperation in providing access to data and records

The Denver Charter says the elected Auditor “shall have access at all times to all of the books, accounts, reports, vouchers, or other records or information maintained by the Manager of Finance or by any other department or agency of the City and County.”⁵⁶

However, at various times during this audit, Denver Human Services impeded our access to the data, records, and information we asked for to fulfill our audit objectives. The city’s Budget and Management Office also did not cooperate with a records request.

DENVER HUMAN SERVICES – Despite initial commitments from the agency, Denver Human Services delayed several months before fulfilling our requests for datasets from Trails, the statewide case management system that Denver County – and all other Colorado counties – are required to use.

In February 2022, we met with Denver Human Services officials to begin this audit. We reminded them of the authority the city charter gives the Auditor’s Office to access sensitive and confidential records of all city and county agencies – including those kept by Denver Human Services.⁵⁷

We also gave them an initial description of what this audit might focus on based on our 2022 Audit Plan, which is “a flexible document that may change throughout the year.”⁵⁸ For any audit, it is common for the specific objectives to be determined after the audit team conducts initial research and identifies potential risks related to the audit topic.

Agency officials assured Auditor O’Brien that the audit team would have access to any Denver Human Services records needed for this audit. They said we would not be able to directly access Trails, which keeps many of the agency’s child welfare records, but they promised that their staff would provide us with requested information in a way that would keep the information secure.

During the first few months of this audit, we refrained from requesting any sensitive information until it became necessary for our audit purposes. In early May 2022, we requested from Denver Human Services staff several types of records that would contain personally identifiable information. We also asked for several meetings with agency staff so they could walk us through the data kept in Trails. Observing where and how the data was kept would inform how we assessed potential risks to audit and how we would develop the specific tasks for our audit work.

However, in late May, agency officials refused our request for the sensitive records and said we could not observe the data in Trails until “the audit scope and objectives have been stated.” They referenced the following provision in state law to support their position:

LEARN MORE

Visit our [Audit Services page on DenverAuditor.org](https://denverauditor.org) to learn more about the specific steps involved in the audit process.

⁵⁶ Denver Charter § 5.2.1(C).

⁵⁷ Denver Charter § 5.2.1(C).

⁵⁸ City and County of Denver Auditor’s Office, “2022 Audit Plan” (October 2021), accessed Jan. 12, 2023, <https://denvergov.org/files/assets/public/auditor/documents/audit-services/audit-plans/english/2022-audit-plan-digital.pdf>.

“A county department of human or social services shall provide to an auditor conducting a financial or performance audit of the county department access to all of the records, reports, papers, files, and communications of the county department, including any personally identifying information of individuals contained in the records, reports, papers, files, and communication necessary to achieve the stated audit objectives.”⁵⁹

Because of this lack of cooperation, we were forced to develop detailed audit objectives and work plans without having critical details on the types and locations of data kept in the Trails system and without knowing the quality and completeness of these records or any other records Denver Human Services staff might use.

We established our approved audit objectives in late June and shared these with Denver Human Services officials. We then repeated our requests for specific records and a staff-led review of data kept in Trails. Once again, officials refused us access to this information.

Denver Human Services officials said a previous confidentiality agreement from 2017 between Auditor O’Brien and Denver Human Services needed to be updated before they would cooperate with our requests. This was the first time any agency official had mentioned this condition since our audit began four months prior. That 2017 confidentiality agreement related to our October 2017 audit of child welfare services. It had recorded Auditor O’Brien’s agreement to comply with applicable laws and it spelled out the steps the audit team and Denver Human Services would take to safeguard sensitive and confidential records.

Through much of July 2022, we worked with Denver Human Services and the City Attorney’s Office to review and update the 2017 confidentiality agreement. Auditor O’Brien and Denver Human Services’ executive director signed the revised agreement on July 18.

Despite this, Denver Human Services continued to prevent us from accessing Trails data and other records — now saying it was because of the potential we might observe information on individuals served by Denver County who live in another county.⁶⁰ We told Denver Human Services officials we had no intent to access or review records of children served by other counties’ human services agencies — we were only interested in reviewing records of residents served by Denver County, regardless of which county they lived in.

Denver Human Services’ executive director told us on July 26 that they had contacted the Colorado Department of Human Services to determine whether we could access the requested records.

Although we were given some initial information and provided the first of several walk-through sessions of Trails in late July — more than two months after our first request for sensitive information — it would be weeks before we were ultimately given the Trails data necessary to complete our testing. We were not told until mid-August that the state had approved our access to Trails data, including the cases involving other counties.

As a result of these repeated and months-long delays, we were forced to delay the completion of this audit by two months.

⁵⁹ Colo. Rev. Stat. § 26-1-114.5.

⁶⁰ As individuals move from one county to another, their cases may be transferred between county human services agencies. Alternately, there may be times when Denver County cannot serve a particular person because a Denver Human Services staff member has a connection to the case — so another county would take on a more active role in managing it. Because of these circumstances, some case data kept in Trails may include information related to services provided by other Colorado counties.

BUDGET AND MANAGEMENT OFFICE – Meanwhile, we also faced resistance from Denver’s Budget and Management Office over our request for information supporting a Denver Human Services budget request.

During this audit, we learned Denver Human Services had submitted a request for two additional kinship support caseworkers for 2023. We asked for the documentation Denver Human Services had given the budget office, so we could understand the data and analyses the agency used to support its ask.

The city’s budget director denied our request, claiming “documents submitted through the budget process are not subject to release” and are protected under “deliberative work product privilege.” They said releasing this information, even to an audit team, could “compromise the [city’s] decision-making process.” The City Attorney’s Office supported this position.

However, we maintain that the Denver Charter explicitly gives the Auditor legal access to “all ... information maintained by the Manager of Finance or by any other department or agency of the City and County.”⁶¹

⁶¹ Denver Charter § 5.2.1(C).

Appendix B – Analyzing trends in Denver’s child welfare data

About the Trails system

The federal government requires states to maintain a statewide automated child welfare information system.⁶² The Trails system, managed by the Colorado Department of Human Services, contains most of Denver’s child welfare case information — including data on children, families, kinship caregivers, and payments to certified kinship caregivers.

Because the system is owned by the state, Denver Human Services has little to no role in system design, maintenance, or security. The state is responsible for making changes, implementing updates, controlling physical access to servers, and ensuring continuity of operations for the system.

Trails has several well-known risks, according to multiple stakeholders and system users. These known risks include data-quality issues, a lack of comprehensive guidance on how to use the system, and challenges in the system design. There are limited safeguards to standardize data entry for some information, and state and local officials continue to note inaccurate, incomplete data exists in Trails. Also complicating data quality, the system allows staff extended time to enter or correct data. This means data for a case may be different depending on when it was accessed.

The state’s fragmented approach to providing guidance on how to use Trails also presents challenges for Denver’s staff who use it. The state offers training on data entry and various job aides on its website. However, training and job aides are searchable only by individual topics and the sheer volume of these resources can be difficult to navigate as the state does not offer a comprehensive guide, manuals, or data dictionaries.

Finally, weaknesses in system design have forced system users to resort to inefficient work processes to compensate. Specifically, Trails is not designed to track all necessary elements of a case. As a result, users have had to develop extra systems and ways to collect information — like building spreadsheets and manually creating reports, entering the same data multiple times in different places, and keeping track of paper files.

Because of these known issues, the state overhauled the Trails system in 2017. Initially, the state hired a vendor, but when the project ran out of money, the state’s Office of Information Technology took over. Since then, this state office has managed upgrades and design-change requests based on priority and available resources.

Denver Human Services staff participate in a Trails work group that reports and prioritizes users’ concerns. Typically, the group can only react to problems and focus on “must-fix” issues.

Data access and reliability

Despite the known issues with data quality, Trails is the state’s system of record for child welfare data. Therefore, we relied on the data from this system to inform our findings where applicable.

As we described in [Appendix A](#), Denver Human Services officials initially impeded our efforts to access the Trails data. Once we got access, different program staff walked us through each piece of the case management process so we could better understand Trails and how they use it.

We then worked with the Denver Human Services’ information technology team to develop special queries and create datasets for our audit analysis. Our data request involved multiple discussions, data downloads,

⁶² 42 U.S.C. § 622(b) (2020).

reviews, and revised queries over three months.

Although we ultimately got access to datasets from Trails, we were not allowed our own log-in access to review records directly or verify how accurate and complete the requested data was. Additionally, due to Denver Human Services' internal processes and the volume of data we requested, we could not observe how the agency's information technology team completed each query and created the datasets for us.

As a result, we focused our reliability testing on two areas:

1. We reviewed datasets and compared them to each other and with externally available information to ensure the agency's data generally represented what we asked for.
2. We focused on understanding the extent to which key fields supporting our analyses may be of limited value due to invalid data entry.

Because of the known issues with data quality, we expected the datasets to be incomplete and subject to inaccuracies. As applicable, we present these results, including limitations, with each analysis.

Based on our interactions with agency staff and our review of the datasets and queries, we believe Denver Human Services' staff provided what we asked for considering the system limitations. We also believe they did not attempt to alter or exclude records.

However, we cannot provide assurance on this because we could not observe how the data was downloaded and did not have access to Trails to verify the completeness and accuracy of the records provided.

General methodology

We requested records associated with any kinship placement that was active from Jan. 1, 2018, through June 30, 2022.

Trails maintains records that are searchable through different unique identifiers. For our analysis, we were interested in information on the children in kinship care, their kinship caregivers, and some other details related to their case that led to the kinship placement. Denver Human Services' information technology team identified all children, caregivers, and cases associated with an active kinship placement during our selected time frame. They then pulled a full history of what was recorded in Trails as of Sept. 14, 2022, for the unique identifiers associated with our request.

We excluded records for any case activity beginning after June 30, 2022, and our analyses can reflect only a snapshot of Trails' records as of Sept. 14, 2022. Because the system allows staff extended time to enter or correct data in the system, the agency may have edited some information after Sept. 14 that was relevant to the cases we reviewed.

We also reviewed our methods and preliminary results in detail with the Denver Human Services information technology team and other child welfare staff who helped us with data definitions and process-related questions. Neither group expressed concern with our methods or results for the analyses we include here.

However, after further discussions with agency staff, we were not able to use all the datasets they provided because of audit time constraints and because of reliability issues, either with the structure of the query or the quality of the data being searched.

