



## KHCAS Annual Business and Service Plan: 2018/19

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## KHCAS OVERVIEW:

The Kawartha-Haliburton Children's Aid Society (KHCAS) is a child protection agency mandated under the newly enacted *Child, Youth and Family Services Act, 2018* in Ontario. KHCAS has the responsibility to protect children from harm or the risk of harm due to neglect and physical, sexual or emotional abuse.

Children's Aid Societies (CASs) across the province of Ontario [also known as Family and Children's Services (F&CS)], are independent agencies working in local communities to provide help and support to children and their families. Established under the authority of The Child, Youth and Family Services Act, children's aid societies are non-profit corporations governed by a volunteer Board of Directors who are elected from within the community. Board members have a specific interest in the welfare of children and offer individual competencies to assist in the governance of the agency. Programs and services are developed in response to the needs of children and families in the local community.

The field of child welfare is focused on improving the health, well-being, education and safety of children and youth. Children's aid societies work with service partners and the community to ensure the safety, well-being and stability of children and youth. KHCAS works with many community partners within the jurisdiction such as hospitals, education, developmental services, mental health services, social services, and police services to name a few, and work together to prevent abuse and neglect, provide opportunities for early help, improve child safety, maintain children's health and wellness and support and strengthen families to better care for children.

In August 2013, the Society embarked upon a planning process to provide a high-level road map for the organization to help the Society to identify priorities and underlying principles that guide ongoing transformation of the Society to be flexible to changing needs at both the community and provincial level while at the same time providing sustainable service delivery.

### **Mission:**

Engaging families and the community to protect children, youth and young adults.

### **Vision:**

Families and communities that thrive.

**Values:**

- Child Centered – Family Focused – while our primary focus is in the child, we believe in the integrity of the family and an approach to service that builds on strengths. We advocate for stable relationships through extended family involvement and community supports.
- Community Engagement – we commit to aligning with partners in support of community priorities and initiatives that lead to good outcomes for families and children.
- Respect – is the foundation of our work and is demonstrated through the integrity of our actions and earned by being responsive, transparent and accountable.
- Culture of Learning – creativity and innovation are important elements that lead to continuous improvement and quality outcomes.
- Diversity – we embrace a diverse organization that is responsive, inclusive and respectful of all people.

**Strategic Directions:**

- Strengthening Communities
- Evidence Informed Services
- Workplace of Choice
- Operational Excellence

## ENVIRONMENTAL CONTEXT:

In the development of this business plan, the Society considered many factors that may impact and influence the execution and ability to attain the objectives set out therein. As such, an environmental scan was undertaken in the development of this plan to provide the Board and Senior Leadership with the context and path forward, including funding considerations.

### **External:**

#### *Political Environment:*

Public confidence with the child welfare sector continues to erode. Over the past several years, the sector has been put under the microscope with various reviews and inquests that have garnered much attention from the media. The Kaitlyn Sampson and Jeffrey Baldwin Inquests, Auditor General of Ontario Report, Motherisk Commission, Residential Review, consumer group activity and media reports have led to the demand for more sector transparency and call for child welfare reform. In 2016, the Human Rights Commission requested race-related data, and the Provincial Advocate for Children and Youth (PACY) now has oversight of the child welfare sector. The political environment has resulted in the need for the sector to be more accountable to the province and local communities. Historically, the sector was accountable through the Child and Family Services, its regulations, standards and directives, Crown Ward Reviews, Foster Care Licensing and Broader Public Sector Directives. Since 2014, the sector has increasing demands placed on it for public reporting including: reporting of performance indicators and the creation of accountability agreements between the Boards and Ministry which require balanced budgets and service plans, along with enhanced board monitoring. In late 2015, additional measures were put in place by the Ministry requiring CASs to have board-approved Quality Improvement Plans (QIPs) focused on ensuring compliance to standards and regulations, new public reporting requirements for business documents and travel expenses of the Executive Director, Senior Leadership positions and the Board and Ministry risk assessments. The Ministry also completed a review of the Child Protection Standards which rolled out in June 2016, along with a new eligibility spectrum.

The Progressive Conservative party was elected as the new Ontario government in June 2018. Shortly following, the Ministry of Children and Youth Services who had oversight for child welfare, was amalgamated with other Ministries to form the new Ministry of Children, Community and Social Services (MCCS). The Society continues to monitor closely the development of policy priorities of the new Ministry and Government to ensure planning and fiscal resources align accordingly.

Legislation:

In June 2017, the Ontario government passed the *Child, Youth and Family Services Act (CYFSA)*. While most of the CYFSA was proclaimed on April 30, 2018, the extension of services to age 18 was implemented January 1, 2018. Proclamation of Part X of the Act, regarding Privacy and Information, has been deferred to January 1, 2020. The CYFSA followed an extensive review of the previous legislation with significant consultation, puts children at the center of decision-making, and supports more accountable, responsive and accessible child and youth services. It also strengthens oversight for children's aid societies and licensed residential care, including:

- Raising the age of protection from 16 to 18 to increase protection services for more vulnerable youth in unsafe living conditions, to support their education and to reduce homelessness and human trafficking;
- Strengthening the focus on early intervention, helping prevent children and families from reaching crisis situations at home;
- Making services more culturally appropriate for all children and youth in the child welfare system, including Indigenous and Black children and youth, to help ensure they receive the best possible support;
- Improving oversight of service providers, including children's aid societies, so that children and youth receive consistent, high-quality services across Ontario;
- Privacy and disclosure of information requirements; and
- Ministry-appointed Board members.

Chief Coroner's Report: "Safe With Intervention: Report of the Expert Panel on the Deaths of Children and Youth in Residential Placements":

On September 25, 2018, the Chief Coroner Ontario released an Expert Panel Report on the deaths of children and youth in residential placements. Twelve young people who were in the care of children's aid societies or Indigenous child well-being agencies died between January 1, 2014 and July 31, 2017. Numerous recommendations were made directed towards children's aid societies, the Ministries of Children, Community and Society Services, education, health and long-term care and Indigenous Affairs.

The child welfare sector is a primary consumer of both publicly and privately operated residential services in Ontario. The Report will be significantly vetted by various sector-endorsed working groups and is expected to be the source of policy changes over the coming year.

Reconciliation and Acknowledgement:

The history and impact of child welfare policy and practices on Indigenous peoples has created a divide and mistrust that is deeply ingrained and threads through multiple generations. With targeted practices related to Colonization and the passing of laws, including the *British North America Act* and the *Indian Act*, Indigenous peoples have been marginalized, segregated and left dependent on the government and its institutions.

Child welfare agencies in Ontario, including KHCAS, are deeply concerned at the over-representation of Indigenous children in care and the critical feedback from Indigenous communities about the negative impact that the current system has on Indigenous children, families and communities.

The Ontario Association of Children's Aid Societies (OACAS) and child welfare agencies across Ontario have worked to evolve a number of priorities in support of Indigenous child welfare and improving services to Indigenous families while trying to mitigate the over-representation of Indigenous children on current caseloads. Some of these activities have included:

- Development of a Reconciliation Framework from OACAS intended to guide agencies to rebuild relationships and support restoration through enhanced advocacy in partnership with local First Nation communities that compels the Ministry to devolve services.
- Think Tank process of consultation with representative EDs, OACAS and leadership from Indigenous service providers, communities and political bodies.
- Executive Leadership Section cultural awareness engagements.
- Executive Leadership beginning to mark milestones in the journey through Acknowledgement and Apology engagements.

In July 2017, the Ontario child welfare sector unanimously agreed to prioritize Reconciliation with Indigenous communities through eight key commitments. Each children's aid society, including KHCAS, has committed to:

- Reduce the number of Indigenous children in care;
- Reduce the number of legal files;
- Increase the use of formal customary care agreements (leaving the care of the child with the Indigenous community);
- Track and report the number of Indigenous local Board members;
- Implement mandatory Indigenous training for their staff;

- Change their inter-agency protocol to include Jordan's Principle as a fundamental principle (a child-first principle aimed at ensuring that services to First Nations children are not denied, delayed or disrupted due to jurisdictional disputes);
- In consultation with the Indigenous communities they serve, develop a unique agency-based plan to further address the needs of those communities; and
- Continue to develop relationships between their agency and the Indigenous communities they serve.

The Board of Directors approved the Indigenous Strategy as a component of the Strategic Plan work in October 2015. Implementation of the Strategy was delayed one year due to the number of organizational pressures but has been fully engaged since 2016 and continues to be an organizational priority for 2018/19. The strategy sets priorities for the establishment of practices and policies that mitigate the oppression of Indigenous people, align with provincial child welfare initiatives in support of devolution processes, and actively engages practices that contribute to healing, empowerment and respect for Indigenous people and communities. Reconciliation will only be achieved with the development of respectful and predictable relationships between child welfare practitioners and leaders and Indigenous communities. Understanding the history and lived-experiences of the First Nation, Métis and Inuit peoples, and revitalizing practices and policies that reflect trusting and collaborative practices, is the cornerstone the KHCAS strategy. To this end, the Society mandated training for all employees using curriculum developed by Kenn Richard, retired Executive Director of Native and Family Services called *The Other Side of the Door*. Further to this, the Society established an Indigenous Circle, engaged with a Cultural Mentor and is implementing orientation strategies for new employees.

On October 1-3, 2017, the Ontario Association of Children's Aid Societies (OACAS), with the support of the Executive leadership of children's aid societies across the province, hosted a gathering at Geneva Park and Rama First Nation to acknowledge and apologize for the harmful role child welfare has played historically, and continues to play, in the lives of Ontario Indigenous children, families and communities.

*"A Moment on the Path"* gathering brought together leaders from Ontario's non-Indigenous child welfare agencies with representatives, leaders and elders from Indigenous communities and Indigenous Child and Family Service agencies. Indigenous participants, including survivors of the Sixties Scoop and Residential Schools, spoke about the devastating impact the child welfare system has had, and continues to have, on their communities. Mary Ballantyne, CEO at OACAS, apologized to all Indigenous children, families and communities who were impacted by the Sixties Scoop, and continue to be negatively impacted by the child welfare system in Ontario.

A subsequent gathering occurred in the Fall 2018. The theme of the event was *"Learning Together to Bring Indigenous Children Home."* OACAS presented an update on the progress for



each Reconciliation commitment. Child welfare representatives acknowledged that the data shows that children's aid societies have not been properly identifying all the Indigenous children and families being served. The actual number for many agencies is much greater than originally thought. However, all children's aid societies, including the Kawartha-Haliburton Children's Aid Society, are actively working on Reconciliation with Indigenous communities.

In May 2018, at a gathering in the community, KHCAS apologized to the residents of Hiawatha First Nation for the harmful actions of KHCAS that contributed to the 60's Scoop. Board President Rod Sutherland acknowledged that the Board of Directors did not understand that Indigenous children and families were over-represented and failed to represent the First Nation, Inuit and Metis communities. An estimated 20,000 Indigenous children were taken from their families and communities across Canada, and placed with non-Indigenous families between the 1950s and 1980s. Executive Director Jennifer Wilson apologized for past practices at KHCAS that resulted in the separation of children from families and community and acknowledged our responsibility for not being trauma-informed and not understanding the impact of policies that resulted in cultural assimilation and cultural genocide. The Society has undertaken to set a path forward mobilized by the good will and intentions of child welfare practitioners, to ensure that KHCAS actions align with the true meaning of Reconciliation.

