



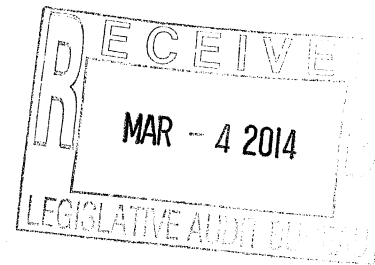
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Governor Scott Walker
Secretary Eloise Anderson

Secretary's Office

March 4, 2014

Honorable Robert Cowles, Senate Co-Chair
Joint Committee on Audit
Room 118 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882



Honorable Samantha Kerkman, Assembly Co-Chair
Joint Committee on Audit
Room 315 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952

Dear Senator Cowles and Representative Kerkman:

In Audit Report 13-15 Child Placing Agencies, one of the recommendations was for the Department of Children and Families (DCF) to report to the Joint Legislative Audit Committee by March 4, 2014 on plans to seek additional federal funds for foster care expenditures made by Wraparound Milwaukee (WAM).

The Department concurs with and is proceeding with implementation of this recommendation. Claiming federal Title IV-E funding for placement costs associated with otherwise eligible and reimbursable children in placement who are enrolled in the WAM program requires changes in the Department's contract with the WAM program, eWiSACWIS data system, BMCW data entry practices for children enrolled in the WAM program, and financial payment and audit processes and responsibilities. Plans to accommodate the above changes and the corresponding timeline for completion of planned changes are as follows:

1. Amend the Department's contract between the BMCW and WAM By April 30, 2014
2. Finalize and implement necessary eWiSACWIS updates By May 1, 2014
3. Finalize and implement necessary financial and payment processes By June 1, 2014
4. Begin federal Title IV-E claiming and By July 1, 2014
5. Implement WAM placement payment and claiming audit procedures Beginning July 2014

In addition to the above plan, I am providing you an update on the progress the Department has made in addressing some of the other recommendations in the audit.

The Honorable Robert Cowles
The Honorable Samantha Kerkman
March 4, 2014

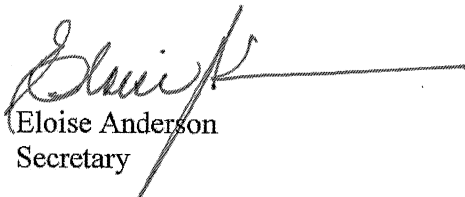
Refine DCF-related policy and practice provided to child welfare agencies. As recommended, to conform to statutory requirements, DCF issued a licensing memo (attached) to require child placing agencies to submit applications for continuation at least 30 days prior to the continuation date. Also we are seeking a revision to the applicable administrative rule, Ch. DCF 54, which recently passed the assembly in AB 677.

In addition, the Department has initiated a comprehensive revision of the Allowable Cost Manual. In addition to considering the recommendations in the report, the revision is also reviewing the Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards recently published Office of Management and Budget replacing previous OMB Circulars.

Review financial practices of specific child placing agencies audited by LAB staff. DCF Fiscal Integrity and Audit Section reviewed all of the questioned costs identified in the ChildPlacing Agencies report. Two agencies have repaid the unallowed costs identified. The Department is working with the other three agencies on a resolution to the issues identified in the report.

As indicated above, the Department is making steady progress in addressing the issues identified in the audit report.

Sincerely,



Eloise Anderson
Secretary

Copy: Joe Chrisman, State Auditor
Ron Hunt, DCF Deputy Secretary
Fred Bove, DCF Division of Safety and Permanence Administrator



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Governor Scott Walker
Secretary Eloise Anderson

Division of Safety and Permanence

February 13, 2014

Child Welfare Licensing Memo Series 2014 - 02

To: Child Placing Agencies

From: Ron Hermes 
Bureau Director

RE: Continuation Application Due Dates

The purpose of this memo is to clarify the time frame for a licensed Child Placing Agency to submit to the Department its license continuation application.

Under current state statute 48.67(5), in order to continue a child welfare agency license for an additional two years, a child welfare agency must submit an application for continuance of its license to the Department at least 30 days prior to the continuation date of the license. However, the Child Placing Agency administrative rule, DCF 54, requires a continuation application by a child welfare agency to be submitted to DCF at least three weeks prior to the expiration of the license.

This memo is to notify all Child Placing Agencies that state statute 48.67(5) takes precedence over DCF 54. Therefore, all Child Placing Agency continuation applications are required 30 days prior to the continuation date of the license.

Questions regarding this policy can be directed to your licensing specialist.

CHILD WELFARE LICENSING SECTION CONTACT: Mary Morse
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(262) 548-8694
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MEMO WEB SITE: <http://dcf.wisconsin.gov/memos>