

Chapter 4

Section 4.04

Ministry of Children and Youth Services

Child and Youth Mental Health Agencies

Follow-up on VFM Section 3.04, *2008 Annual Report*

Background

The Child and Youth Mental Health program of the Ministry of Children and Youth Services (Ministry) provides transfer-payment funding to about 440 agencies that provide a broad range of services and supports to children and youth up to the age of 18 who have mental-health needs. In the 2009/10 fiscal year, expenditures under this program were approximately \$522 million (\$502 million in 2007/08), of which \$444 million or 85% (\$434 million or 86% in 2007/08) was paid to the agencies, with the balance spent on ministry initiatives and the operation of two of its own treatment facilities. The 40 largest agencies received about half of the total transfer payments.

Our 2008 value-for-money audit focused on four specific agencies providing these services, as opposed to our previous audit in 2003, which focused on the Ministry's administration of this program. This was made possible by the expansion of the mandate of the Office of the Auditor General, effective April 1, 2005, to include value-for-money audits of organizations in the broader public sector receiving transfer payments. This was our first such audit of the agencies delivering this program.

The four agencies visited were Associated Youth Services of Peel; Hincks-Dellcrest Treatment Centre

in Toronto; Kinark Child and Family Services, which serves the York and Durham regions and Simcoe, Peterborough, and Northumberland counties, and which also operates a secure-treatment facility in Oakville that accepts referrals of youth from across Ontario; and the Youth Services Bureau of Ottawa.

Typical services and supports provided under the Child and Youth Mental Health program include intake and assessment; group, individual, and family counselling; residential or day treatment programs; and crisis intervention. The majority of the expenditure is for programs and services that are delivered in a non-residential setting. Because this program is not mandated in legislation, services can be provided only up to the system's existing capacity, which is determined largely by the amount and allocation of ministry funding rather than by need.

Our audit noted that, over the years, the agencies have operated with considerable autonomy, partly because there has been little ministry direction as to what kinds and levels of services should be provided. This situation has resulted in a patchwork of services for children with mental-health needs, both in local communities and across the province. In our *2008 Annual Report*, several of our specific audit observations were similar to those identified during the ministry audit in 2003. We noted that agencies needed to:

- jointly improve their assessment and referral procedures across the province to prevent situations where:
 - a parent has a child with a mental-health issue and does not know where to call to get help or may have to make many calls to different agencies to try to determine what services are available, what services would best serve the child's needs, and what process to follow to get that service for the child; and
 - a child with less severe or less urgent needs is being treated in one region of the province while no services are available in another region for a child with more severe or more urgent needs.
- develop reasonable case-management standards for the provision of a broad range of non-residential services, and implement an internal quality assessment or peer review process to assess whether those standards are being adhered to; and
- capture and report more meaningful information with regard to the number and type of services rendered for funds received, and the outcomes achieved with these funds.

In addition, the agencies advised us that, since there had been few or no annual funding increases for their core programs—including their administrative activities—over the previous 10 years, they had had considerable difficulty in maintaining their core services. However, funding constraints notwithstanding, agencies needed to be more vigilant to ensure that they receive, and can demonstrate that they received, value for money spent. In this regard, we made several recommendations, including that agencies should:

- establish and/or adhere to competitive purchasing practices and ensure that all paid invoices contain sufficiently detailed information to establish the reasonableness of the amounts billed and are appropriately approved before payment;

- acquire vehicles for staff use only when it is economical to do so, and strengthen the controls over reimbursements to staff for use of personal vehicles for work; and
- establish reasonable workload benchmarks that would enable all providers to compare their overall staffing levels.

We made a number of recommendations for improvement and received commitments from the four agencies that they would take action to address our concerns. As well, the Standing Committee on Public Accounts held a hearing on this audit in April 2009.

Status of Recommendations

Information we obtained from the four agencies and discussions we held with their senior management indicate that the agencies have made good progress in implementing many of our recommendations, but they still need to do more to fully address all areas satisfactorily. As well, because implementing some recommendations would require that they co-ordinate their efforts with other child and youth mental-health agencies in their area and, in some cases, with the Ministry, full implementation of all recommendations will take more time. At the time of our follow-up, the status of action taken on each of our recommendations was as follows.