Within the Society's jurisdiction, KHCAS provides services to Curve Lake First Nation and Hiawatha First Nation. KHCAS has established positive working relationships with each First Nation and maintain working protocols with each community. However, the approach to restoring the mandate is different for each community.

In 2011, Dnaagdawenmag Binnoojiiyag Child and Family Services (DBCFS) became incorporated and entered Stage A of the Ministry of Children and Youth Services designation process for becoming an Indigenous child well-being agency delivering services to the central east area. DBCFS has progressed through Stages B and C and anticipates being fully mandated to conduct child welfare services by February 28, 2019. KHCAS, alongside four other children's aid societies, have been working with DBCFS to support the designation process including protocol development, data collection, providing linkages and connections to other service providers, and employee mentoring. Currently, the Society is supporting and mentoring eight (8) seconded employees from Dnaagdawenmag Binnoojiiyag Children and Family Services and expects to support further secondments in 2018/19. It is expected that DBCFS will be mandated to provide services to Indigenous families and children living in First Nation communities and all Indigenous peoples living in the urban communities.

Hiawatha First Nation is actively engaged with DBCFS and the head office for the agency is located and will remain at Hiawatha First Nation. The protocols for KHCAS and Hiawatha First Nation are protocols developed in partnership with DBCFS. Currently, KHCAS provides services on Hiawatha First Nation with employees from Hiawatha First Nation.

Curve Lake First Nation and KHCAS entered into a Memorandum of Understanding (MOU) approximately 30 years ago. This MOU was revised and signed into effect in December 2017. The revisions expand the services that fall under the MOU to include children in care and customary care. Under the MOU, Curve Lake First Nation delivers child protection services on reserve through an employee of the Health Centre. The child welfare mandate is achieved through the supervision provided by KHCAS. The Health Centre employee, although an employee of Curve Lake First Nation, must meet all requirements and be fully authorized by the Executive Director/Local Director of KHCAS. Curve Lake First Nation has formally requested that KHCAS continue to provide service to the First Nation and to members who reside in the urban area served by KHCAS. They are unaffiliated with DBCFS at this time.

As such, KHCAS is resourcing two separate Indigenous service approaches – an administratively engaged process of returning the mandate with DBCFS including several working groups, provision of data and secondments of DBCFS employees, and providing supervision and employee training and consultation to the Curve Lake First Nation worker while providing direct service to Curve Lake First Nation members in urban areas, particularly Peterborough.

*Strengthening Child Welfare Transparency and Accountability:*

In January 2016, the Executive Leadership Section and OACAS responded to a politically charged environment and demand for increased transparency and accountability that set out eight (8) priorities through a Call to Action:

1. Improved compliance to standards, regulations and directives through Quality and Performance Indicators and responding to the Sampson and Baldwin Inquest through action and accountability.
2. Enhanced human resources capacity through new training curriculum, standard authorization processes, professional regulation of the workforce, leadership development and worker safety.
3. Improved structure of the system including shared services, reconfiguration, enhanced governance structures and funding model review.
4. Improved governance practices including consistent approaches to Performance Indicators and governance monitoring.

5. CPIN deployment and sustainment.
6. Common and consistent data collection and reporting, including standard definitions and data sharing agreements to support reporting and analysis.
7. A full commitment to move forward with the Truth and Reconciliation with local commitments to implementing strategies, making a provincial apology, data collection and specific Indigenous performance indicators.
8. The provision of culturally-appropriate and responsive outcomes-based service delivery including improved adoption processes, educational outcomes for children in care, improved services to African-Canadian and Francophone families and defining the scope of child welfare.

The Executive Leadership Section (ELS) and OACAS have evolved a decision-making model for the sector and evolved five Strategic Councils to oversee priorities for the sector, including some of those above and many new priorities, over the coming year. KHCAS continues to support the work of the sector and OACAS through participation of the leadership on various Strategic Councils, CPIN Advisory Groups and Provincial Network Groups (HR, Finance, IT, Quality).

The OACAS, in follow-up to the agenda established above, has recently completed their Strategic Planning Processes to evolve a five (5) year plan – Reimage Child Welfare – with four (4) key priorities:

- Equity and Belonging
- Respect and Empowerment
- Reconciliation
- Consistent Excellent Services

Over the course of the next year, it is expected the Sector will work with the OACAS to evolve and implement the plan to support achievement of these priorities and, as such, local strategic planning process must be considerate of this work and align where possible.

*Government Fiscal Restraint:*

Past and current governments have continued to message fiscal restraint. For the child welfare sector, this has meant no increase to the overall funding envelope since 2013 to support inflation of costs, cost of living or increasing demands for compliance and reporting. A “new” five-year funding formula for child welfare was launched in 2013/14 intended to provide transparency around how Societies are allocated money through a formula: 50% is based on

volume indicators and 50% based on social-economic factors. In addition, the Ministry also sets aside priority funding within the overall funding envelope to support policy priorities for the Ministry which are announced at the time funding allocations are provided. With the 2016/17 budget allocation, the government again messaged financial constraint as a priority by applying an administrative efficiency constraint to the funding envelope and subsequently applied to each society. The constraint was applied using the 2011/12 audited expenses for administration/infrastructure/technology expenses. The overall impact for the sector was a reduction of \$6 million in 2016/17. Upon receipt of the 2017/18 funding allocation, the Ministry announced a further administrative constraint of an additional \$4.5 million to the sector, again based on 2011/12 audited expenses for administration/infrastructure/technology expenses. The total reduction applied for the administrative constraint for 2017/18 was \$10.5 million and has continued at the same level into fiscal 2018/19 as part of the funding allocation received on October 4, 2018.

The Ministry commenced a review of the funding formula in 2016, as committed to when the new model was launched. The report was recently released to the sector; however, the new government has not yet implemented any changes to the formula for 2018/19 as they review the report and consider adjustments for 2019/20. While the funding allocation received for 2018/19 includes provisional allocations for 2019/20 and 2020/2021, these allocations are noted to be subject to change based on the outcome of the funding model review and other ministry priorities. It is also noted that as DBCFS expects to achieve designation on February 28, 2019, the funding for the KHCAS will shift to a transitional model as the Society devolves services to Dnaagdawenmag Binnoojiiyag Child and Family Services. It is understood that transitional funding would apply for a period of three (3) years. This funding would not be reflected in the provisional allocations received on October 4, 2018.

### Socio-Economic Realities

There are many socio-economic factors that impact the work of child welfare both locally and provincially. Within the Peterborough, City of Kawartha Lakes and Haliburton jurisdiction, there are key determinants that are or may impact child welfare service volumes. With respect to child population, there continues to be increasing population of children under four (4) years of age, yet an overall decrease in the child population. Child population is a component of the current funding model calculations.

The City of Peterborough has intermittently over the past five years, and consistently during 2016/17, reported the highest unemployment rate in the country. This has recently shifted with June 2018 statistics indicating that Peterborough now has the lowest unemployment rate;

however, unemployment remains a concern and a consideration in the Society's planning. There are limited affordable housing options within the communities served. Human trafficking is evolving as a pressing agenda along with the high opioid use and overdose rates which KHCAS continues to see in the family dynamics currently being serviced.

Provincially, the government has transformation agendas for children's mental health and has evolved the Special Needs Strategy, both of which require KHCAS support for local initiatives. It is unclear whether or not these priorities will shift with the new government; however, KHCAS remains committed to these strategies and partnerships. In addition, KHCAS participates in local children's planning tables, Four Counties for Kids (4C4K) program, VAW Hubs and Situation Tables – all in support and partnership of building community supports for the children and families served.

Race and ethnocentric services are also provincial and local priorities, as the sector works to advance strategies and frameworks to support providing culturally appropriate services for African-Canadian and Francophone populations. Most recently, the OACAS released the One Vision, One Voice framework and the Society completed a self-assessment on equity practices as they relate to services provided to African-Canadian families. The self-assessment tool will guide the significant equity work to be undertaken by the Society in 2018/19 and subsequent years.

In 2016, the Ontario Human Rights Commission in response to concerns identified regarding overrepresentation of Indigenous and Black children and youth in child welfare. The report from the Commission was released in late 2017 followed shortly by Ministry Directives requiring the collection of identity-based demographic data commencing February 5, 2018.

### **Internal:**

With increasing external priorities and pressures to consider, KHCAS is equally mindful and considerate of the internal priorities when developing the annual budget. In 2014, the Board established a new five (5) year Strategic Plan along with a new vision and mission. Now concluding the last year of the plan, increasing consideration of the provincial agenda is required to align strategies with the emerging sector priorities, Truth and Reconciliation, Equity, new legislation and regulations and increased demands for public accountability. In review of the Strategic Plan, KHCAS priorities are fairly aligned to meet the increased provincial agenda as the Board looks to undertake a new strategic planning process in early 2019.

Governance:

The Board of Directors is a high functioning Board that has systems in place to meet the demands of the external climate while staying true to the strategic directions set forth in 2014. The Board is a competency-based board and uses a competency matrix to prioritize nomination and recruitment activities. The Board has been responsive to the demands for increased accountability and transparency through adherence to the Accountability Agreement and a consistent approach for governance monitoring of performance indicators, strategic plan objectives, and evolving good governance practices.

Service Excellence:

KHCAS continues to focus on service delivery to ensure responsive outcomes that are culturally appropriate. Work continues to evolve to support the extension of services to youth age 18 and understanding the overall impact on volume and service. As the Society completes two (2) years on Child Protection Information Network (CPIN), the work has settled; however, there is extensive unplanned downtime that impacts workflow for direct service employees, creating frustration in meeting administrative requirements balanced against quality service for service recipients. The Society continues to provide extensive provincial support for CPIN via participation on numerous working committees (reporting, business harmonization and network groups) in addition to participation on the CPIN Advisory Committee.

In 2017, the Society undertook to review the service delivery model implemented in 2014 and made further enhancements to the model to support service delivery and workflow. Changes included shifting the model to specialized positions (assessment and ongoing); introducing two (2) Community Caregiver Investigation positions in support of recommendations from the Baldwin and Sampson Inquests; a Disclosure Analyst reporting to Senior Legal Counsel; and an additional resource on the Centralized Screening Team. Additionally, the entry of services for payment were redeployed from direct service employees to the finance team for more efficient and effective processing while freeing up direct service employees to provide direct service to service recipients. This enhanced model will be evaluated and monitored at six (6) months, one (1) year and two (2) years to assess the effectiveness of the changes.

Focus will continue during this fiscal year in support of Reconciliation and acknowledgement activities, deployment of the Clinical Supervision Model, mentoring and support to DBCFS to restore the mandate, review of service protocols and ensuring Equity in service delivery – all with a view to providing service excellence with a view to quality outcomes.

*Business Efficiencies:*

With fiscal constraint, a key priority of the Provincial Government, the Society continues to explore opportunities for fiscal restraint and natural partners for service and back office. In support of this, the Society joined the OACAS Shared Services Program and is working with the SSP to identify and actualize savings where available. Additionally, the Society is exploring other partnerships to streamline and for back office services. Business harmonization continues to evolve across the sector, as noted above, with the continued deployment of CPIN throughout the province which will provide for consistent application and use of CPIN and service delivery which is expected to be completed in the Spring 2019.