We were also unable to complete all planned analyses because of delays in receiving the data and issues with the completeness of the data provided. For example, we wanted to compare the date of a child's placement with a kinship caregiver with when the kinship support caseworker was notified of the child's placement. We also sought to review how long it took the kinship caregivers in our population to become certified and how many kinship caregivers were given custody and parental rights. Other planned testing we were unable to

complete included reviewing the timeliness of the background check process and how many caregivers in our population may have been improperly encouraged to become certified.

Analysis: The children in kinship care

Using placement records the agency provided from Trails, we established the population of children with a kinship placement during our scope. For the population of children in kinship care, we opted to present a full history of their experience with placements outside their homes of origin. Many of these children had other types of placements and caregivers in their history — which illustrates the challenges these children, their families, and caseworkers face in addressing their needs.

We identified 1,631 children with what appeared to be a valid kinship placement for at least one day from January 2018 through June 2022. Specifically, we included any child with a kinship placement that was open on any single day of that time frame.

Using the Trails records, we tracked the history of placements for each child and we linked information such as locations where the child entered the child welfare system, their age, their gender, their race, and their ethnicity — as these details were available.

Because we looked at the children’s full case histories, the results include all types of caregivers and out-of-home placements the children may have had — beyond just kinship care — after they were removed from their homes. Our monthly count of children in kinship care also includes their time in these other placement types outside their original homes.

We counted the children more comprehensively than state reports do, because we were interested in understanding the number of children in any given month who would be included in a Denver Human Services caseworker’s caseload.⁶³ While the state relies on a snapshot of children in care as of the last day of a reporting period, we counted any child who was in a placement on one or more days of a month. As a result, our count of children in care will typically exceed the state’s count.

CHILDREN IN KINSHIP CARE – In general, considering the number of placements and unique caregivers in their case histories, children who spent 100% of their time in Denver Human Services’ kinship care appeared to have more stability. They tended to have fewer placements and caregivers compared to children who had other out-of-home placement types in their case history in addition to kinship care.

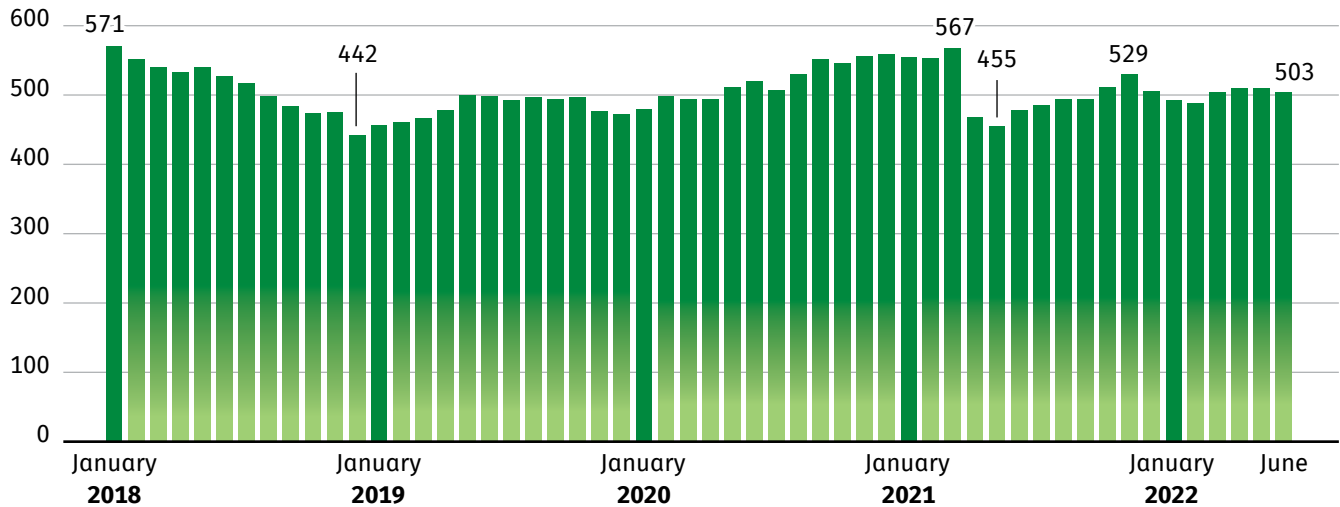
Among the 1,631 children in our population, our analysis found a child tended to stay in kinship care for a majority of their time in out-of-home placement. About 76% of children spent more than half their time in kinship care, and 60% spent more than 90% of their time in kinship care.

As shown in Figure 6 on the next page: On average for each month from January 2018 through June 2022, 505 children were in a kinship care placement through Denver Human Services. That number peaked at 571 children in January 2018 and reached a low of 442 in December 2018.

When child welfare workers decide a child must be removed from their home, they seek to prioritize placement options that minimize disruptions for the child and preserve family and community connections. Having fewer moves for the child; keeping them closer to their neighborhood, schools, and friends; and placing them with someone they know (i.e., a kinship caregiver) are three guiding principles to increase the chances of the child’s well-being and stability.

⁶³ State reports are available from the Colorado Department of Human Services’ Community Performance Center: <https://colorado.rom.socwel.ku.edu/reports>.

FIGURE 6. Monthly counts of children in kinship care, January 2018 through June 2022



Note: We included any child in a kinship care placement outside their original home on one or more days in the month. While this count includes only children with a kinship placement record, the out-of-home placement may include other placement types in the child’s history that were not with family members or close family friends.

Source: Auditor’s Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

The Trails data Denver Human Services provided us offered a few measures of this stability for children, the number of placements, the number of unique caregivers caring for a child, and their locations. In this section, we discuss placements and caregivers in a child’s history. See pages 62 and 63 for comparisons of locations.

The average number of placements across the 1,631 children in our population was 3.78. Figure 7 on the next page provides the distribution of children by the number of placements throughout their case histories, including out-of-home placements outside kinship care.

The number of placements for Denver children who spent all their time in kinship care tended to be less than those children who were also placed in other locations after being removed from their homes. For those children who had only kinship placements, 47% were placed two or more times in other out-of-home settings – with 1.77 placements on average, as shown in Figure 1 on page 2.

However, some children who were not in kinship care 100% of the time moved around significantly more, including one child who had 60 placements in their case history. This child had spent 2,008 days – or five and a half years – in the child welfare system since June 2016. They spent 36% of that time in residential facilities or institutions, 25% in traditional foster care, and 22% in hospitals, with an average of 33.5 days per placement.

Another child – an infant under the age of 1 as of June 30, 2022 – had seven placements over 325 days. More than half of that time was spent in traditional foster care, and more than a third was spent in kinship care.

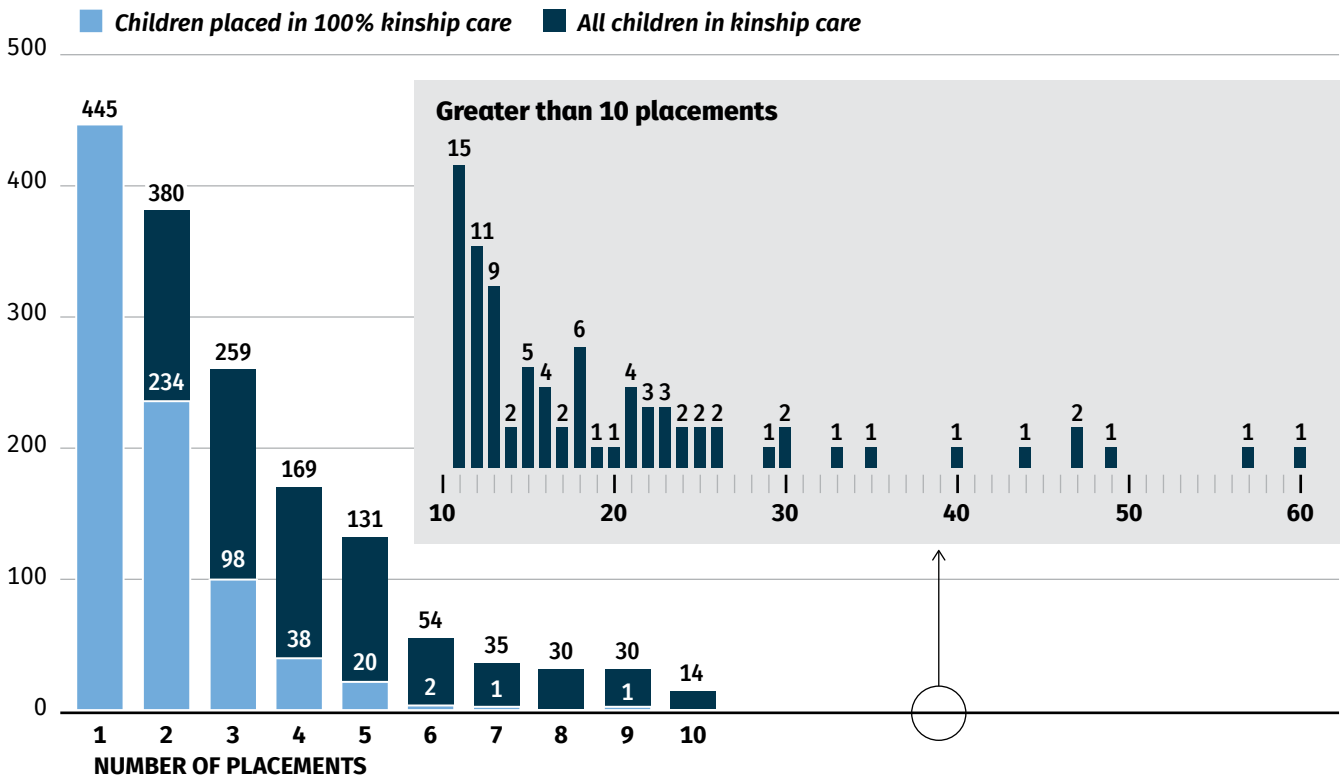
Figure 8, also on the next page, shows the different out-of-home placement types in the case histories for the 1,600 children who had active kinship care for at least one day from January 2018 through June 2022.

Among all children in the kinship care population we looked at who had spent 100% of their time in kinship care, about 54% averaged six months or less at each placement. About 28% averaged six months to one year for each placement.