SERVICE DELIVERY

Access to Services

Recommendation 1

To help ensure that the most appropriate services are provided to those individuals most in need, agencies should work closely with all service providers in their area to ensure that the intent of the policy frameworks of the Ministry of Children and Youth Services are adhered to. Therefore, there should be:

- *a single point of access or a collaborative placement process for all available residential services and support;*
- *fewer access points or more collaborative efforts to assess and prioritize individuals' needs and refer them to the most appropriate non-residential services and support available;*
- *documentation to support the reasons for a particular placement; and*
- *research into best practices for ensuring that a community's schools have the knowledge to be proactive partners in helping children in need.*

Status

With respect to residential services and supports, at the time of our follow-up, all four agencies informed us that they either had established or were in the process of piloting a single point of access or had a collaborative placement process in place.

With respect to non-residential services and supports, the agencies had established co-ordinated access for all or some of their programs and were exploring additional collaborative efforts with other agencies in their area as opportunities arose. However, more needs to be done to reduce access points and ensure that there is a collaborative placement process for access to all non-residential programs.

The agencies have made some progress with respect to documenting the reasons for a particular placement. The Brief Child and Family Phone Interview intake tool used by the agencies provides an objective assessment of the nature and severity of individual cases. This information also assists in triage and the placement of the individual in the best evidence-based program available. However, more effort is still required to ensure that the link between an individual's assessment and his or her placement for services is clearly documented.

At the time of our follow-up, the agencies advised us that they were involved in researching best practices to help schools in their community become proactive partners in helping children in need. Three of the agencies were participating in the Student Support Leadership initiative, a collab-

orative effort between the Ministries of Education, Children and Youth Services, and Health and Long-Term Care to support the healthy development of Ontario's children and youth and promote positive student behaviour.

Waiting Lists

Recommendation 2

In order to have better information about unmet service needs and ensure that those most in need are provided with service first, agencies should:

- *maintain more comprehensive, consistent, and meaningful waiting-list information by individual from the time a person is referred to the agency to the time he or she is provided with service; and*
- *work with the Ministry of Children and Youth Services to ensure that the Ministry receives accurate waiting-list information from data collected through the Brief Child and Family Phone Interview or other such processes on a timely and consistent basis to help it better monitor and assess unmet service needs.*

Status

The agencies advised us that they have improved the consistency and meaningfulness of waiting-list information by, for example, tracking overall wait times for individuals, including date of referral, admission, and discharge. They indicated that management's analysis of this information has led to initiatives, such as "pre-service" programming and more immediate referrals to community group programs, aimed at reducing wait times and facilitating more efficient and effective use of services. Other best practices now include regularly reporting detailed waiting-list information to a committee of the agency's board of directors for a discussion of strategies to reduce wait times.

The agencies also advised us that they have improved the usefulness of the Brief Child and Family Phone Interview data by reviewing it for completeness and accuracy before submitting it to the Ministry.

Case Management

Recommendation 3

To help ensure that every person receives the quality services that he or she needs, all agencies, in consultation with the Ministry of Children and Youth Services, should:

- develop case management standards for their non-residential programs; and
- develop a periodic internal quality-assessment or peer-review process to help ensure that case management standards are being met.

Status

At the time of our follow-up, the agencies had in place, or were in the process of finalizing, case management standards for their non-residential programs. Children's Mental Health Ontario (CMHO) provided revised guidelines for the development of these standards to each agency for their consideration in the 2008/09 fiscal year and beyond.

All the agencies have also developed internal quality-assessment processes that they use or plan on using on a regular basis to assess whether case management standards are being adhered to. These processes include such things as case file reviews and the analysis of program-specific data. In addition, the CMHO's quadrennial accreditation process includes both a review of the agencies' own quality-assessment processes and an external peer review that, among other things, requires agencies to have an ongoing program of quality improvement with respect to the services delivered.

Evidence-based Service Delivery

Recommendation 4

In order to help demonstrate that children and youth with mental-health needs have been helped as much as possible by the services they receive, agencies, in consultation with the Ministry of Children and Youth Services, should:

- continue the move to deliver proven programs using evidence-based practices to make the best use of available child and youth mental-health funding;

- report more meaningful and consistent information about the quantity of services they provide; and
- establish more detailed or meaningful qualitative benchmarks, by individual and by type of program, to which the actual results achieved can be compared.