At the end of fiscal 2016/17, KHCAS reported a deficit for the first time in ten (10) years. Through early engagement with the Ministry, the Society and Ministry partnered in a collaborative review with the intent for early identification and understanding of the key cost drivers for the Society. The recommendations of the final report received in July 2017 were considered and incorporated in the development of the Business Plan for 2017/18. All actions associated with the Ministry Financial Review recommendations were completed and closed off as of March 31, 2018. The Society used the recommendations to identify, streamline and strengthen its systems to develop sustainable service models for the children, youth and families served.

In June 2018, the Society was advised that the Ministry had selected KHCAS to participate in an End to End Review Process. The End to End Review was formerly known as a Cyclical Review that is incorporated into the Accountability Framework rolled out in 2014 as part of the Ministry's efforts to hold societies accountable. Unlike the Financial Review, which was focused solely on the financial health of the Society, the End to End Review is intended to answer two (2) key questions:

1. How well are Children and families being served?; and
2. What is a Society's capacity to improve?

Embedded in the process are five (5) domains – Governance, Operations Management & Service Delivery, Financial Management & Control, Client Outcomes and Performance Management and 78 performance expectations upon which the Society is required to provide documentation to support evidence of meeting these expectations.

The End to End Review was completed in October 2018 with a final report expected to follow within 4 to 6 weeks. The Society, once again, will use this report to streamline and strengthen systems and incorporate work associated with recommendations into the Annual Workplan.

Workforce:

The employee group is identified as one of the Society's most valued resources, and it is the employee group who defines the Society. As such, the employee group is a priority for the Society and works to ensure there are sound people systems and policies to support employee wellbeing.

In 2018, the Society undertook to align systems in support of a new worker training and authorization systems for newly hired Child Welfare Workers, successfully supporting a number of newly hired KHCAS employees and DBCFS seconded employees to complete the program and be designated as authorized workers under the CYFSA. In addition to this work, the Society has prepared a Peer Support program ready to be rolled out in 2019 following appointment of program coordinators and establishment of a peer support team.

On March 19, 2018, the Society and Union reached a mutually agreeable collective agreement for a four (4) year period ending March 31, 2021 which provides stability for the unionized workforce during this period. This is the second round of bargaining successfully completed since the labour disruption in 2011, representative of the improved labour relations between the Society and Union employees, which has been a consistent focus of engagement since 2012.

Workload is a consistent point of discussion with union leadership locally as well provincially. The discussions related to workload focus on caseload numbers, administrative burden due to the standards and CPIN functionality. In 2014, KHCAS launched a new service delivery model following an extensive project, based on research and stakeholder feedback, with several recommendations. One of the significant changes was launched in April 2014 which was the integration of intake and ongoing roles to reduce unnecessary case transfer and enhance service to families, children and youth. Based on feedback and a review of quantitative data, the Society, in partnership with the Union, completed a review of the Service Delivery Model and made enhancements effective October 1, 2017, as noted earlier in the Business Plan. With the assistance of an Implementation Advisory Panel, the enhanced model was implemented and adjusted over a six (6) month period. The Society has evolved an evaluation and monitoring plan such that the model will be formally reviewed at six (6) months, one (1) year



and two (2) year intervals to evaluate the effectiveness of the model. Based on the results at the six (6) month review, the model is achieving many of the results expected.

As discussed earlier in this Business Plan, the Society readily supports the work of Dnaagdawenmag Binnoojiiyag Child and Family Services and the journey to achieve designation as a child wellbeing agency. Work of the employee group has included mentoring and training a number of seconded employees from DBCFS and participation on the Steering Committee, Operations Committee and Human Resources Committee and producing statistical data to identify Indigenous families to be transferred to DBCFS post-designation. While the date of designation has been set for February 28, 2018, it is expected the Society, along with the other non-Indigenous societies, will continue to support DBFCS for upwards of twelve to eighteen months post designation. As such, the Society will be working with DBCFS to evolve the human resources plan to support the transition.

Mid-2018, Society and OMERS plan members were advised that OMERS was undertaking to review the plan to evolve a sustainability plan for future members. Throughout the summer, OMERS completed consultations and will be voting on changes in November 2018. It has been identified that there will be no changes made prior to December 31, 2020. Based on the proposed changes and a completion of an internal scan of eligible retirees on or before December 31, 2020, the Society will be focused on aligning human resources planning to these possible retirements. Of particular concern is the number of possible retirements with the supervisor complement and senior leadership team. Work will commence in this fiscal year to identify succession planning opportunities as part of human resources planning.

The work of the Joint Health and Safety Committee continues to be focused on ensuring enhanced safety for the workplace within a local and provincial context by implementing policies and procedures developed locally the JHSC and as recommended by the Provincial Worker Safety Committee report released in 2015. Many policy updates or newly created policies have aligned with recommendations from the Provincial Worker Safety Committee in 2018 including accident/incident reporting, worker safety for client engagement and safe driving. New policies have been created as well in response to the use of naloxone for overdose prevention and Fitness for Work policy in response to the legalization of cannabis. The JHSC also rolled out new technology developed in-house to support worker safety in the field through an electronic check out/check in system that informs a supervisor when an employee has not checked back in to a place of safety following a meeting outside of the office. The rollout of this system will be completed by December 2018. Representatives of the JHSC

have made several presentations to other societies showcasing the system in hopes of being able to share the system in the coming year.

The workplace culture and climate are a focus for the leadership of the Society, Union and JHSC and jointly have committed to implementing the Psychological Health and Safety Standard to ensure a psychologically healthy workplace in alignment with the Strategic Direction – Workplace of Choice. As a beginning step to implementation, the Society completed an employee survey in October 2017 to collect baseline data using the Guarding Minds @ Work survey which is directly aligned with the Psychological Health and Safety Standard. The results of the survey have provided a roadmap for opportunities for improvement which the JHSC has reviewed and developed an implementation plan with key action items. Focus groups will also be held in 2018 to gain employee insight into the actions required to ensure KHCAS is a psychologically healthy and safe workplace.

*Technology:*

Keeping pace with the ever changing technological work is never ending. While technology affords organizations and people with new ways of communicating and working (ie. remote), systems need to be established to ensure there are efficient data information systems that are robust and secure. CPIN deployment will allow the sector to share case management information which will lead to enhanced safety for children; however, privacy and confidentiality of the information is paramount. The Society made significant investments in 2016/17 to support CPIN onboarding and is now challenged to resource CPIN sustainment without additional resources. Additional responsibilities have been added to most management team members for the purposes of CPIN sustainment. With two (2) years of practice experience with CPIN, the Society continues to ensure alignment with provincially-developed business harmonization processes.

The protection of records will be a paramount theme in 2016 through to 2019. Part X of the CYFSA is specific to privacy and information and will be effective January 1, 2020. Work in the sector has commenced to understand the new requirements; however, concern continues within the sector as to the capacity of CPIN to align with the new legislation.

While the Society has where possible attempted to improve systems for teleconferencing and remote meeting connectivity, the reality is that within the fiscal climate the improvements have not resulted in significant improvement and remote meetings require significant support and at times are not effective. After four years of investment in technology and resources to

strengthen and secure email and data information systems, the Society has been unable to make investments during the past two fiscal years and this year will remain the same.

Social media is an instantaneous medium for sharing of information and news yet can yield reputational risk to organizations. In 2016, KHCAS launched a new website and in 2017 launched social media platforms including Twitter and Facebook. These are significant priorities as a mechanism for building engagement and trust with communities, but also for purposes of communication and transparency. No additional resources have been added to assist with managing the social media platforms.

Much work has been completed over the past three (3) years to build and enhance the agency's technological infrastructure. In 2015/16 and 2016/17, much effort was placed on deploying and implementing CPIN. This work significantly disrupted the operations of the Society including the inability to extract financial data until September 2016, limited reporting capacity aligned with Ministry Reporting requirements, including the quarterly Quality Improvement Plan. The impact on service delivery was also noticeable as the work takes significantly more time to complete and the administrative work has increased for direct service employees. As the Society enters the third year of operating with CPIN, work has shifted to review work flow processes and business decisions to streamline work flow for efficiencies in reducing the impact of workload due to administrative demands. Other work continues to enhance technology systems through deployment of existing software to assist in work flow efficiencies, document management (storage and imaging) and meeting the demands for social media.

Property Infrastructure:

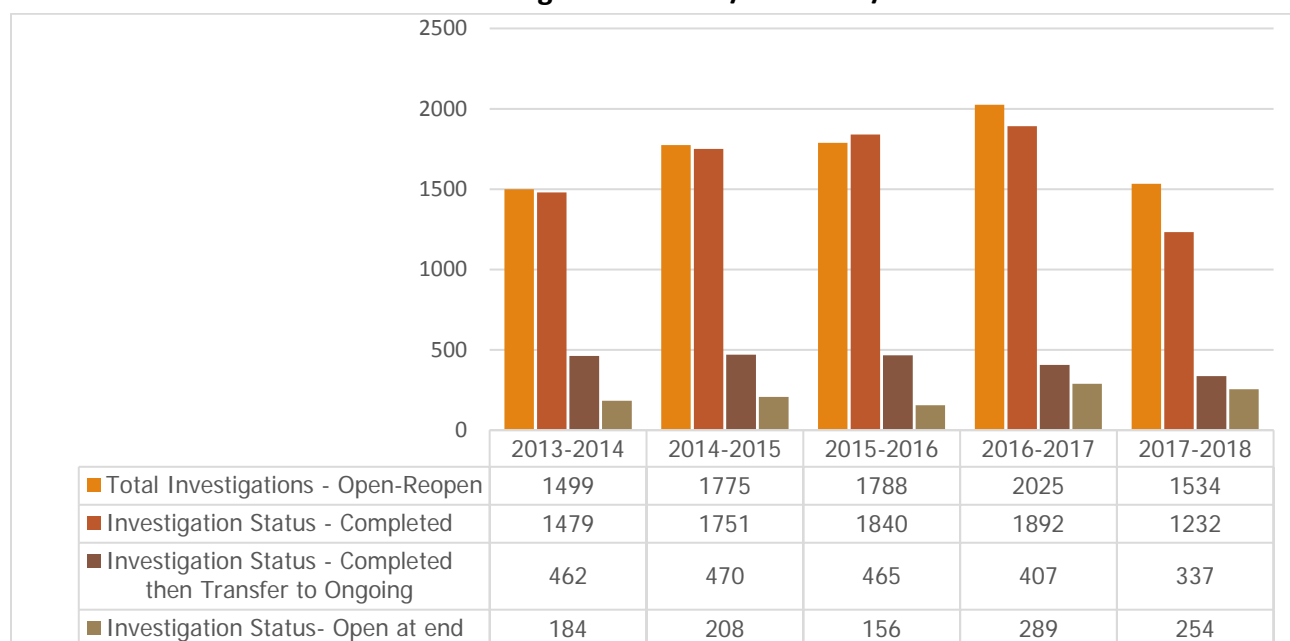
KHCAS operates three (3) offices, the main office in Peterborough and branch offices in Lindsay and Haliburton. The offices in Peterborough and Lindsay are owned by the Society, with no mortgage, and the Haliburton office is a rented unit in a Community Hub. Both the Peterborough and Lindsay offices are aging buildings and have identified repair needs as expected with aging property. Annually, the Society submits to the Ministry requests for one-time infrastructure repairs. There were no funds provided to the Society in 17/18 and it is anticipated there will be no funds provided in 18/19. Concern continues for the Society on the lack of ability to invest in the aging infrastructure, delaying further the needed investment. Additionally, the Ministry is in the process of conducting property assessments for all Ministry sites over the course of the next five (5) years. To date, only the Peterborough office has been assessed.