FIGURE 7. Number of placements for children in kinship care, January 2018 through June 2022

Children with a kinship placement record often stayed at other out-of-home placement types in addition to kinship care. This graphic accounts for all placement types in these children’s case histories.

NUMBER OF CHILDREN



Source: Auditor’s Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

FIGURE 8. Placement types for children served in part by kinship care

This count includes case history data for only those children with a kinship placement record that was active for at least one day from January 2018 through June 2022.



Source: Auditor’s Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

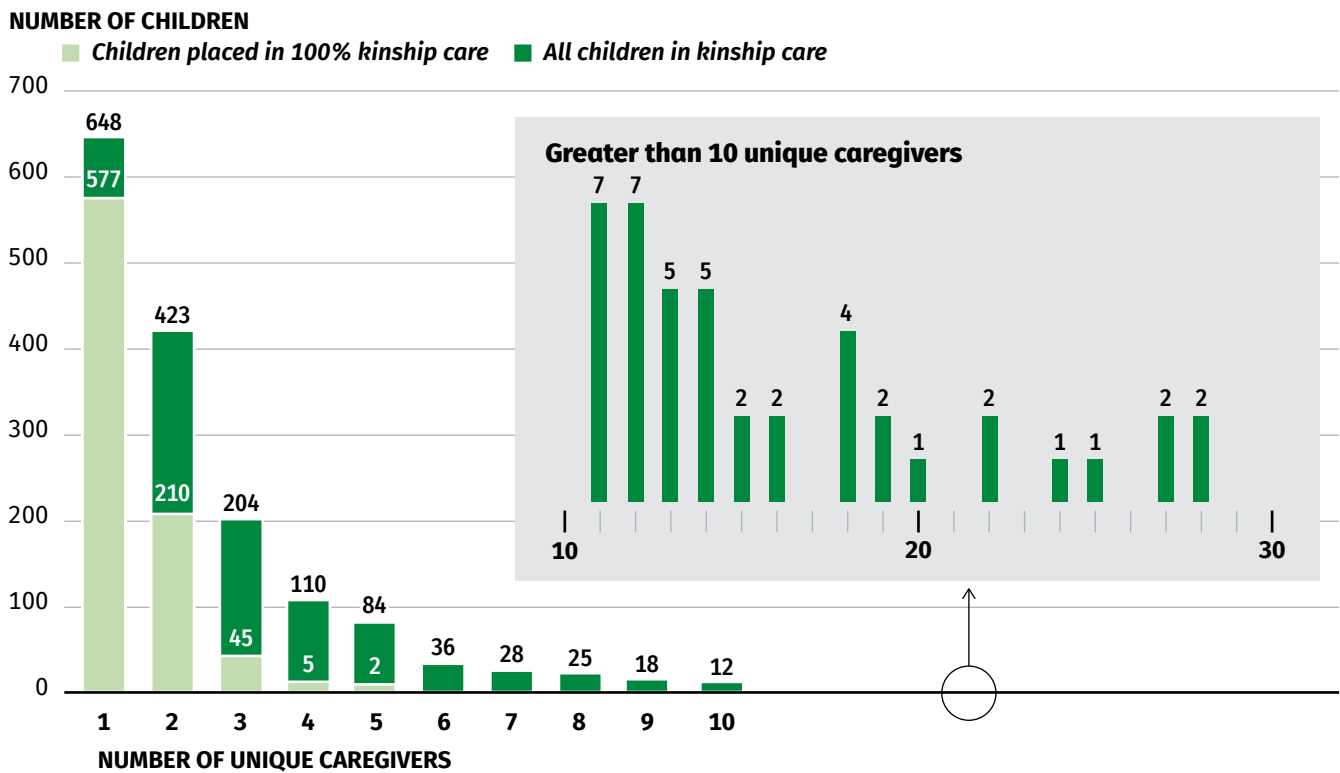
A single kinship caregiver may take in the same child more than once during the child’s time in the child welfare system. To understand the number of different caregivers for these children throughout their case histories, we also looked at the number of unique caregivers.

The average number of unique caregivers across children with an active kinship placement record from January 2018 through June 2022 was 2.79. However, the number of unique caregivers reached as high as 28 for two children. Figure 9 shows the distribution of children in kinship care by the number of unique caregivers in their case history.

For children who spent 100% of their placement time in kinship care, the number of unique caregivers tended to be lower than those with other types of out-of-home placements in their case history. About 69% had only one unique caregiver – with an average of 1.38 unique caregivers per child.

FIGURE 9. Number of unique caregivers for children in kinship care throughout their case history

The unique caregivers counted here include all types of caregivers — in addition to kinship caregivers — that were present in the case histories for the 1,631 children with a kinship placement that was active for at least one day from January 2018 through June 2022. Seventy-one children spent a percentage of time in other out-of-home placement types but had only one unique caregiver in their record. A change in placement type but not caregiver may happen when a caregiver adopts a child or becomes their legal guardian.



Source: Auditor’s Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

DEMOGRAPHIC BREAKDOWN OF CHILDREN IN KINSHIP CARE – Figure 10 illustrates demographic characteristics for the 1,631 children in kinship care for at least one day from January 2018 through June 2022. The population was almost evenly split between boys and girls.

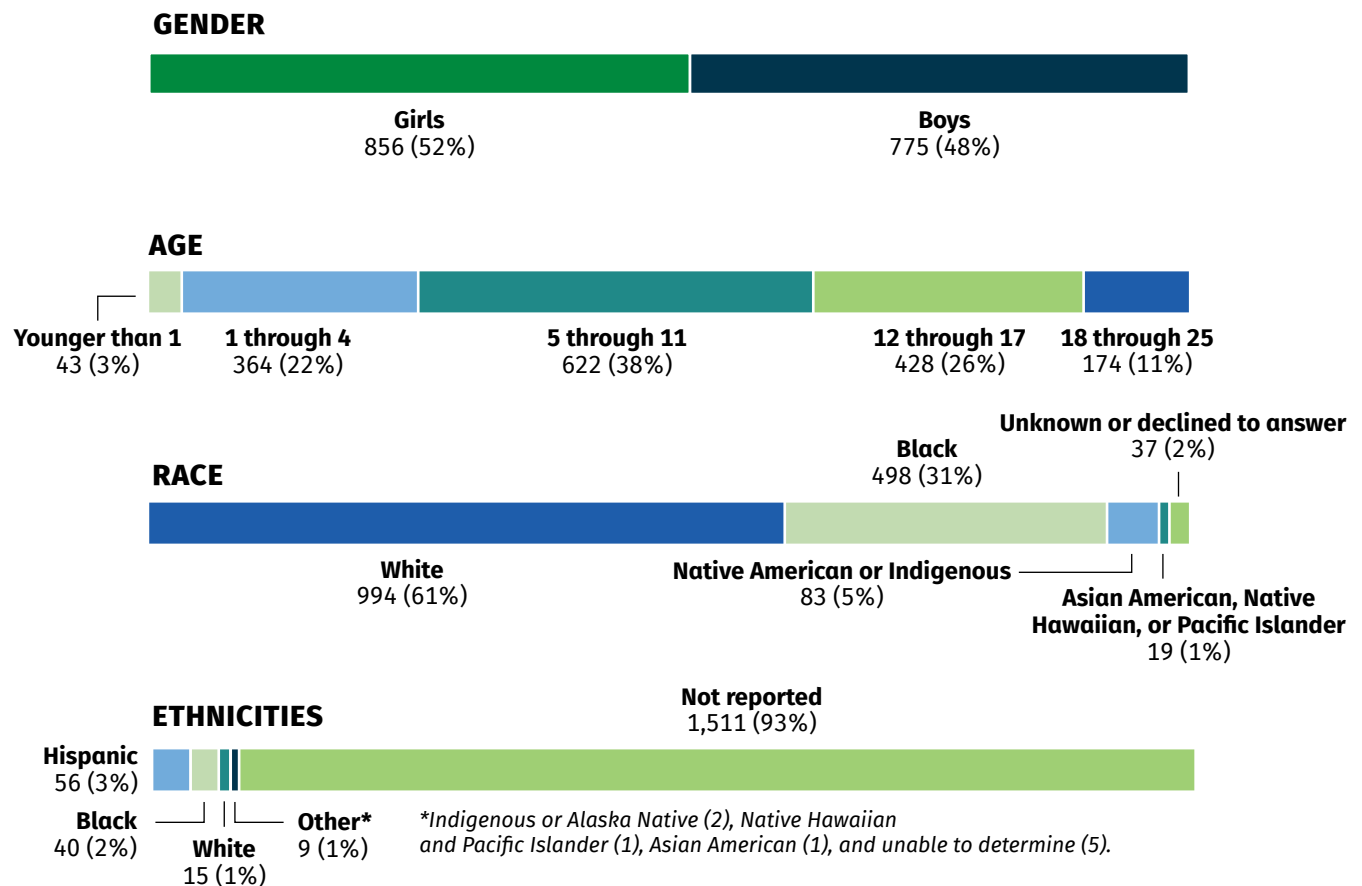
Children ages 5 through 11 made up the largest portion, followed by children ages 12 through 17, and children ages 1 through 4. We calculated each child’s age as of June 30, 2022. This consistent approach means that some children will appear older than they were at the time they were involved in the child welfare system, particularly if their case was resolved earlier on in the four-and-a-half-year period we looked at.

Regarding the children’s races and ethnicities, the Trails data is incomplete – the fields were often not reported. In addition, Denver Human Services collects race and ethnicity data differently for children than their caregivers. Specifically, the categories offered for the children’s ethnicities are more expansive, while caregivers’ ethnicity information is limited to whether they are of Hispanic or Latino heritage.

We present what information was available for the children because Trails is the system of record and Denver

FIGURE 10. Demographic characteristics of children in kinship care

Because only 120 of the records for the 1,631 children, or 7%, specified the child’s ethnicity, neither we nor Denver Human Services can accurately quantify the number of children in this population who have Hispanic or Latino heritage, which is a significant part of Denver’s community.



Note: This count includes only children with a kinship placement for at least one day from January 2018 through June 2022.

Source: Auditor’s Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

Human Services uses it to report program data to state and federal partners. But given the inconsistencies in available data, the results are likely not an accurate reflection of the children’s races and ethnicities – which prevents both us and the agency from tracking this demographic information.