Status

According to the agencies, developing evidence-based practices is a priority for them, and some good initiatives have been undertaken in this regard. For example, most agencies have successfully implemented a number of new evidence-based programs, such as cognitive behavioural therapy, and participate in research and training in the area of evidence-based practices. We also understand that, with its new mandate effective April 1, 2010, the Provincial Centre of Excellence for Child and Youth Mental Health is to focus exclusively on the development and distribution of evidence-based practices, which is expected to assist agencies with their work in this area.

The metrics for reporting quantitative service data to the Ministry have not changed. Nevertheless, the agencies advised us that they are maintaining and assessing more detailed information about the quantity of services they provide.

Although some evidence-based programs have built-in benchmarks, only one agency is actively working toward establishing benchmarks for its other programs. Therefore, more work needs to be done to establish detailed and meaningful qualitative benchmarks for all individual and program outcomes. The agencies indicated that they would benefit from the Ministry's support to accomplish the development of these benchmarks.

AGENCY MANAGEMENT AND CONTROL

Purchasing Policies and Procedures

Recommendation 5

To help ensure that expenditures are reasonable and represent value for money spent while promoting fair

dealing with vendors, agencies, in consultation with the Ministry of Children and Youth Services, should:

- establish requirements for a competitive process for major purchases of goods and services; and
- establish clear policies, approved by each agency's governing board, for the circumstances and amounts in which certain types of discretionary expenditures, such as meals, hospitality, client and staff functions and gifts, and appreciation awards, will be paid.

Status

At the time of our follow-up, all the agencies had established policies requiring the competitive acquisition of goods and services and policies for the circumstances and amounts in which discretionary expenditures will be paid. These policies are consistent with the Ministry's best-practice guidelines issued to Ministry-funded service providers in October 2008.

In addition, most of the agencies have recently participated in training sessions conducted by the Ministry of Finance on its new Supply Chain Guideline, which is a tool to assist organizations to improve procurement and supply chain management. As well, in July 2010, the Ministry of Children and Youth Services notified the agencies that they are now able to access the province's vendor-of-record database, which allows them to take advantage of contracts that the government has negotiated with select vendors. This will enable them to acquire certain goods and services at fixed rates.

Acquisition of Professional Services

Recommendation 6

In order to help ensure that they receive value for money spent for professional services and promote fair dealing with vendors, agencies should:

- document the basis on which professional individuals or firms were selected and the way in which the reasonableness of the amounts to be paid was determined;

- for major contracts, enter into formal written agreements detailing the basis under which services are to be provided and paid for and periodically evaluate the results achieved; and
- ensure that invoices contain enough detail that the reasonableness of the amounts billed and paid can be assessed.

Status

The agencies advised us that, with the establishment of requirements for the competitive acquisition of goods and services, some progress has been made in documenting the basis on which professional individuals or firms were selected, the way in which the reasonableness of the amounts to be paid was determined, and the terms of formal written agreements. Progress has also been made in requiring that service providers submit invoices that are sufficiently detailed for the agencies to be able to assess the reasonableness of the amounts billed. However, for professional services the agencies still need to assess and document how satisfied they were with the services provided so that this information can be taken into consideration in awarding future work.

General Expenditures and Use of Agency Credit Cards

Recommendation 7

In order to help ensure that all payments made are reasonable in the circumstances and can be demonstrated to be so, agencies should:

- formally delegate to specific persons the authority to initiate and approve purchases and to authorize payments, and emphasize to those persons the need to be vigilant in order to obtain value for money spent;
- obtain and keep receipts and invoices that are detailed enough to establish the reasonableness of all the amounts billed and paid; and
- review and approve credit-card statements more promptly.

Status

The agencies have made substantial progress in implementing this recommendation. They have formally delegated responsibility for initiating and approving purchases and authorizing payments to specific individuals. They also indicated to us that they have been more diligent in obtaining, scrutinizing, and keeping receipts and invoices for expenditures and are striving to review and approve credit-card statements more promptly.