**ORGANIZATIONAL SERVICE DATA:**

In the preparation of the annual business plan, the Society reviews key service data that is linked to the development of the annual budget. This information is pulled from year-end reports submitted to the Ministry as part of the Transfer Payment Annual Reconciliation process. Volume-based data for investigations completed, average number of open ongoing protection cases, number of children in care and number of children moving to permanency represents 50% of the base funding allocation to societies.

**INVESTIGATIONS:**

**KHCAS Investigations – 2013/14 – 2017/18**



**Observations:**

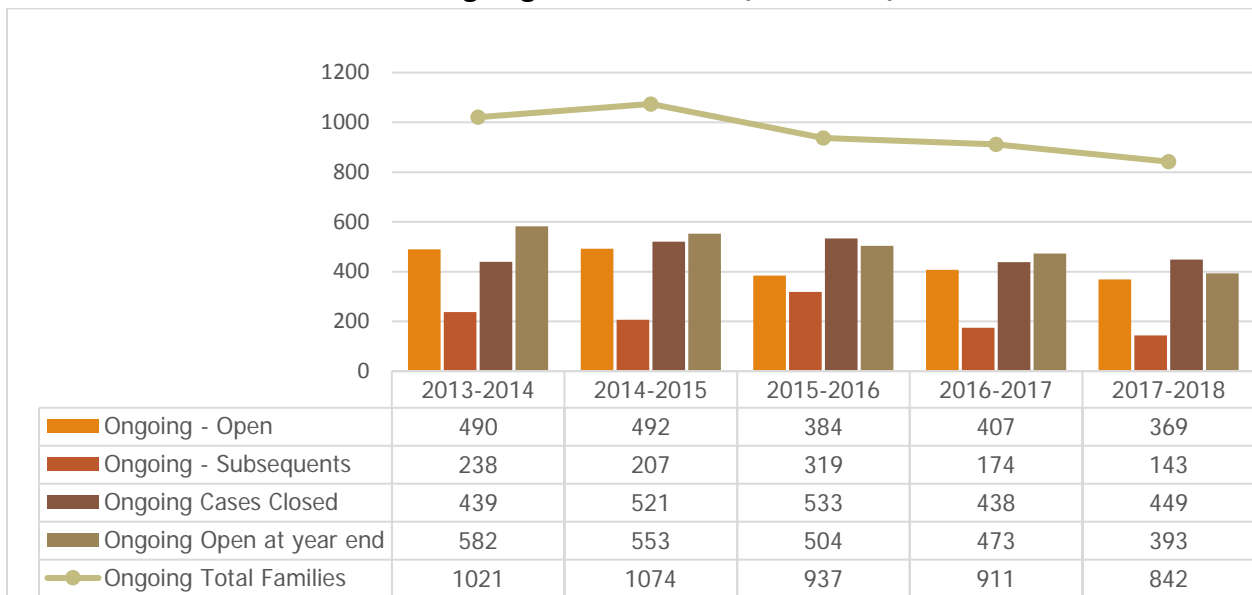
Due to reporting challenges and how cases are captured in CPIN, it has been difficult to confirm the true increase in the number of investigations in 2016/17. There were issues in CPIN related to being able to properly identify subsequent investigations which means that some of the increase in investigations between 2015/16 (1788 investigations opened and reopened) and 2016/17 (2025 investigations opened and reopened) can be attributed to this issue which may affect the overall percentages observed below:

- During the first four (4) years of the reporting period, investigations opened and reopened increased by 35% (this is identified as not the true increase due to inability to separate subsequent investigations)

- In 2017/18, investigations opened and reopened decreased from 2016/18 to be more in line with 2013/14 levels.
- Investigations completed during the five (5) year period have decreased by 16.7%, while the number of investigations opened at the end of the year has increased significantly by 38%.
- What is notable is the number of investigations that transfer to ongoing service has decreased by 27%.

**ONGOING:**

**KHCAS Ongoing Services – 2013/14 – 2017/18**

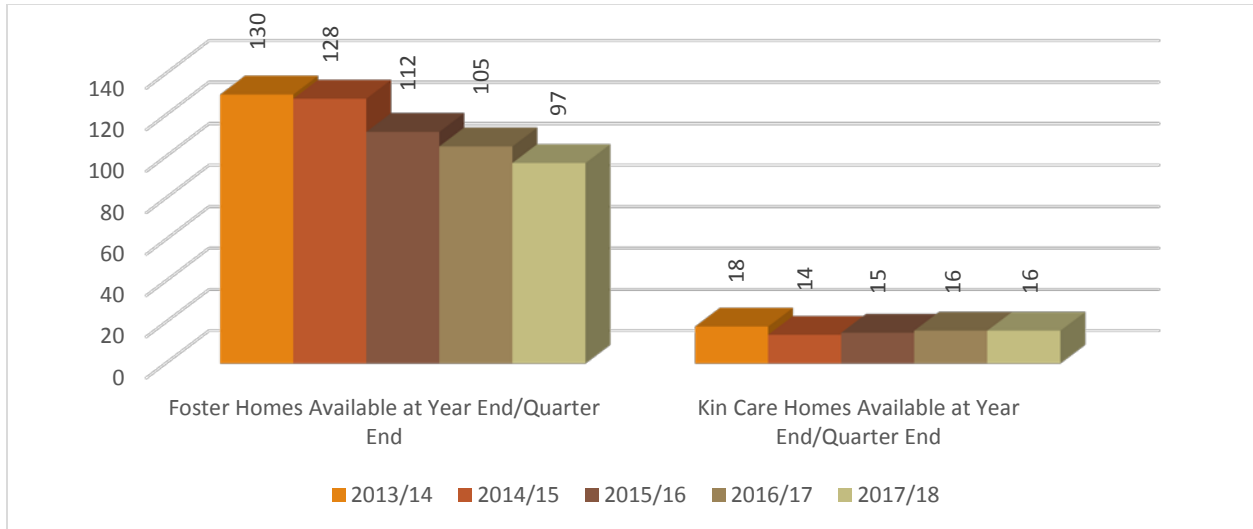


**Observations:**

Generally speaking, all data points related to ongoing case files have decreased overall during the five (5) year reporting period with the exception of closed ongoing files which has increased. It is notable that the number of open ongoing files at the end of the year has decreased 32.5% and the number of ongoing families served has decreased by 17.5%.

**FOSTER AND KIN CARE**

**An Overview of KHCAS Foster and Kin Care  
2013/14 - 2017/18**



**Observations:**

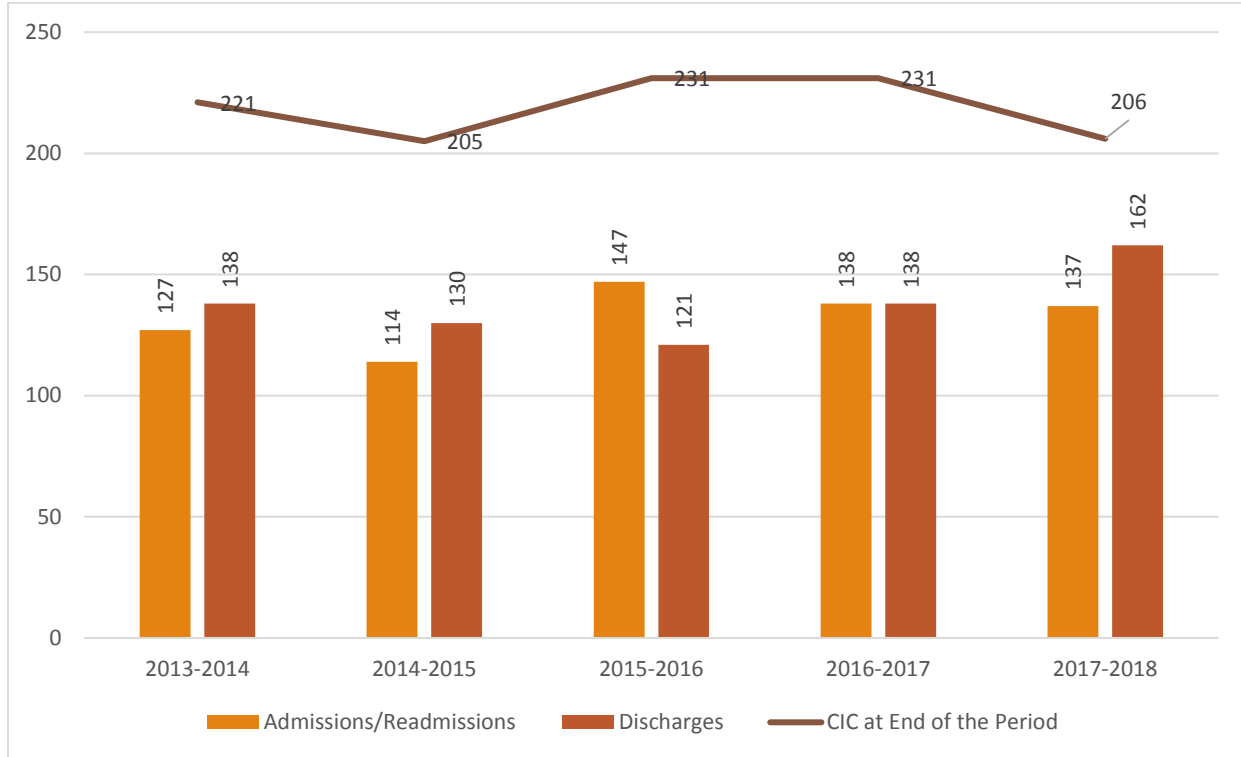
The Society has been generally concerned with the declining number of foster homes available which has decreased by 25.4% since 2013/14. In 2017/18, the Society invested significant resources in support of recruiting new foster homes. Despite some success in recruiting new homes, the declining trend continued in 2017/18 with a 7.6% decrease from 2016/17.

Similar to decreasing Foster Homes, the Society also saw an overall decrease in Kin Care Homes of 11.11% over the same five (5) year period with no change in available homes between 2016/17 and 2017/18.

This decreasing trend continues to be a concern for the Society as it requires the Society to rely on Outside Paid Resources (OPRs) which has a significant cost impact on the financial position.