In terms of race, White children made up the majority of local children in Denver Human Services’ kinship care, followed by Black children. Only 120 of the records for the 1,631 children, or 7%, included information on the child’s ethnicity. Without this information, children of Hispanic or Latino heritage – who are a significant part of Denver’s overall community – are not identifiable in the data provided.

Analysis: The kinship caregivers

For our population of kinship caregivers, we focused only on individuals who were active kinship caregivers for at least one day from January 2018 through June 2022. Because our review focused primarily on how Denver Human Services supports its kinship caregivers, we excluded records for caregivers at other out-of-home placement types, such as traditional foster homes.

We identified 1,413 caregivers associated with the 1,631 children in kinship care during the time frame we looked at.

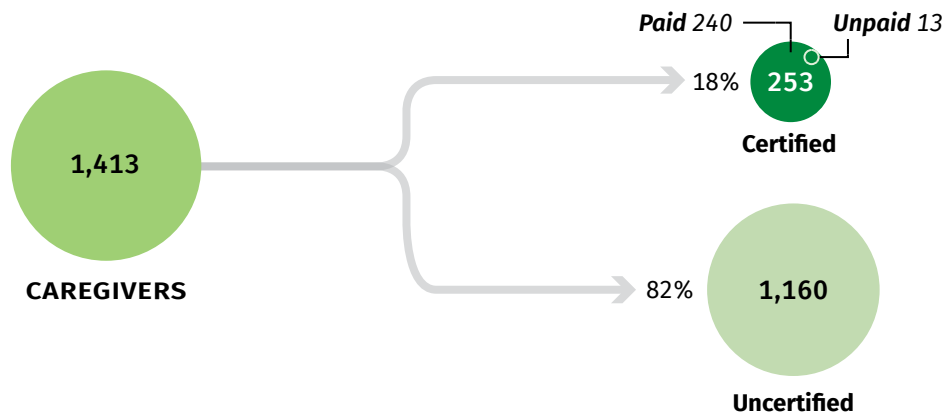
Using the Trails data for children, we tracked the history of placements with each kinship caregiver. We linked information such as certification-related payment histories, needs assessment results, caregiver locations, and details about the caregivers’ households, such as how many people are in the home, their ages, genders, races, and ethnicities – as these details were available.

CERTIFICATION STATUS AND RELATIONSHIP TO CHILD – Among the 1,413 kinship caregivers, about 82%, or 1,160, were not certified during the time frame we looked at. About 18%, or 253, were or became certified – with 240 of them receiving certification-related payments, as shown in Figure 11.

Collectively, about 26% of the caregivers’ time qualified as “certified” kinship care, while 74% was considered “uncertified.”

Most kinship caregivers start a placement without being certified and they may also allow their caregiver certification to lapse. As a result, some time considered “certified” in our analysis relates to caregivers who were in fact uncertified at some point.

FIGURE 11. Kinship caregivers by certification status



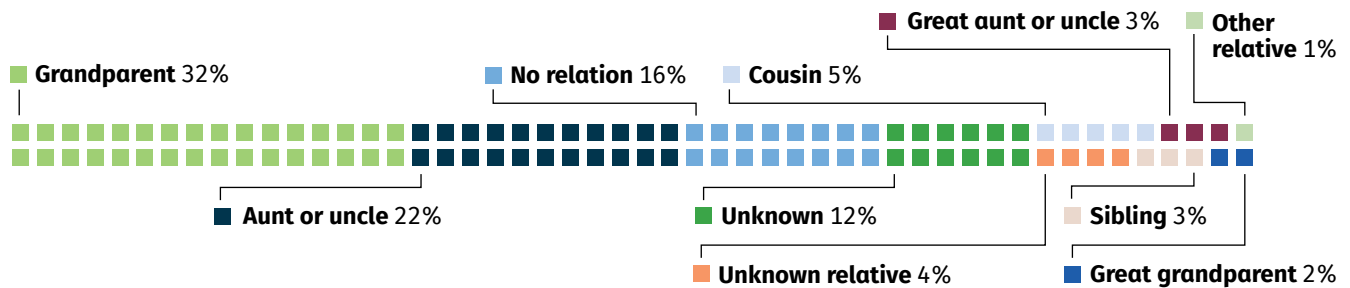
Source: Auditor’s Office analysis of child placement records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

During the period we looked at, certified kinship caregivers cared for between one and six children, while uncertified kinship caregivers cared for between one and eight children. On average, certified kinship caregivers cared for 1.7 kids, while uncertified caregivers cared for 1.5 kids.

As shown in Figure 12, for almost 12% of all kinship caregivers, their relationships to the children in their care were unknown, with no relationship recorded in the Trails data. Among certified kinship caregivers, the relationship to the child was available in 97% of records.

Among the group as a whole and specifically among certified kinship caregivers, grandparents made up about a third of those providing care — the largest group. Aunts and uncles were the next most common caregiver, representing about 30% of certified kinship caregivers and 22% of all kinship caregivers.

FIGURE 12. Kinship caregivers, by relationship to child



Note: “No relation” may include teachers, neighbors, and family friends.

Source: Auditor’s Office analysis of kinship caregivers’ service records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

The relationship fields in the data included entries that reflected inconsistencies in how a caseworker considered and recorded the kinship relationship whether from:

- The perspective of a caregiver to the child, such as a “niece.”
- The perspective of the child to their caregiver, such as an “aunt.”
- The perspective of a caregiver to the child’s biological parent, such as “father (biological)” or “mother-in-law.”

In general, we tried to classify entries from the perspective of the child.

In terms of time spent with a child in their care: On average, caregivers had a child for around 268 days, or nearly nine months — although the range spans from as little as a day to as long as almost four years. How long a kinship caregiver spent with a child as of June 30, 2022, was evenly split across different ranges of time, as shown in Table 1 on the next page. Twenty percent spent between six months and a year with the child in their care by that date.

The number of days is a snapshot as of June 30, 2022. As a result, caregivers with placements that began closer to that date but were still open were calculated as of that date. Therefore, caregivers with shorter time frames may be overrepresented in our analysis.

TABLE 1. Average caregiver time spent per child, as of June 30, 2022

Range of time caring for child	Percentage of all kinship caregivers
One to 30 days	18%
One to three months	18%
Three to six months	18%
Six months to one year	20%
One to two years	17%
Two to four years	9%

Note: If a record indicated a partial day, we counted it as one day. Caregivers with shorter time frames may be overrepresented in our analysis, because our calculations are based on a snapshot in time.

Source: Auditor’s Office analysis of kinship caregivers’ service records from Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

CERTIFICATION-RELATED PAYMENTS FOR KINSHIP CAREGIVERS – Among the 253 certified kinship caregivers we identified, Denver Human Services paid about \$4.7 million to 240 of them from January 2018 through June 2022.⁶⁴

Each month during our time frame, the agency paid out between \$18,600 and \$229,200 to support as few as 52 children per month and as many as 129 children per month, as shown in Figure 13 on the next page. On average, each kinship caregiver received about \$1,530 a month during this time period, based on our analysis. The number of caregivers who received these payments ranged between 39 and 83 each month.

The Trails data Denver Human Services provided for certification-related monthly payments is only one type of public financial assistance available to kinship caregivers.

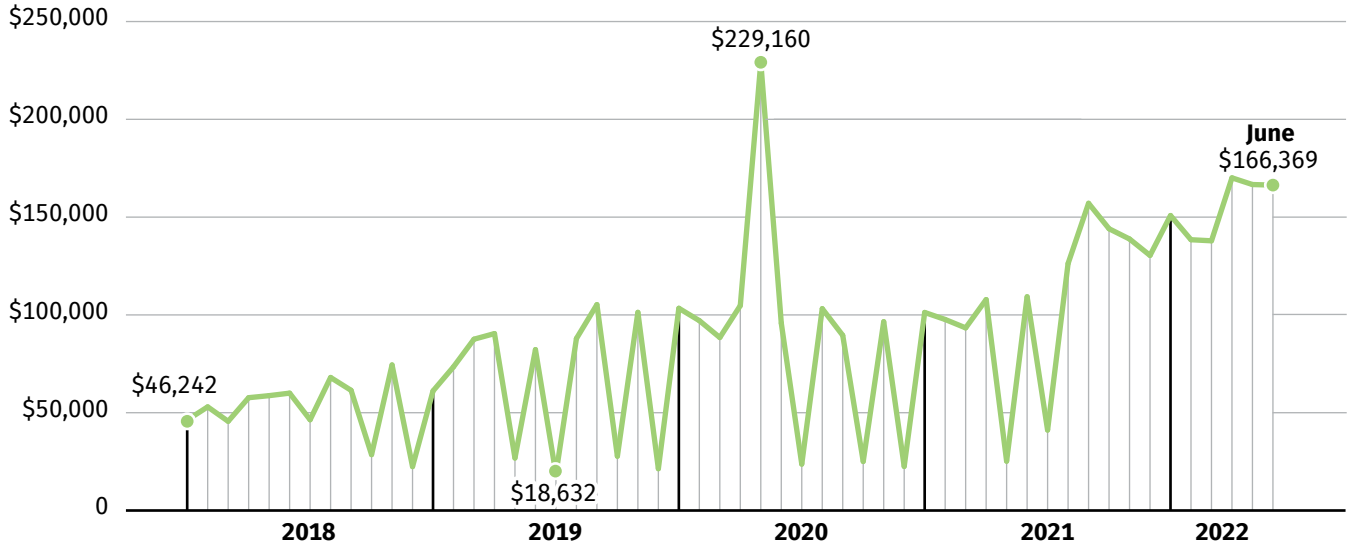
Other state and federal resources include food stamps, cash assistance for low-income families, and childcare assistance. Kinship caregivers might also get aid through other locally available help — such as other child welfare services programs or smaller, one-time emergency payments available from Denver Human Services’ imprest fund to help with rent, food, or other urgent needs.

We could not do deeper analysis or comparisons with these other sources of assistance. We were not given direct access to the state and federal data sources, and Denver Human Services maintains imprest fund payment information in Trails in a way that did not allow us to connect payments and amounts to specific kinship caregivers who reported need.

Just as the monthly payments supporting certified kinship caregivers have increased from January 2018 through June 2022, so have the numbers of individual caregivers and children involved with certified kinship care that were supported by these payments during that time — as Figure 14, also on the next page, shows.