Use of Agency Vehicles and Reimbursement for Use of Personal Vehicles

Recommendation 8

In order to help ensure that all of their transportation requirements are acquired economically, agencies should:

- *ensure that the number of vehicles they own or lease is justified by an assessment of their transportation needs;*
- *periodically review and assess for reasonableness the usage information for owned or leased vehicles; and*
- *ensure that claims for the use of personal vehicles for business purposes contain sufficiently detailed information for reviewers to confirm the reasonableness of the amounts claimed and paid.*

Status

The agencies have assessed their transportation requirements to ensure that the number of owned or leased vehicles is justified. The agency that had significantly more owned and leased vehicles than the other agencies at the time of our 2008 audit advised us that it has given notice to its staff that it will no longer provide vehicles to individuals for their exclusive use and that this will significantly reduce the number of vehicles leased by the 2012 calendar year. The agencies that own or lease vehicles also advised us that they now regularly review and assess vehicle-usage information for

reasonableness. The agencies have also revised their travel claim forms for the use of a personal vehicle to capture more consistently the detailed information necessary to assess the reasonableness of the amounts claimed.

Ministry Transfer of Funds and Funds Held in Trust

Recommendation 9

When agencies act as a conduit for transferring funds from the Ministry of Children and Youth Services to third parties, they should consult with the Ministry to clarify their responsibilities. In particular, this clarification should specify:

- *who is responsible for assessing the reasonableness of the amounts transferred to third parties and ensuring that the funds are actually used for their intended purpose; and*
- *who is responsible for the results that are expected to be achieved with those funds.*

Status

We were advised that the frequency and amounts of such third-party transfers have significantly decreased since the time of our audit. However, the agencies advised us that, when such transfers occur, they will inform the Ministry that it is responsible for assessing the reasonableness of the amounts transferred, evaluating the results achieved, and ensuring that the funds are used for their intended purpose.

Agency-board Governance and Accountability

Recommendation 10

Agencies should continually assess their options for strengthening board governance and accountability structures. For example, agency membership could be extended to include children's advocates or individuals representing the interests of service recipients, as is done by some Children's Aid Societies.

Status

At the time of our follow-up, the agencies were reviewing their board governance structures, including membership, terms of reference, and their use of committees. They were also reviewing how best to orient new board members.

The government's Transfer Payment Accountability Directive provides for a broad range of accountability measures, including board governance. Board members are now signing off on the specified requirements of the Directive on an annual basis, and they have the option to attend training sessions on the Directive's specific requirements.

Human Resource Management**Recommendation 11**

Agencies should establish reasonable staff-to-client or other workload benchmarks as guidance for supervisory staff and to support overall staffing levels. They should also have supervisors perform spot checks of personnel files to help ensure that hiring requirements such as background checks and other human-resource-management requirements are followed.

Status

At the time of our follow-up, only one of the agencies had established any staff-to-client or other workload benchmarks to assist supervisors or to support overall staffing levels. In general, the agencies noted difficulties in establishing these benchmarks because of the lack of relevant information available for child and youth mental-health services and because of the variability of programs and client needs. They also advised us that they do not have the resources to undertake this task and that they require ministry support for the development of workload benchmarks.

We were also advised that the agencies have implemented processes to ensure that hiring requirements are strictly followed. Examples of such processes included the development of a

documentation checklist for new hires and periodic audits of the completeness of human resource files.

Capital Assets**Recommendation 12**

All agencies should ensure that the acquisition and retention of their capital assets is warranted and that they are properly safeguarded and accounted for.

Status

The agency that had an empty building at the time of our audit in 2008 has established a property/real estate advisory committee to review and assess the use of all of its facilities and provide advice on how to ensure that its real properties are best used to serve children and their families. Although some progress has been made to update their listings of capital assets, the agencies need to make more effort to properly safeguard these physical assets by, for example, ensuring that items such as computers are tagged and their location periodically verified.

Computerized Information Systems**Recommendation 13**

All agencies should strengthen their controls over their computerized information systems, especially with respect to security of confidential client data. Collaboration between agencies could be a more cost-effective approach to doing so as opposed to each agency developing and maintaining its own system.

Status

The agencies have reviewed and, where applicable, revised their information system policies to ensure that they include the protection of client information and the safeguarding of equipment. They indicated that controls over their computerized information systems have been strengthened by improving password requirements and upgrading security protocols with outside service providers to better protect confidential client data. They also indicated that they more frequently back up data and transfer it off-site.

The agencies told us that they collaborate with other agencies on information systems and programs to the degree possible given their current resources. For example, one agency provided its client information system and support to other agencies for a nominal annual amount. The agencies indicated that they require additional support from the Ministry if they are to expand on these efforts.