**CHILDREN IN CARE**

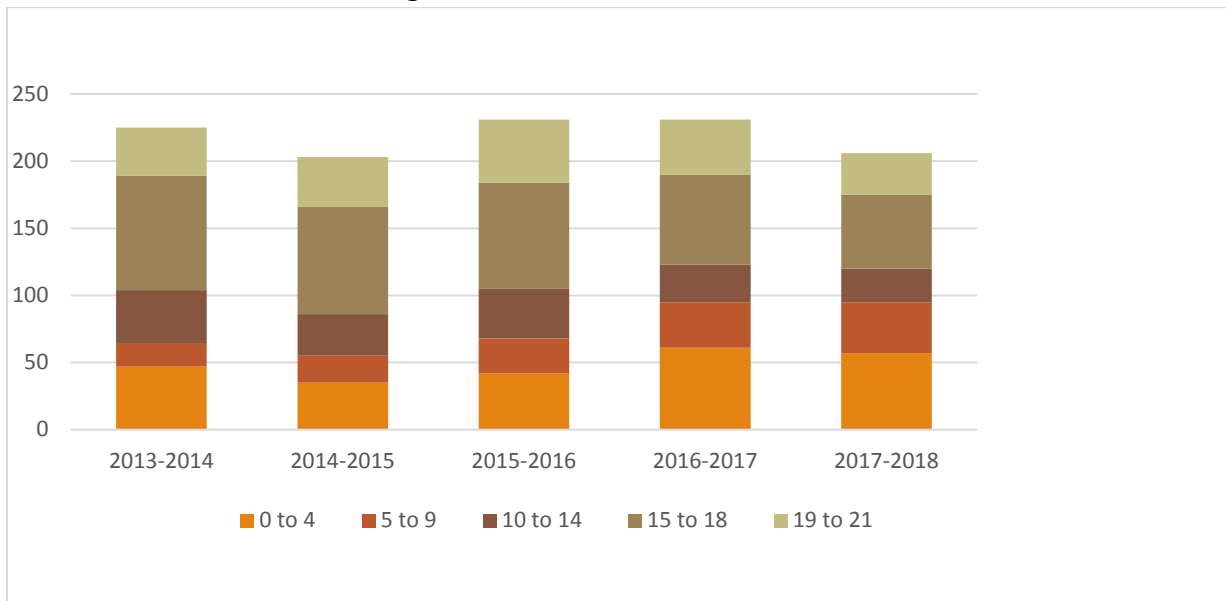
**Children in Care Admission/Readmissions, Discharges and Children in Care at Period End  
2013-14 - 2017/18**



**Observations:**

During the five (5) year reporting period, the Society has seen the Children in Care number fluctuate with the most consistent rate being 231 in 2015/16 and 2016/16. At the end of 2017/18, the Society had 207 Children in Care representing a 10.8% from 2016/17 and 6.8% over the five (5) year reporting period. It should be noted that on January 1, 2018, the Ministry implemented a change in legislation which extended the provision of services to youth up to the age of 18. During the last three (3) months of 2017/18, the Society had seven (7) open Children in Care files which represents 3.4% of the overall Children in Care files.

**Age of Children in Care at Period End**



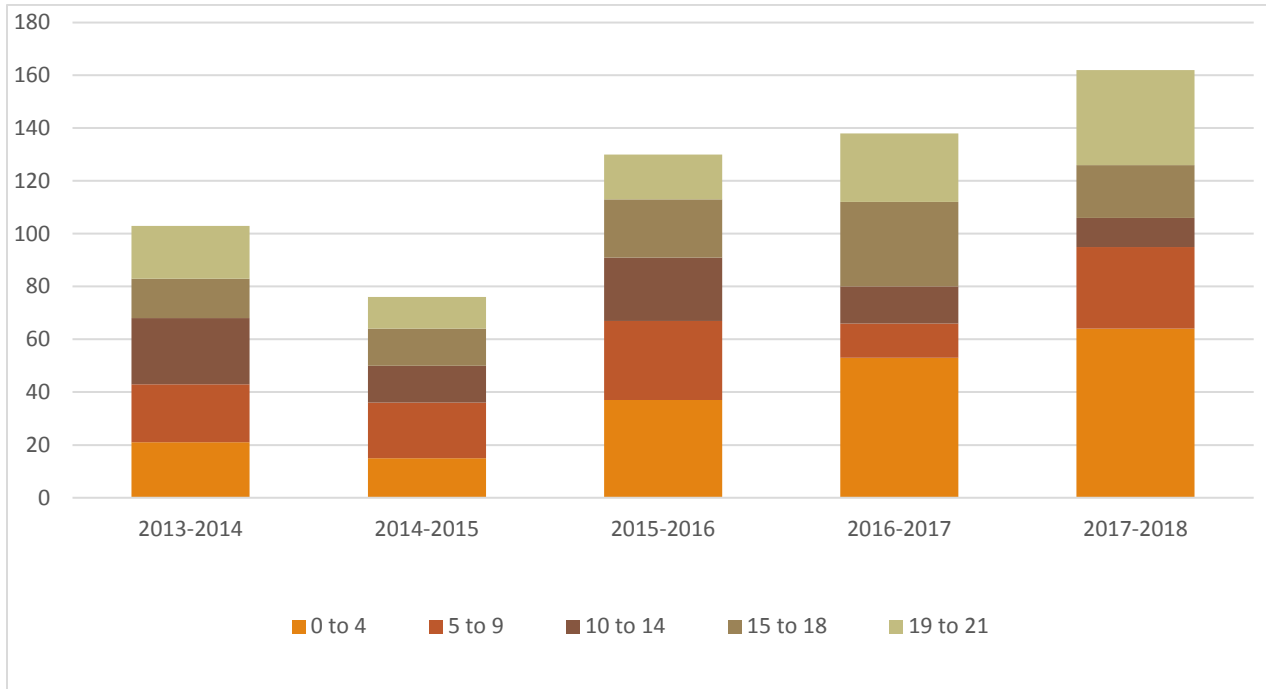
**Observations**

It is important to note that, at the end of fiscal year 2017/18 there were 31 children in care who were age 19-21 years, meaning they will soon be discharged from care. Also, there were 55 children who were aged 15-18 years, meaning they will soon become CCSY placements and within the next three years will age out of the system. It is also important to recognize that 57 children in care in 2017/18 were aged 0-4 years, and we can expect that permanency options will be found for these children and that they will no longer be in care.

Given these factors, there is potential that the total children in care number could dramatically decrease in the next few years. This concept is further supported by the age of children at discharge presented in the graph below – where there are high numbers of older children and younger children being discharged from care. The Society continues to review in detail the current children in care to identify potential discharge of children in care of this age group. This review will also assist the Society in estimating the impact of protecting youth to age 18.

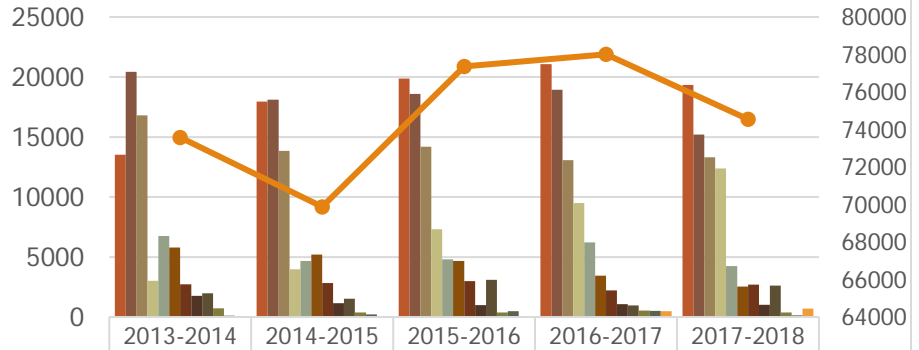


### Age of Children at Discharge



### Days Care by Placement Type

Note: as of 2016, 17 children staying in their foster care placement, after their 18th birthday, in order to finish school, are captured under 'Stay Home for School'.

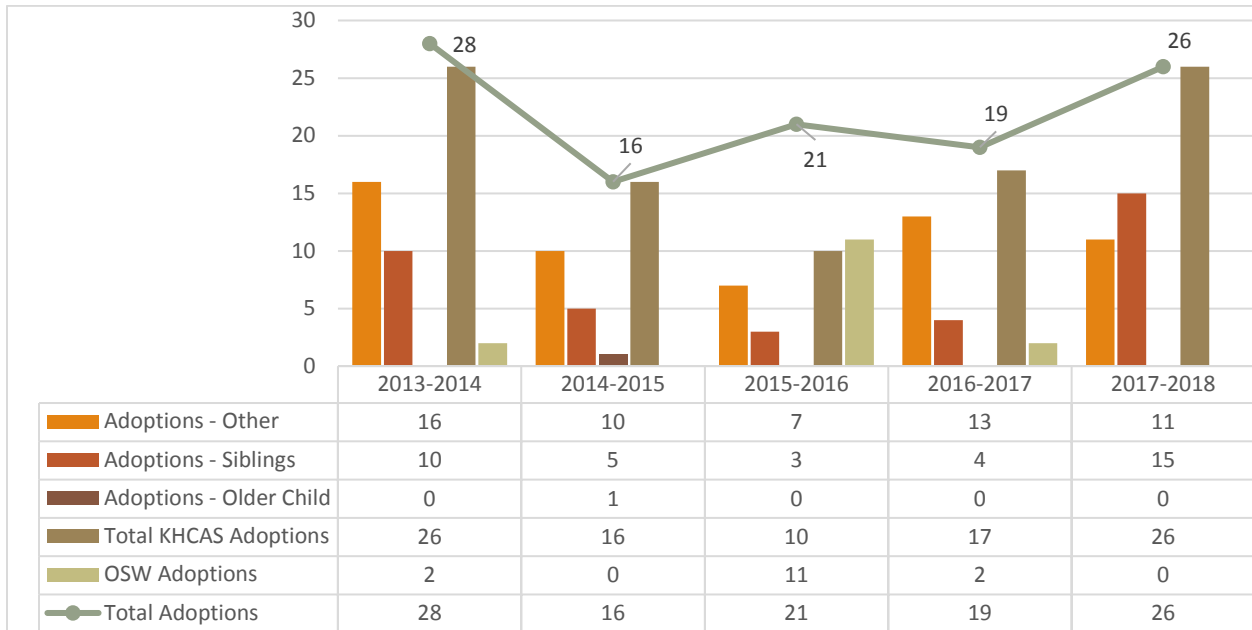


**Observations:**

Days care totals overall have not significantly shifted in the five (5) year reporting period presented above. What has shifted significantly though, putting financial pressure on the Society, is the shift from society-provided Foster Care to the use of OPR provided Foster Care.