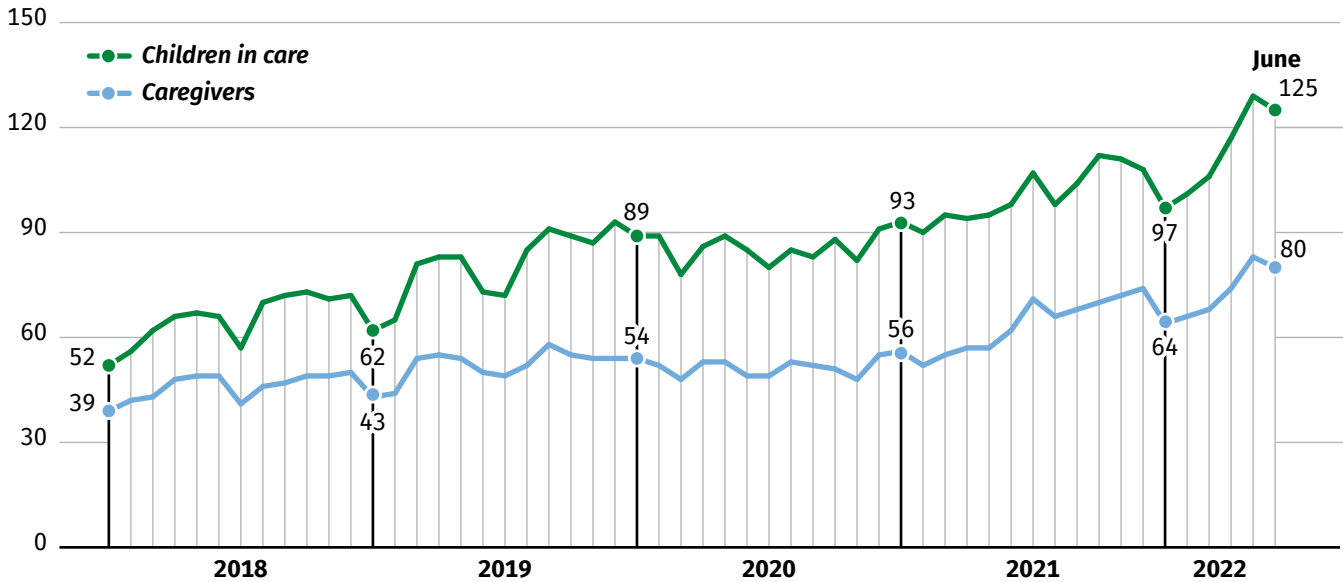
⁶⁴ We gave the agency a list of these 13 unpaid but certified caregivers for their review.

FIGURE 13. Certification-related payments to kinship caregivers



Source: Auditor’s Office analysis of kinship caregivers’ payment records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

FIGURE 14. Number of kinship caregivers and children supported by certification-related payments



Source: Auditor’s Office analysis of kinship caregivers’ payment records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

KINSHIP CAREGIVERS’ REPORTED NEEDS – Child welfare caseworkers conduct a needs assessment with kinship caregivers after a child is placed with them. Although not required, leading practices on establishing kinship connections – which Denver Human Services uses – recommend caseworkers begin a needs assessment within seven days of placing a child with a caregiver. This is known as the kinship caregiver’s “initial” assessment. Caseworkers may conduct additional assessments, known as “ongoing” assessments, over the course of a kinship placement.⁶⁵

Denver Human Services’ needs assessment form requires caseworkers to review specific areas of need with each caregiver – covering a range of physical, emotional, and developmental needs.

About 37% of the 1,413 kinship caregivers active from January 2018 through June 2022 had no needs assessment on record. About 63%, or 893, had at least one initial assessment on record. Within that group, 91 caregivers had multiple “initial” assessments with different information.

A child’s or caregiver’s needs may shift over time, and caregivers may be helping more than one child. Because we did not have direct access to Trails to review the duplicate files in greater detail, our analysis generally used the first assessment on record for each unique caregiver because it would more closely reflect a caregiver’s needs when they first interacted with Denver’s child welfare program.

Around 5% of the assessment records had data-entry errors related to invalid dates. Among the initial assessment records with valid date entries, we found that, on average, kinship caregivers waited 20 days after a child was already placed with them to meet with caseworkers and discuss needs for the placement. Timing ranged from having the assessment done the same day as the placement to as long as 626 days, or about a year and eight months.

Table 2 provides more detail about the length of time between when a child was placed and when Denver Human Services’ caseworkers completed their caregiver’s initial needs assessment.

TABLE 2. Number of days from placement to initial needs assessment

Time for assessment to be done	Number of caregivers assessed	Percentage of all assessments
Within one week	224	25%
Within eight days to one month	521	58%
After one month	107	12%
No valid date	41	5%

Source: Auditor’s Office analysis of caregivers’ needs assessment records from Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

To look at areas of need that kinship caregivers reported, we broadened our analysis beyond just initial assessments and evaluated the caregiver’s first assessment on record regardless of whether it was classified as an “initial” assessment or an “ongoing” one.

⁶⁵ Lauren Alessi et al., “Colorado Kinnected Program Manual” (March 2022), Colorado State University, accessed April 18, 2022, <https://cdhs.colorado.gov/our-services/child-and-family-services/kinship>.

Of those 897 caregivers who had at least one needs assessment on record, almost 88% — or 789 caregivers — reported “moderate,” “high,” or “urgent” needs in their earliest assessment record, as shown in [Figure 5 on page 36](#). How needs are classified relies on Denver Human Services’ caseworkers accurately and consistently explaining need areas to kinship caregivers during a needs assessment. Different caseworkers may approach the assessment differently, choosing to emphasize some areas over others, which could affect how well caregivers understand the meaning of each need area or whether they feel a given need is “low,” “moderate,” “high,” or “urgent.”

To summarize the self-reported needs more easily, the categories we used for our analysis were:

- Financial help, which includes both ongoing and emergency financial assistance.
- Food assistance.
- Housing or rental assistance.
- Material goods, which include clothing, bedding, baby items, childproofing items, and hygiene products.
- Transportation assistance.
- Childcare assistance.

Needs related to services around child and caregiver development and support might include resources to deal with trauma, substance exposure, budgeting, discipline, and more. We grouped these needs into three more categories: “child’s development and support,” “caregiver’s development and support,” and a category that could apply to either the child’s or the caregiver’s development and support.

Table 3 shows that for the 789 kinship caregivers who reported needs ranging from “moderate” to “urgent,” 66% needed help getting material goods for the children in their care — like bedding, furniture, clothes, or baby items. About 48% reported needing financial assistance, and about 40% reported needs related to the caregiver’s or child’s development and support.

TABLE 3. Kinship caregivers’ reported areas of need

Area of Need	No or low need	Moderate need	High need	Urgent need	Total — Moderate to urgent needs
Material goods	34%	53%	12%	1%	66%
Financial help	52%	29%	17%	2%	48%
Either child’s or caregiver’s development and support	58%	39%	3%	0%	42%
Child’s development and support	60%	35%	5%	1%	41%
Food assistance	70%	17%	8%	5%	30%
Caregiver’s development and support	74%	25%	1%	0%	26%
Childcare assistance	80%	8%	6%	6%	20%
Housing or rental assistance	83%	9%	5%	4%	18%
Transportation assistance	86%	6%	4%	4%	14%

Source: Auditor’s Office analysis of caregiver needs assessment records from Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

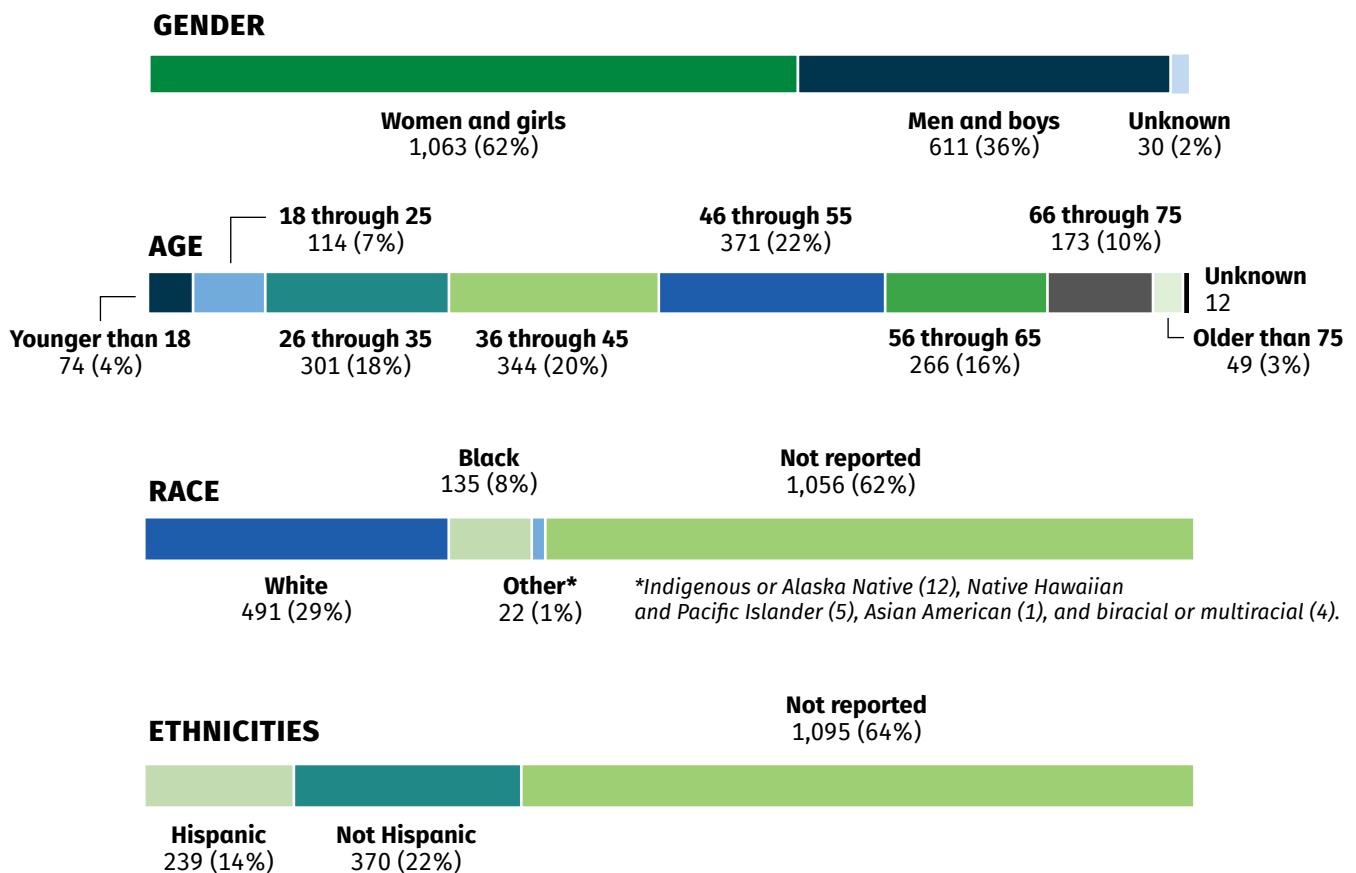
DEMOGRAPHIC BREAKDOWN OF KINSHIP CAREGIVERS' HOUSEHOLDS – Each kinship caregiver’s identification number in Trails represents a single caregiver household, and Denver Human Services keeps demographic information on all household members.

The Trails dataset for caregiver household members that Denver Human Services gave us had potentially duplicate records with varying levels of completeness and irregularities with data entry for calculating age. A little over 9% of the records may be affected by unreliable data. However, we include these records in the analysis because we did not have access to Trails to confirm what information was accurate. There may be valid reasons why an individual could be associated with more than one household, and it is not uncommon for members of a family to share names. While we did not have access to Trails to confirm which records were accurate, we provided these records to the agency to address any needed edits.

From January 2018 through June 2022, the total number of people associated with a kinship caregiver’s household was 1,704. As shown in Figure 15, women and girls accounted for about 62% of the individuals in caregivers’ households, while men and boys made up about 36%.

FIGURE 15. Demographic characteristics of kinship caregiver households

The majority of records have no associated information for the race and ethnicity of those in the caregivers’ households, which prevents both us and the agency from tracking this demographic information.



Note: This figure includes only kinship caregiver households who had a child in their care for at least one day from January 2018 through June 2022.

Source: Auditor’s Office analysis of kinship caregivers’ service records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

The members of caregivers' households were almost 46 years old on average. Similar to our analysis of the children's demographic data, we calculated the ages of caregivers' and household members' ages as of June 30, 2022. This consistent approach means that some individuals may appear older than they were at the time the caregiver was caring for a child in kinship care.

Also similar to the children's demographic information, we found inconsistencies with the way Denver Human Services collects information on caregivers' and their household members' races and ethnicities. The majority of records have no associated information for race and ethnicity, which prevents both us and the agency from tracking this demographic information. Therefore, the results in Figure 15 are likely not an accurate reflection of the race and ethnicity characteristics of caregivers' households.

Analysis: Denver Human Services' staff assignments for cases with kinship placement

To look at case assignments for Denver Human Services child welfare staff members, we limited our review to operations occurring only from Jan. 1, 2018, through June 30, 2022. We reviewed case assignment records for those staff who were assigned to cases involving our active kinship care placements. We identified 969 cases with 15,584 staff assignments that involved 1,083 unique staff members.

Denver Human Services typically re-uses case reference numbers when a family has multiple interactions with the child welfare system, unless there is some change in the primary caregiver or a case moves into another service area, like adoption. According to agency staff, this practice allows for a more holistic understanding of a family's history and circumstances. As a result of this practice, our datasets based on case reference identification numbers originally pulled records as far back as the 1990s. Given more recent events like the Family First Act, the pandemic, and other factors, this historical information was likely not relevant or reflective of the agency's current practices.

The purpose of our analysis was to identify the minimum number of child welfare workers likely to interact with a kinship caregiver. We limited it to the time frame we looked at. By excluding historical assignments from our data analysis, staff members assigned to a case before Jan. 1, 2018, are not included in our count of workers — even if that assignment remained active from January 2018 through June 2022. We estimate that at least an extra 1,100 assignments fall into this excluded group of records.

We grouped the 1,083 unique staff members by the team they were assigned to when each assignment record was created, similar to our analysis of turnover described in [Appendix C](#). Although information was consistently recorded for a staff member's role as "primary" versus "secondary" on a case, we found team-level data was not captured consistently. About 9% of the records did not include sufficient detail about a staff member's section or unit for us to categorize their assignment by team.

Meanwhile, we then determined the number and types of staff members assigned to each kinship care case. We also developed detailed statistics to describe the range of staff members per case and to show what might be representative of a kinship caregiver's experience with staff.

As shown in Table 4 on the next page, these measures included the maximum, minimum, average, median, and mode. By reviewing these measures, we determined a range of what might be typical in terms of number and type of workers assigned per case. This method varies from methods we used for earlier analyses where we provided the full distribution of the dataset in addition to an average. Because this analysis was a late addition to our work based on how the data request and reliability process played out, as discussed on [page 41](#), we relied on a quicker — although less detailed — approach.

While we ultimately decided the case assignments data added value to our understanding of a kinship caregiver's experience and the effects of worker turnover, we found some irregularities with the assignment

data. Because of our methodology and the data-quality issues for the team-level data, our results represent only the minimum possibilities and likely underrepresent the number and types of workers assigned to some cases.

As described previously, Denver uses specialized teams throughout the life of a case rather than a generalist model with a single caseworker responsible for multiple aspects of a case. As a result, Denver assigns more workers to a case than may be typical of other organizations that rely on a generalist model. For example, in Denver, a case may have multiple primary workers depending on its life cycle and need specific types of support throughout the case.

We found that the number of staff on each kinship care placement case ranged from one staff member to as many as 77.⁶⁶ On average, this represents 11.2 workers per case – with median and mode values of nine and eight workers per case, respectively.

About 35% of the staff assignments reflect a case’s primary staff member, while 65% reflect the various secondary staff members who provided extra support like helping with required visits, providing kinship support, providing clerical support, and helping with financial benefits. About 45% of assignments involved intake and ongoing caseworkers.

Table 4 shows the total number of case assignments and workers, as well as the descriptive statistics we calculated for these groups.

TABLE 4. Child welfare workers per case

This analysis covers only assignments from January 2018 through June 2022. Based on methodology and data quality, these figures should be considered the minimum number for these groups, as we excluded some workers from our analysis and others lacked sufficient detail to categorize.

Type	Case assignments	Unique workers	Maximum	Average	Median	Mode
All assignment records	15,584	1,083	77	11.2	9	8
Primary	5,442	725	18	5	5	5
Secondary	10,142	740	72	8.4	6	2
Intake and ongoing	7,011	508	21	4.6	4	3
Other support	3,023	364	38	3.8	2	1
Placement services: direct role	895	64	6	1.6	1	1
Placement services: other and support roles	3,287	91	34	3.8	3	1

Source: Auditor’s Office analysis of case assignment records from Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

⁶⁶ Although staff turnover may be one reason that some cases have high numbers of staff assigned to them, staff may be assigned to a case for the purposes of compliance, quality reviews, or supervision or for accounting or legal purposes. Staff assigned for internal administrative tasks may not ever interact with a caregiver. Also, because Denver Human Services re-uses case reference numbers when a family has multiple interactions with the child welfare system, these counts could represent staff assigned across more than one instance of involvement with the agency.

Intake and ongoing caseworkers as well as select placement services teams — including the certification, kinship support, and foster care support teams — are most likely to work directly with or be assigned a direct support role for kinship caregivers. This is the case regardless of whether the kinship caregiver is certified. As Table 4 showed, on average, 4.6 intake and ongoing caseworkers were assigned per case, with median and mode values of four and three workers per case, respectively. Using median, mode, and average values, the range of intake and ongoing caseworkers most typical in the dataset is between three and 4.6 workers per case.

The placement services teams with a direct role in kinship caregiver support average 1.6 workers per case with median and mode values of one worker per case. Using median, mode, and average values, the range of placement services workers with a direct caregiver support role most typical in the dataset is between one and 1.6 workers per case.

Our analysis supports that kinship caregivers are likely to interact with, at a minimum, between four and 6.2 different child welfare staff members between a case's primary caseworkers and any assigned support staff.

Analysis: Where children in kinship care and their caregivers are

Using the location information we pulled from the Trails data for the 1,631 children in kinship care and the 1,413 kinship caregivers in our analysis, we mapped four sets of locations to identify:

- Where children in kinship care lived when they entered the child welfare system.
- Where kinship caregivers' most recent locations were.
- Where certified kinship caregivers who received certification-related payments lived.
- Where kinship caregivers who reported needs in their needs assessments but were not paid through the certification program lived.

At least half to more than half of these individuals being served by Denver Human Services live outside the county.

Location information for the children's initial addresses was incomplete in many cases. We looked at two address types recorded for children: their address when a report of suspected abuse or neglect was initially made and their address at detention if the child was involved with the criminal justice system. These addresses would reflect a child's original residence when they first interacted with the child welfare system. Where a child's record had more than one of these addresses, we selected the most recent address, which was most likely to correspond with the circumstances that led to the child being placed in kinship care during the time frame we looked at.

We took the same approach when more than one location was listed for a kinship caregiver. Caregivers often move while a child's case is active, sometimes in response to taking in the child.

When zip codes were not available in the data, we used city and state fields to fill in as much information as possible but a number of records had no known location for the children's addresses, as shown in [Figure 16 on page 62](#). These gaps are likely the results of when this information was collected. Individuals who use the state hotline to report potential abuse or neglect may not have complete or accurate information about a child's whereabouts.

In contrast, location data for kinship caregivers was better, which is likely a reflection of when their information was collected.

CHILDREN'S INITIAL LOCATIONS AND KINSHIP CAREGIVER'S MOST RECENT LOCATIONS – Ideally, we would look at the individual circumstances of each case to determine how the location between a child's original home and

the most recent residence of their kinship caregiver compares. However, this level of analysis was not feasible given the format of Trails data and our audit deadlines. Additionally, considering the relationship with the caregiver is key, it may not always be in the best interest of a child to stay close to their original home.

Therefore, we looked broadly at trends for where the children and their caregivers were as a general gauge of coverage in the areas where children might commonly be removed from their home.