**PERMANENCY**

**Adoption Overview – 2013/14 – 2017/18**

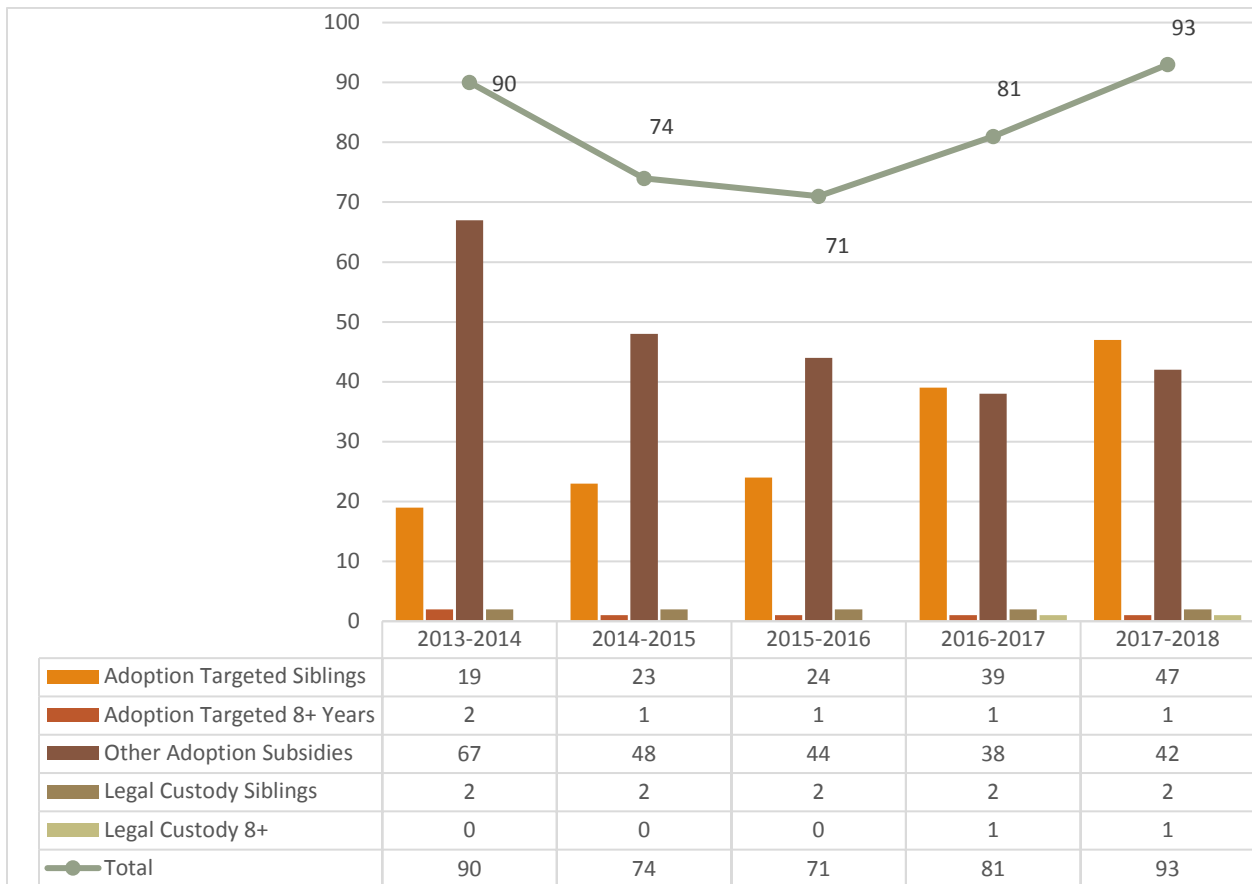


**Observations:**

Permanency continues to be focus for the Society. A formalized Regional Adoption Program with Durham Children’s Aid Society and Highland Shores Children’s Aid Society, in line with the Permanency Framework, has been established.

In general, the Society has averaged 22 KHCAS adoptions per year over a five-year period and the number of Other Society Ward Adoptions that the Society supervisors fluctuates from year to year. In 2017/18, the Society actualized 26 adoptions.

**Subsidies – 2013/14 – 2017/18**



Observations:

- Over a five-year period, the total number of subsidies of all types has generally increased.
- Adoption subsidies for Targeted Siblings have increased 147.4.
- Adoption subsidies for Targeted 8+ years have remained stable.
- Other Adoption subsidies have decreased by 37.3%.
- Legal Custody Sibling subsidies have remained stable.
- Legal Custody 8+ has increased 100% (a change from 0 to 1).

The implications of subsidies as a cost driver, considering the Ministry’s decision to fund only 25% of the monthly rate, will need to be monitored as the Society works towards permanency for children in care.

**ORGANIZATIONAL OBJECTIVES:**

In consideration of the environmental scan, the Society, in line with the strategic directions, has established the following activities to guide the work and priorities for fiscal 2018/19. The annual budget has been developed in consideration of investments and off-setting cost savings associated with these priorities as applicable.

Strategic Direction	Goal	Activities
Strengthening Communities	Restoration of Mandate to Dnaagdawenmag Binnoojiiyag	<ul style="list-style-type: none"> <li>- Participation on Steering Committees</li> <li>- Mentoring</li> <li>- Case transfer review</li> <li>- Provision of data</li> </ul>
	Service approaches to align with the provincial agenda for servicing black, Indigenous and Francophone populations.	<ul style="list-style-type: none"> <li>- Provide awareness about the lives and experiences of LGBTQ youth and adults, knowledge about LGBTQ issues, and combine knowledge with action to create equality within the organization and with respect to service planning.</li> <li>- Participation in shared service position for Regional Equity Lead</li> <li>- Establishment of Equity Advisory Panel</li> </ul>
	Indigenous Strategy	Formal Strategy concluding in December, 2018. Preparations to support the restoration of the mandate to Dnaagdawenmag Binnoojiiyag Child and Family Services will continue pre and post-designation of the mandate. Provision of services to Curve Lake First Nation will continue as per the MOU updated December, 2017. Truth and Reconciliation activities will continue to inform service excellence.
	Planning for extension of service to youth 18	<ul style="list-style-type: none"> <li>- community engagements sessions</li> <li>- training of community partners</li> <li>- expand presence with youth homelessness agenda</li> <li>- training with respect to human trafficking</li> <li>- training with respect to youth homelessness</li> </ul>

	Implementation of Child, Youth and Family Services Act	<ul style="list-style-type: none"> <li>- Review and update all policies</li> </ul>
	Expand opportunities for youth engagements	<ul style="list-style-type: none"> <li>- Engagement with youth advisory panel and youth in care network</li> <li>- Implementation of the Support Services Review</li> <li>- Community Capacity Building and Review Analysis</li> <li>- Building community capacity for protection youth to age 18</li> </ul>
	Expand Community Service Partnerships to create opportunities for service recipients to access services that are timely, voluntary and effective	<ul style="list-style-type: none"> <li>- VAW program – hub operations</li> <li>- Protocol review and development</li> <li>- Expansion of community partners</li> </ul>
Evidence-Informed Services	Enhanced Service Delivery Model	Implement changes to the service delivery model that supports family / child centered services that align with the 2013 service model principles, sector priorities and inquest recommendations.
	Implementation of recommendations from the Chief Coroner’s Report of the Expert’s Panel on the Deaths of Children and Youth in Residential Treatment	KHCAS will resource provincial working groups, review and enhance service delivery systems that support the Expert Panel’s recommendations
	Implementation of the Quality Strategic Framework	<ul style="list-style-type: none"> <li>- Complete implementation of the Quality Strategic Framework dashboard implementation</li> <li>- Develop systems to evolve environmental scan of current processes in the field of child welfare</li> <li>- Develop a research library to post articles and emerging best practices</li> <li>- Develop a framework for tracking lessons learned</li> <li>- Develop feedback mechanism for community stakeholders and service partners</li> </ul>

	Increase compliance to Child Protection Standards and Regulations	<ul style="list-style-type: none"> <li>- Using the Quality Improvement Plans development to improve overall compliance</li> </ul>
Workplace of Choice	Clinical Supervision Model	<ul style="list-style-type: none"> <li>- Implement the clinical supervision model</li> <li>- Develop training</li> <li>- Develop tools to support model that is integrated with Performance Management</li> </ul>
	Psychological Health and Safety Standard	<ul style="list-style-type: none"> <li>- Develop action plan to respond to survey results</li> <li>- Conduct focus groups on further action planning</li> <li>- Facilitate survey in 2019</li> </ul>
	Talent Management Strategy	<ul style="list-style-type: none"> <li>- Update job descriptions to include competencies</li> <li>- Implement competency based performance management system</li> <li>- Establish Human Resources Plan including succession plan for all leadership positions</li> <li>- Compile all training requirements into a training matrix</li> </ul>
	Worker Safety	<ul style="list-style-type: none"> <li>- Implement worker safety in the field technology</li> <li>- Review, update and test emergency code procedures</li> <li>- Align policies and procedures with provincial worker safety recommendations</li> </ul>
	Peer Support Program	<ul style="list-style-type: none"> <li>- Complete training to implement the program using a co-chair model</li> </ul>
	Update Society Policies and Procedures	<ul style="list-style-type: none"> <li>- Review and update all policies and procedures ensuring alignment with the new CYFSA, CPIN, policy directives and regulations</li> </ul>
Operational Excellence	Shared Services	<ul style="list-style-type: none"> <li>- Participation in the OACAS Shared Services Program</li> <li>- Consider other shared services opportunities that align with the Society's Strategic Directions</li> </ul>

	Organizational Analysis and Reporting	- Development of more robust analysis and reporting of financial and service data
	Revenue Optimization	- Continued analysis and access of available revenue streams to mitigate Society costs
	Records Management	- Project plan developed in support of ensuring the integrity of all paper and electronic records of the Society

## FUNDING DISCUSSION:

At the end of 2016/17, KHCAS reported a financial deficit, the first in over ten (10) years. The projected deficit was identified late in Q2 following extensive challenges in securing reliable financial reports from CPIN. Through analysis of the expense trends, the Society attributes the deficit to additional costs associated with CPIN deployment, increasing residential costs due to increased reliance on Outside Paid Resources and the exceptional costs for children in care and legal costs. Working diligently, the deficit was mitigated and in 2017/18 the Society reported a small surplus which can be accessed for 2018/19 operating expenses through the application of the Balanced Budget Fund.

### Funding Allocation:

Similar to 2017/18, the funding allocation was received mid-fiscal year on October 5, 2018. In addition to the funding allocation, the Society was provided future planning allocations, as in the past, for 2019/20 and 2020/2021 that were qualified by the Ministry that they were subject to change in line with the funding formula and exclude priority funding amounts and the administrative efficiency constraint. However, the Society readily anticipates that for the fiscal years 2019/20 and 2020/21, the funding will be changed as the Society will be considered under the transitional funding formula and DBCFS is expected to be mandated on February 28, 2019 with Indigenous files expected to be transferred in 2019.

In the communications received with the funding allocation, the Ministry announced the following:

- the 2018/19 approved budget allocation is fixed and will not change in-year;
- planning allocations are based on the current funding formula; and



- data inputs have been updated to reflect the best available data in establishing the base allocations (for the socio-economic factors and volume-based factors), and the data inputs for child and youth population and Indigenous child and youth population including children and youth aged 0 – 17 as well as data inputs for low income families and lone parent families also include children and youth aged 0 -17

In terms of priority funding, the Ministry announced:

- a further administrative constraint beyond what was applied for 2018/19 such that the total impact for the sector is \$10.5 million;
- that \$2.6 million would be shared amongst the 19 societies that went live on CPIN in 17/18 or going live in 18/19;
- that \$10.4 million will be provided to societies to support the expansion of protection services to youth 16 and 17 years of age;
- that the Ministry is holding back a further \$14.6 million which may be allocated to societies based on demonstrated need resulting from the expansion of protection services to youth 16 and 17 years of age; and
- the amount funded by the Ministry for targeted subsidies would be 25% of the monthly cost set by the Ministry.

Impact:

Based on the above announcement, the Society is receiving \$381,702 less than what was anticipated and for which the 2018/19 provisional budget was established. Changes specific to the priority policy funding includes:

- Unfunded targeted subsidies (75% of required monthly payment) is \$276,345; and
- Adjustment to base funding, including the administrative constraint, is lower than anticipated by \$105,357.

While the Ministry advised the Society that its total allocation will be \$23,781,716, the estimate of the number of targeted subsidies is more than that made by the Society in preparing its budget in April, which will have a further a further impact on the budget of approximately \$140,000.

The Ministry provided planning allocations of base funding for the following two fiscal years: \$23,699,937 for 2019/20 and \$23,690,500 for 2020/21, demonstrated decreased funding for the next two (2) fiscal years.