Figure 16 on the next page shows that within Denver County, areas of west Denver had the highest concentrations for where a child was when they first interacted with the child welfare system.

It also reflects the most recent addresses on file for their kinship caregivers – which were concentrated not only in areas of west Denver but also in northeastern Denver. The concentration of kinship caregivers was generally less in the northwestern and southeastern portions of the city compared to the child locations in these areas.

LOCATIONS FOR PAID, CERTIFIED KINSHIP CAREGIVERS AND UNPAID CAREGIVERS WITH REPORTED NEED – The concentration of certification-related payments generally aligns with the areas where caregivers reported need but did not receive these payments. However, as demonstrated in [Figure 17 on page 63](#), there is more concentration of reported need without payments in north to northwestern Denver and in southeastern Denver.

FIGURE 16. Locations for children placed in kinship care and their caregivers, by Denver zip code

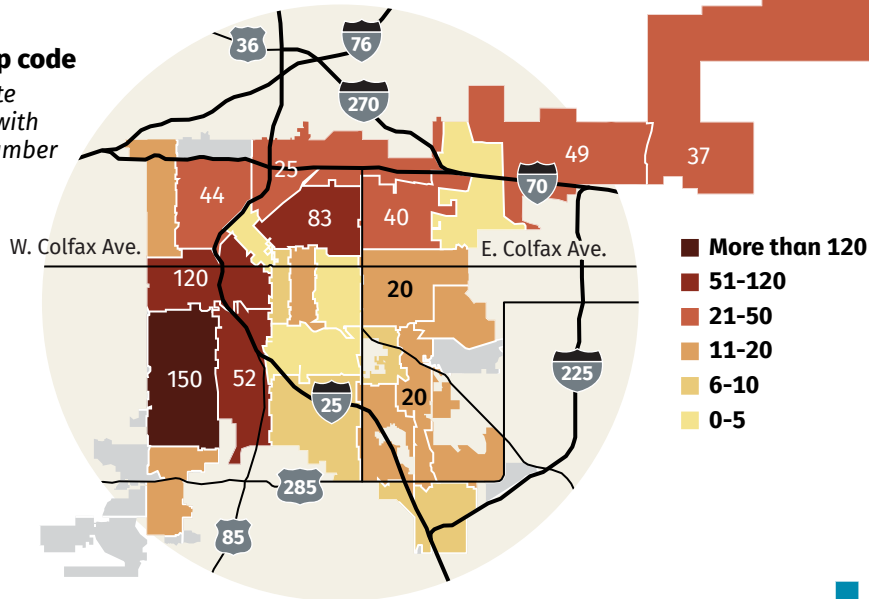
The child’s initial location shows the child’s original residence when they first interacted with the child welfare system. The locations for the kinship caregivers reflect their most recent address on file.

Number of child’s initial location



By Denver zip code

Figures indicate the zip codes with the highest number of children*

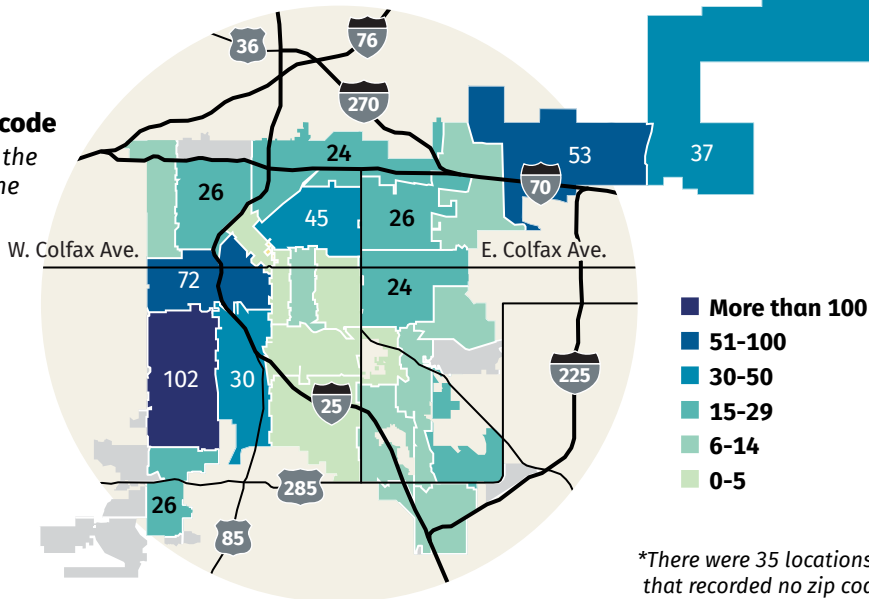


Location and number of caregivers



By Denver zip code

Figures indicate the zip codes with the highest number of caregivers



*There were 35 locations within Denver that recorded no zip code

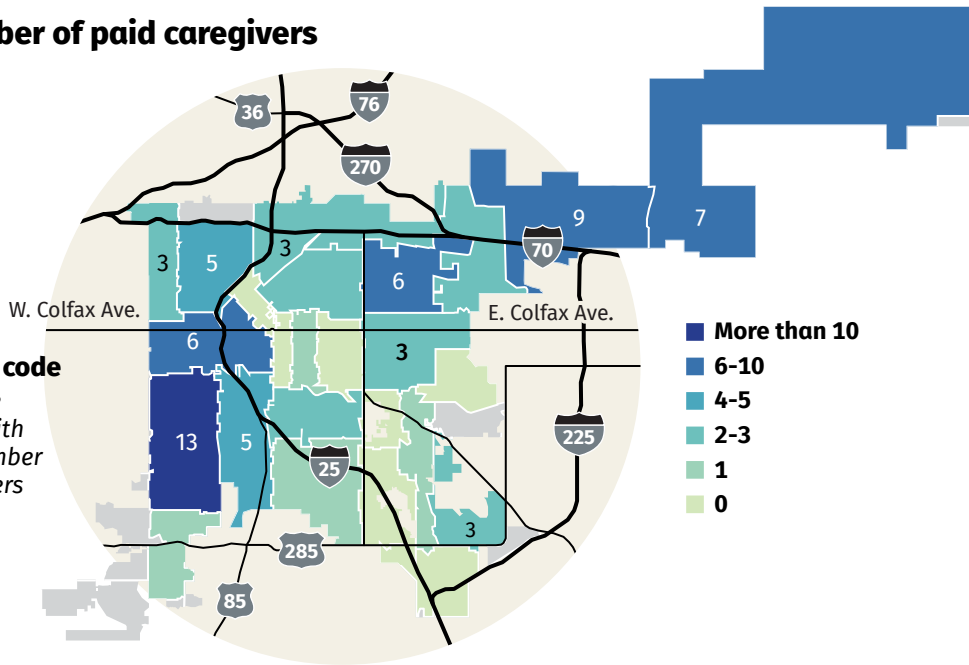
Source: Auditor’s Office analysis of children’s and kinship caregivers’ address records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

FIGURE 17. Paid, certified kinship caregiver locations and unpaid kinship caregivers reporting need

Location and number of paid caregivers

73 167 240
 At zip codes located primarily in Denver Outside Denver

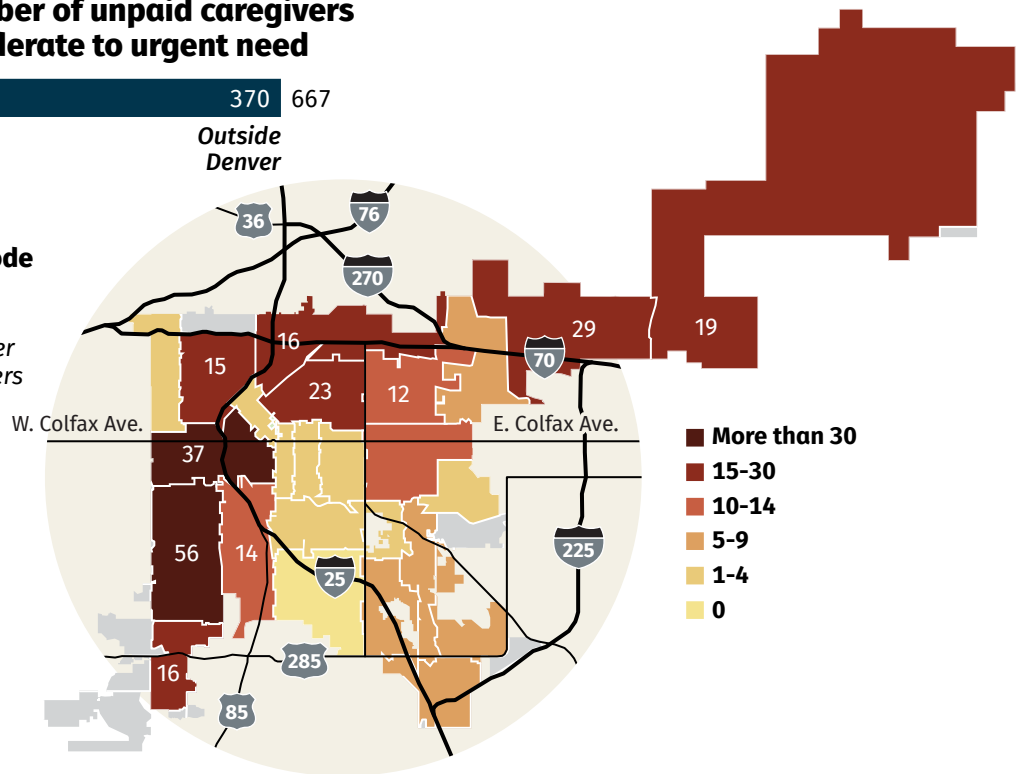
By Denver zip code
 Figures indicate the zip codes with the highest number of paid caregivers



Location and number of unpaid caregivers with reported moderate to urgent need

297 370 667
 At zip codes located primarily in Denver Outside Denver

By Denver zip code
 Figures indicate the zip codes with the highest number of unpaid caregivers in need



Source: Auditor's Office analysis of kinship caregivers' address records from the Trails system as of Sept. 14, 2022, and as provided by Denver Human Services.

Appendix C – Methodology for kinship caregiver outreach, caseworker and support staff survey, and turnover calculation

This appendix provides additional detail on how we reached out to kinship caregivers, surveyed selected child welfare staff, and calculated turnover rates for intake and ongoing caseworkers and placement services teams.

Kinship caregiver outreach

We attempted to hold two focus groups to gauge caregivers' experiences related to kinship care and the certification process. After no caregivers attended our two virtual opportunities, we created a questionnaire to send out to the caregivers who had expressed interest in attending the focus groups.

Using information from the Child Welfare Division's placement services group, we developed a stratified random sample of kinship caregivers to contact. To select the sample, we divided the known caregivers maintained in a placement services group internal tracking document into three groups of about 40 caregivers each: certified caregivers, uncertified caregivers, and caregivers for whom the information about their certification was not clear.⁶⁷ We used a random number generator to select the 40 caregivers from each of the three groups. Our ultimate sample had 117 caregivers.

We asked Denver Human Services for the caregivers' contact information and we wrote an introductory message that a placement services manager could use to tell the selected caregivers that we would be contacting them.

For those kinship caregivers who had a functioning email address on file, we emailed them information about our audit and our request for their participation in one of our focus groups. For those caregivers without functioning email addresses, we contacted 27 by phone to invite them to participate. For all caregivers we contacted, we recorded their preferences for day, time, and preferred method of meeting (in-person vs. virtual) for the focus groups. In all, 22 caregivers expressed interest in participating in our focus groups. However, none joined the two virtual focus group discussions we had scheduled.

Since our attempts to conduct the two focus groups were unsuccessful, we sent a survey of 21 questions by email to the 22 caregivers. We asked the caregivers to share their experiences with:

- Communication.
- The certification process.
- Their use of technology or online resources.

We also asked the caregivers to share any additional information about their experiences that the questionnaire may not have covered.

We received responses from five caregivers.

Caseworker and support staff survey

After interviewing several staff members in the Child Welfare Division, we developed a survey to gain more widespread input from staff we had not interviewed. To develop our questions, we reviewed existing surveys used by Denver Human Services as well as sample surveys provided in leading practices for child welfare staff

⁶⁷ We had to remove some of the caregivers we originally selected from each group because their names or identification numbers were missing.

engagement and job satisfaction.⁶⁸

We used a mix of true or false questions, multiple choice questions, statements for workers to agree or disagree with, and open-ended comment boxes. These focused on:

- General job satisfaction.
- Knowledge and opinions on the kinship placement process and general case management.
- Communication practices used by Denver Human Services officials, Child Welfare Division managers, and team-level supervisors, as well as communication among teams to coordinate case management.
- Caseload types and volume.
- The quality, content, and frequency of training.
- Workloads, resources, and challenges related to the kinship caregiver certification process.

We used reports from the city's system of record, Denver Human Services' organizational chart, and our staff interviews to develop a list of job titles and organizational teams who would receive the survey. We invited 162 caseworkers, operations assistants, and business operations administrators to participate.

This group included intake caseworkers and ongoing caseworkers, as we wanted to hear from any staff member who may interact with kinship caregivers. Intake caseworkers are primarily responsible for investigating reports of suspected abuse or neglect and assessing child safety, while ongoing caseworkers provide long-term support to biological parents and families. Both intake and ongoing caseworkers may make decisions regarding out-of-home placement for a child and they often interact with kinship caregivers during the placement process.

We distributed the survey by email using SurveyMonkey. We collected responses from Aug. 17, 2022, through Aug. 31, 2022. We received 75 responses for an overall response rate of about 46%. Not all 75 individuals responded to each question. We included all respondents in our analysis and noted those who skipped questions for each set of responses we analyzed.

The 46% overall response rate may be attributed to multiple factors including survey fatigue, workload burdens, and a lack of staff engagement within Denver Human Services. Child welfare officials cautioned us at the beginning of our audit that caseworkers were surveyed frequently and they may not respond to ours. Additionally, we noted that in the agency's own exit surveys with departing staff, staff members described high workloads that are difficult enough to manage without having to accommodate extra requests from managers or other parties.

Both our survey and these exit surveys included comments that revealed some workers feel there is no point in participating in surveys because they believe Denver Human Services managers will not listen or make any changes as a result.

Because of the 46% overall response rate and the partial responses to some questions, our survey results do not represent the entire population of placement services staff and intake and ongoing caseworkers we surveyed. However, the results do still identify and inform some concerns within the child welfare workforce.

The responses provided insight on job satisfaction, direct supervision, communication, training, the caregiver certification process, the fingerprinting process for background checks, and caseworker practices for setting

⁶⁸ The Annie E. Casey Foundation, "Five Steps to a Stronger Child Welfare Workforce: Hiring and Retaining the Right People on the Frontline" (2018), accessed May 25, 2022, <https://assets.aecf.org/m/resourcedoc/aecf-fivestepstostrongerchildwelfare-2018.pdf>; Brittany B. Kowalewski, "Staff Retention and Job Satisfaction in Child Protection" (The Libraries of St. Catherine University's SOPHIA research paper repository, 2015), accessed May 25, 2022, https://sophia.stkate.edu/cgi/viewcontent.cgi?article=1474&context=msw_papers.

expectations with caregivers about the certification process.

Turnover rates

While Denver Human Services reviews turnover on a quarterly basis for each of its divisions, we wanted to review turnover rates at a more detailed level for teams likely to be involved with kinship caregivers. In addition, we also wanted to know the potential impacts of the pandemic, its milestones, and associated government policy responses on workers' employment decisions.

Like our approach for the caseworker and support staff survey, we used the city's system of record to identify a list of organizational teams for the Child Welfare Division. We compared the list to the agency's organizational chart as well as information we learned in staff interviews to create preliminary categories.

We worked with Child Welfare managers to further align these teams and categories with our understanding of team functions. We grouped the organizational units into the following categories for analysis:

- **CASE-CARRYING STAFF** – which included primary intake and ongoing caseworkers and specialized ongoing teams.
- **PLACEMENT SERVICES STAFF** – which included:
 - Kinship support and foster care support caseworker teams who work with caregivers.
 - Other caseworkers and support staff dealing with adoption cases and operations.
 - Placement services support teams, like certification, training, and recruitment; family search and engagement; placement navigators; and the team that conducts background checks.
- **OTHER CHILD WELFARE SUPPORT** – which included an array of other child welfare positions, including outside support staff who are partially funded through the child welfare program, other support teams for primary caseworkers, and members of management.⁶⁹ Because staff in this category are less likely to interact with kinship caregivers, we did not include them in our presentation of turnover patterns in [Figure 4 on page 20](#).

PANDEMIC MILESTONES – We reviewed COVID-19 pandemic timelines on the Centers for Disease Control and Prevention's website as well as emails and announcements to City and County of Denver employees.⁷⁰ Using these sources, we established the following dates as relevant milestones to compare trends, as these events and policy deadlines may have affected employees' decision-making regarding employment.

- **MARCH 15, 2020** – States begin to announce stay-at-home orders.
- **MAY 31, 2021** – The national vaccine rollout – announced on March 11, 2021 – required states to make anyone 18 and older eligible for a vaccine by May 1, 2021. We allowed for some lag time for the majority of the workforce who would have been interested in getting the vaccine voluntarily to complete the initial vaccination series. Considering the recommended timing of three to four weeks between shots for the two-shot vaccines, we extended this phase by four weeks from the May 1 deadline.

⁶⁹ We also used "other child welfare support" as a catch-all when division management was unsure of how a unit had been used historically.

⁷⁰ "COVID-19 Timeline," David J. Sencer CDC Museum webpage, Centers for Disease Control and Prevention, accessed Aug. 16, 2022, <https://www.cdc.gov/museum/timeline/covid19.html>.

- **SEPT. 30, 2021** – All City and County of Denver employees needed to be vaccinated by this date, as the city discussed bringing staff back in the office.
- **NOVEMBER 2021** – The omicron variant of the coronavirus sparks concern among scientists, leading to calls for the public to receive a booster shot after being fully vaccinated.
- **MARCH 7, 2022** – The city announced all employees would resume working in the office through a phased approach, beginning with at least two days per week starting April 4, 2022.

TURNOVER AND EXCLUSIONS – We worked with staff from Denver’s Office of Human Resources to understand the reports they typically use to evaluate turnover and how we could modify those reports for our audit analysis.

We used quarterly snapshots of staffing counts from the city’s system of record taken on the first and last day of each quarter from Jan. 1, 2018, through June 30, 2022. We then used these to create an average quarterly count for our different categories of employees.

We also pulled transaction data for each quarter on Denver Human Services employees who left their jobs, both voluntary and involuntary, as well as on employee transfers within Denver Human Services and to other city agencies.

To calculate the rate of turnover, we divided the number of quarterly transactions by the average quarterly number of staff. We calculated rates for:

- **EXTERNAL TURNOVER** – when an employee left the agency, including transferring to another job at another city agency.
- **INTERNAL TURNOVER** – when an employee changed jobs within Denver Human Services.

Reviewing both external and internal turnover rates provided us a better understanding of potential knowledge gaps created by employee movements. Also, we chose to review quarterly turnover rates because this more frequent snapshot of turnover happening throughout a given year provides us with more understanding of how turnover could impact each case and caregiver.

In addition to calculating rates for the Child Welfare Division in general and the categories of teams we created, we also looked at different employee types.

The city’s Career Service Rules allow for “unlimited,” “limited,” and on-call positions. Unlimited positions have no specific end date, while limited positions do — usually as the result of special funding, seasonal needs, or program continuity for recruitment. On-call positions are reserved for staff who work only as needed.⁷¹

Because Denver Human Services relies on some limited and on-call positions that are intended to be short-term, we included only unlimited employees in our analysis. Those unlimited employees who left the agency mostly involved either the employee’s or the agency’s choice rather than factors outside either’s control.

The results we discuss on [pages 18-23](#) do not represent our entire analysis or calculations. We present only those rates most relevant to the staff members and caregivers associated with kinship support and the kinship caregiver certification process. Additionally, turnover within individual teams that make up the categories we used for this analysis is not captured in [Figure 4 on page 20](#). As a result, these results may not represent turnover at all levels that could impact the daily workload of individual caseworkers.

⁷¹ City and County of Denver, Career Service Rules, “Rule 5 – Appointments and Status” (last revised August 2021), accessed June 9, 2022, https://www.denvergov.org/files/assets/public/human-resource-center/documents/careerservicerules/cs_rules_complete.pdf, § 5-20.

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