**Balanced Budget Fund:**

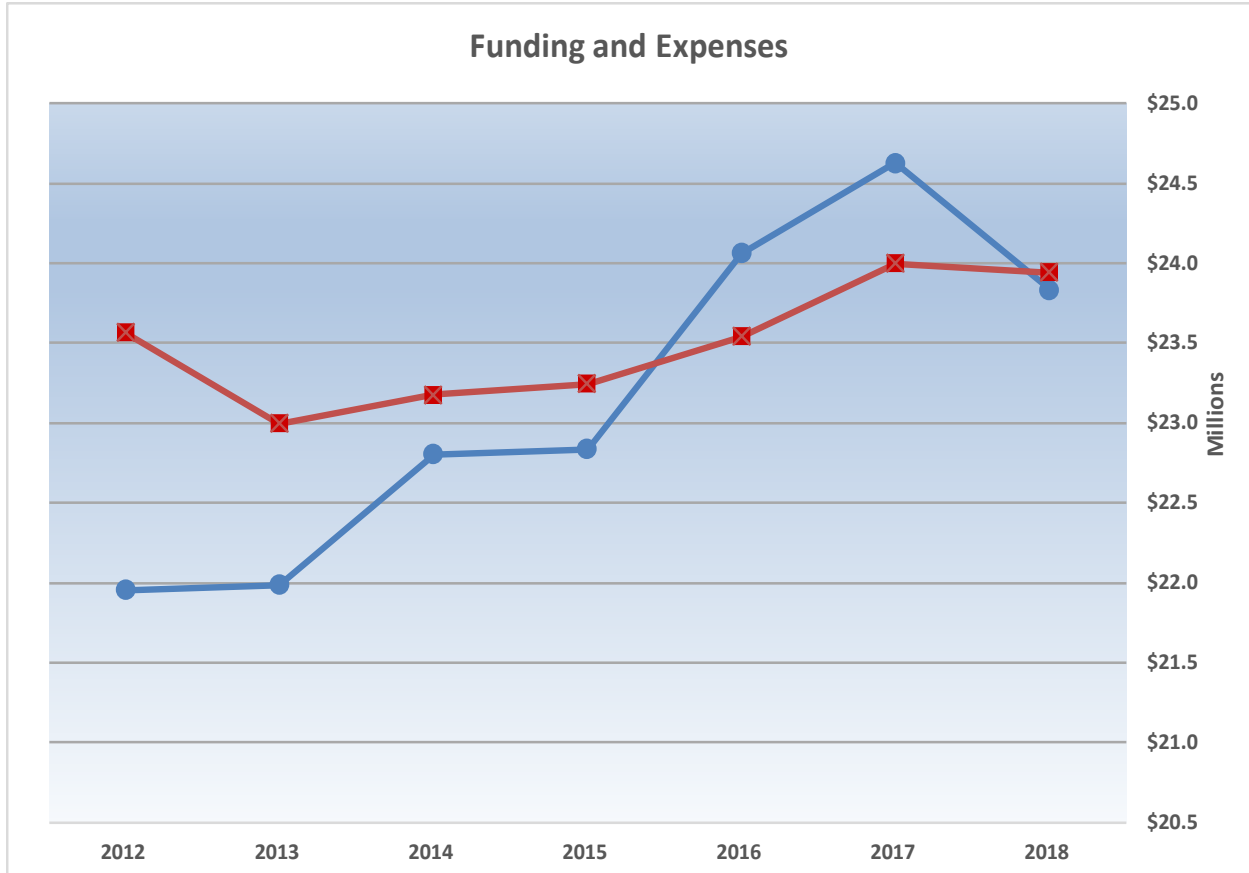
As part of the new funding formula implemented in 2012/13, the Ministry has allowed societies to allocate any funding surplus to a Balanced Budget Fund (BBF) to be used over the following three (3) fiscal years for eligible expenditures to report a balanced budget. For the fiscal year 2017/18, the Society reported an operating surplus of \$107,672 (to be confirmed by the Ministry) which can be accessed for the 2018/19 operating year.

**Historical View:**

Overall, the average funding increase over the past six (6) years has been 0.27%, yet the funding for 2017/18 is 0.22% less than 2016/17 as follows:

<b>Year</b>	<b>Approved Ministry Funding</b>	<b>% Yr over Yr Change</b>
2013	\$ 22,995,471	-2.42%
2014	\$ 23,177,256	0.79%
2015	\$ 23,242,331	0.28%
2016	\$ 23,540,226	1.28%
2017	\$ 23,995,834	1.94%
2018	\$ 23,941,972	-0.22%
2019	\$ 23,781,716	-0.67%
Average	\$ 23,524,972	0.14%

The chart below demonstrates the historical trends as it relates to expenses (including extraordinary costs for special needs children) vs funding since 2012/13 and the implementation of the funding formula.



Other Revenue and Recoveries:

In addition to funding provided by the Ministry for the delivery of services, the Society collects revenue from various sources including Children’s Special Allowances, Child Disability Benefit (for those children and youth who qualify pursuant to Canada Revenue Agency) and other available sources to secure funding for exceptional needs for children in care. The Society has implemented policies, procedures and verification reporting to ensure the collection of revenues for eligible children.

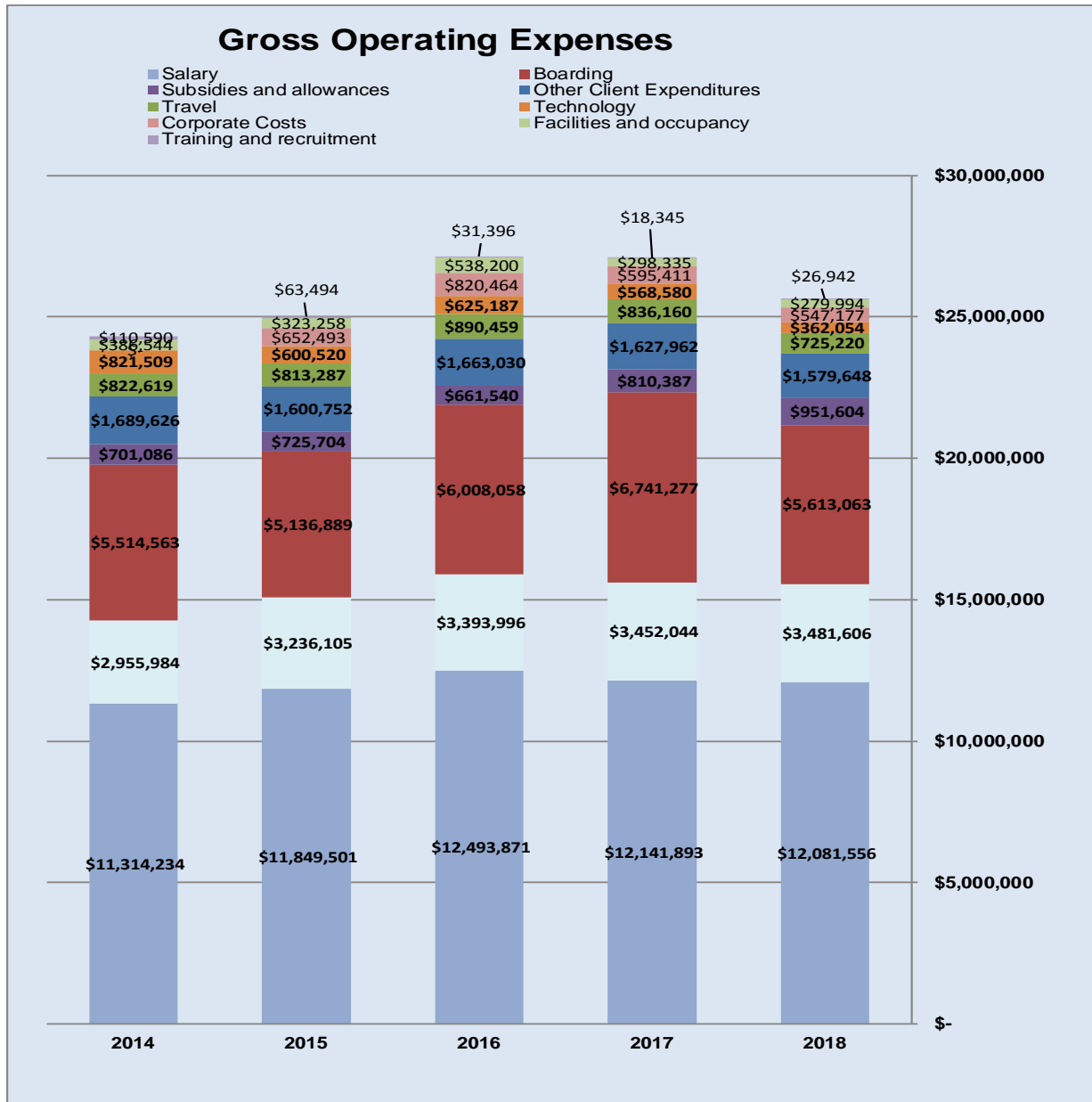
Over the course of the past four (4) years, the Society has been extensively engaged with the Ministry to secure special funding to provide support for the unique needs of two (2) children in care. While the Ministry supports the projects in principle, the Society has been advised that there is no additional funding to support the projects and, as such, the Society will be required to fund the projects through operational dollars, which are expected to be expensed in this fiscal year. The Society continues to advocate for reimbursement of the funding, along with the timely collection of revenue for expenses for children not in care or children who are Transition Aged Youth, all of which have significant impact on the Society’s cash flow. Additionally, where

possible, the Society continues to seek opportunities to apply for special funding, as applicable, including funding for accessibility projects for children with accessibility needs and Jordan's Principle.

#### FINANCIAL DATA:

Cost drivers:

Invariably there are various cost drivers that any organization needs to monitor. KHCAS is no exception. In terms of expenses, the Society's expenses are broken down as follows with compensation & benefits and boarding costs representing almost 90% of the budget on an annual basis:



**Compensation:**

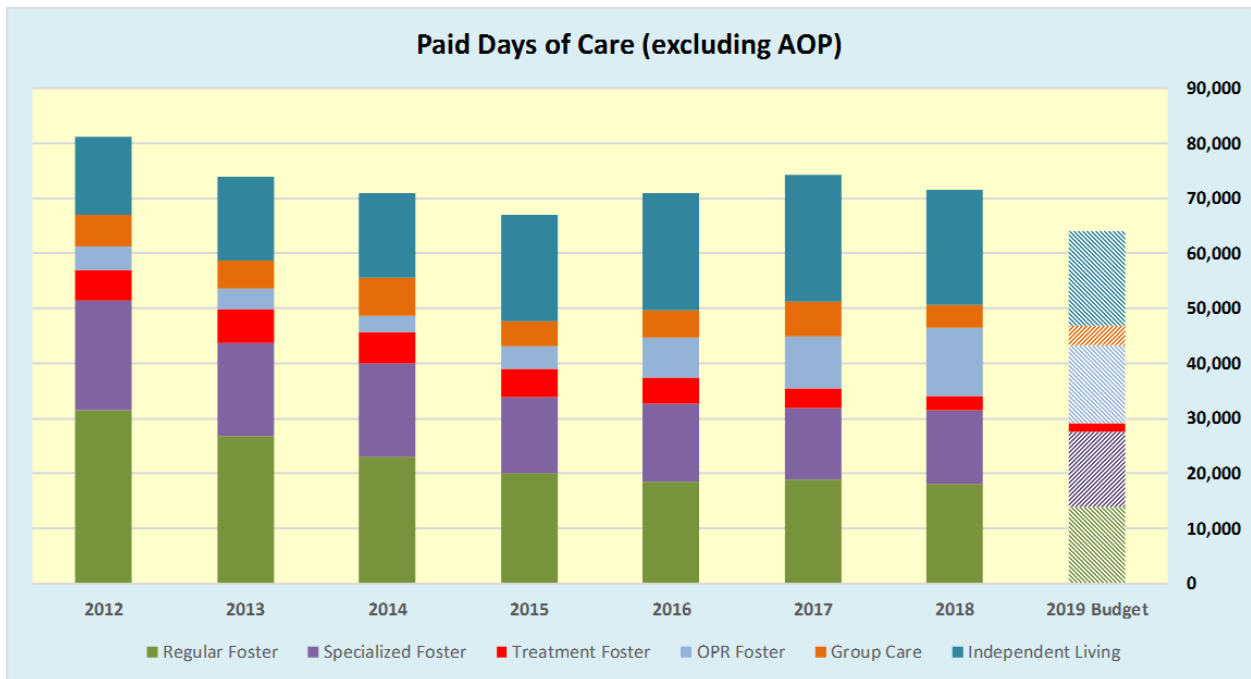
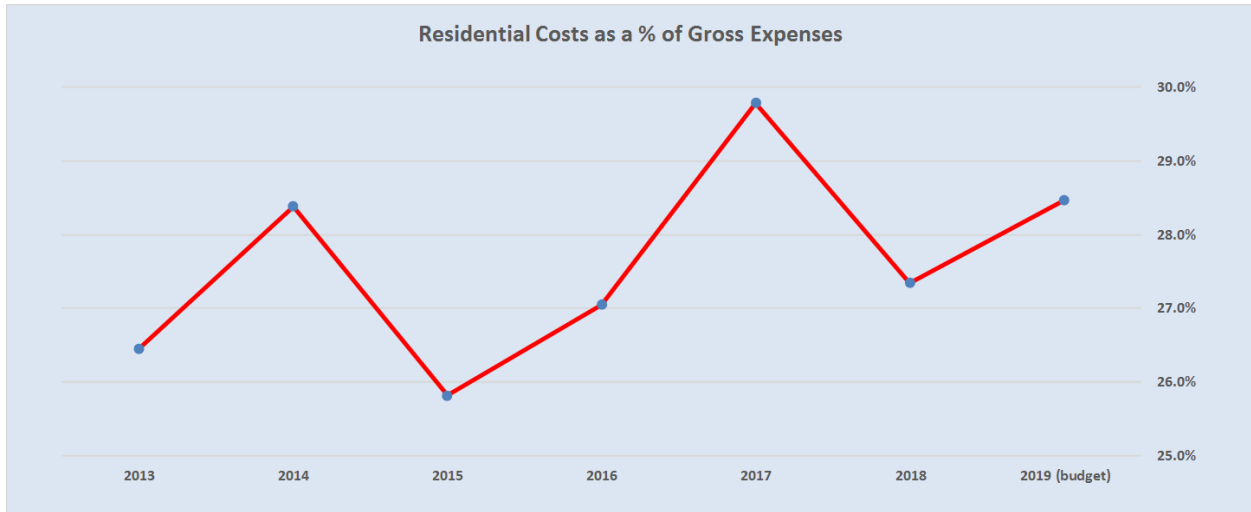
Not surprising, as a human services organization, compensation remains the largest cost component for the Society. Over the course of the past two (2) years, the Society has reduced the FTE complement by 12.57% or 20 positions:

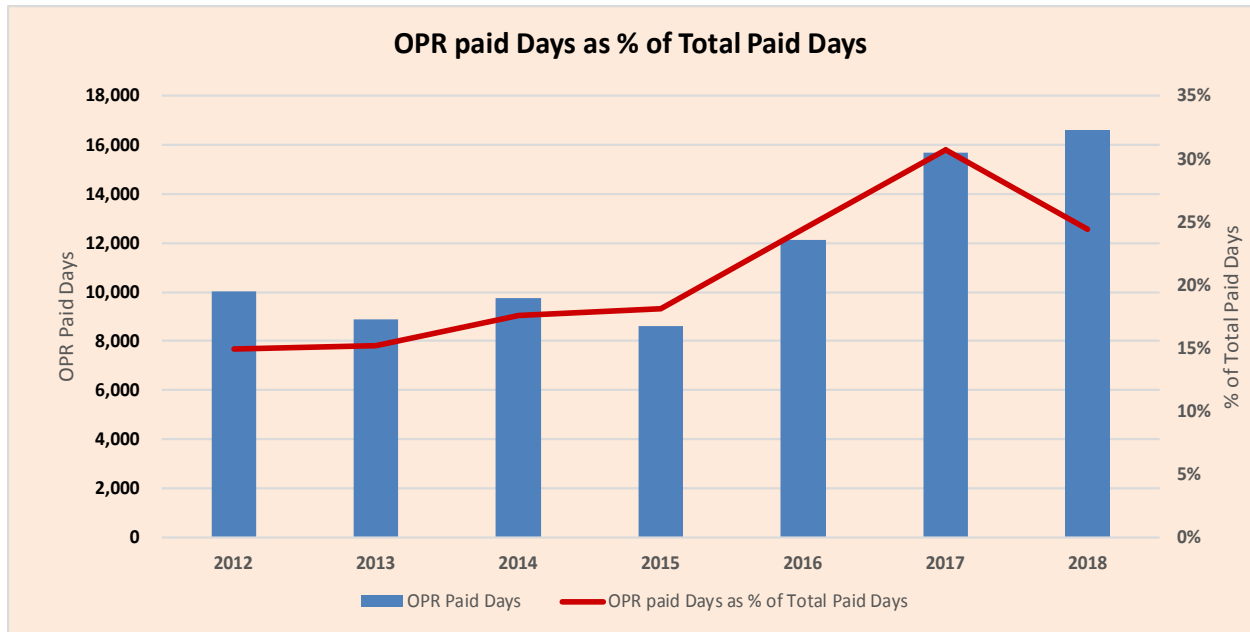
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Budget FTE</b>	156.88	159.00	162.93	158.85	161.06	152.63	142.25
<b>Actual FTE</b>	146	154	155	159	152.34	139.12	TBD

The Society continues to be mindful of the overall FTE, the costs associated with staff, balanced against providing appropriate services to meet the mandate under the CYFSA.

**Residential Care:**

As a preamble to the funding allocation announcement for 2017/18, the Ministry noted a decline in the provincial number of children in residential care. After a significant decline between 2010 and 2014, KHCAS experienced an increase in the number of children in care between 2015 and 2016. Since that time, the number of children in care has been sustained at approximately 230. During the fiscal period 2017/18, the Society saw a decline in the number of children in care, with a correlating decrease in residential costs. However, experience to date in 2018/19 suggests that, while children in care numbers remain relatively static, residential costs are increasing as a result of utilization of Outside Paid Resources (OPRs) rather than Society Foster Care Resources. Changes in Ministry direction in 2015 to broaden eligibility for CCSY financial assistance increased the number of young adults living independently but financially supported by the Society, also impacting the overall expenditures of the Society, particularly with the extension of protection services to youth aged 16 and 17.





Since 2015, the Society has been identifying an increasing reliance on costly OPR foster placements as the Society has struggled to maintain fostering resources to support the varied needs of children and youth coming into care. As part of the strategy to reduce reliance on OPRs, the Society has budgeted for a planned increase in the specialized foster care rate.

Personal and medical needs for children in care costs are budgeted to cost the Society about \$16.20 per day in 2018, which is a decrease of about \$1.20 per day compared with the last five years. However, extraordinary costs to support the unique needs of children in care have been considered as part of this year’s budget, increasing the overall budget in this expense category.

Financial Investments to support re-establishing a balanced budget:

In consideration of the increasing cost pressures related to residential care services and in particular Outside Paid Resources, the analysis undertaken indicates that OPR usage increased by 75% between 2013 and 2016 as a percentage of total paid days of care. Over the same period, the Society’s foster and kin-care resources decreased by 19% from 157 to 127 homes and continues to decline with 97 open homes on March 31, 2018. This decrease is a combination of factors including an aging foster parent population, increasing compensation offered by OPRs and recruitment of foster parents whose goal is permanency with a view to adopt rather than serving ongoing placements. While, the Society continues efforts to recruit new foster homes, there is only limited success with traditional recruitment campaigns. Depleting foster care resources is not unique to KHCAS. It is a sector crisis.



In addition to the crisis related to depleting foster care resources, further analysis completed on residential care costs by placement type and child age indicates that the Society is most vulnerable in finding placements for teens entering care and this age group is most often referred to OPR care.

#### 2017/18 BUDGET:

In support of the work of the Society and in consideration of the discussion presented in this business plan, the following budget is prepared and presented as part of the Society's Business Plan for 2018/19.

<b>FINANCIAL SUMMARY</b>	<b>2018-19 Final Budget</b>	<b>2018-19 Interim Budget</b>	<b>2018 Year End Final</b>
Ministry Funding	\$ 23,620,256	\$ 23,559,817	\$ 23,506,976
Ministry Policy Priority Funding	\$ 184,487	\$ 437,805	\$ 435,476
Ministry Other Funding	\$ 164,411	\$ 295,262	\$ 79,061
Other Revenue and Recoveries	\$ 1,910,131	\$ 1,702,844	\$ 1,735,024
<b>GROSS REVENUE</b>	<b>\$ 25,879,285</b>	<b>\$ 25,995,728</b>	<b>\$ 25,756,537</b>
Salaries and Wages	\$ 12,471,636	\$ 11,945,486	\$ 12,081,556
Benefits	\$ 3,482,847	\$ 3,345,641	\$ 3,481,606
Travel	\$ 712,129	\$ 702,748	\$ 725,220
Adoption Probation Costs	\$ 555	\$ -	\$ -
Adoption Subsidy	\$ 191,613	\$ 240,243	\$ 327,169
Targeted Subsidy Agreements - Adoption & Legal Cust.	\$ 737,955	\$ 583,740	\$ 580,635
Training and Recruitment	\$ 69,769	\$ 111,058	\$ 26,942
External Legal Service Costs	\$ 208	\$ 11,443	\$ 311
Witness Fees & Service/Certificates	\$ 26,208	\$ 20,124	\$ 15,141
Program Expense	\$ 61,431	\$ 7,307	\$ 1,450
Professional Services - Client	\$ 697,842	\$ 618,317	\$ 344,532
Client Personal Needs	\$ 853,276	\$ 1,164,223	\$ 960,704
Financial Assistance	\$ -	\$ -	\$ 1,794
Health and Related	\$ 209,986	\$ 293,822	\$ 401,669
Building Occupancy	\$ 304,609	\$ 313,203	\$ 279,994
Professional Services - Non Client	\$ 244,812	\$ 409,970	\$ 202,498
Food Services	\$ -	\$ -	\$ -
Promotion and Publicity	\$ 8,109	\$ 6,000	\$ 10,030
Office Administration	\$ 85,866	\$ 85,994	\$ 68,570
Miscellaneous	\$ 274,777	\$ 267,128	\$ 266,080
Society Foster, Kinship & Other Care	\$ 2,102,532	\$ 2,432,917	\$ 2,369,457
Purchased Foster & Group Care	\$ 3,785,253	\$ 3,412,651	\$ 3,097,410
Society Operated Foster and Group Care		\$ -	\$ -
Legal Custody	\$ 29,179	\$ 49,800	\$ 43,800
Admission Prevention	\$ 112,323	\$ -	\$ 243
Technology	\$ 407,608	\$ 423,913	\$ 362,054
<b>EXPENSES</b>	<b>\$ 26,870,523</b>	<b>\$ 26,445,728</b>	<b>\$ 25,648,865</b>
<b>Net expense</b>	<b>\$ (991,238)</b>	<b>\$ (450,000)</b>	<b>\$ 107,672</b>