

**MEMORANDUM**

March 3, 2016

TO: Health and Human Services Committee

FROM: Vivian Yao, Legislative Analyst *VY*

SUBJECT: **Briefing – New model for the Tree House Child Assessment Center**

The Health and Human Services Committee will receive a briefing on plans to change the organizational model for the Tree House Child Assessment Center (Tree House). The following individuals are expected to participate:

- Uma Ahluwalia, Director, Department of Health and Human Services (DHHS)
- JoAnn Barnes, Chief, Children, Youth, and Family Services, DHHS
- Tom Grazio, Manager, Tree House Child Assessment Center

The HHS Committee has expressed concern for some time about the current Tree House partnership involving the Primary Care Coalition (PCC) and the County. HHS Committee Chair Leventhal has questioned whether the PCC's mission is sufficiently aligned with the Tree House's targeted focus and whether the Tree House's fundraising ability might be limited by PCC's own competing fundraising priorities. Consequently, during FY16 DHHS operating discussions, the HHS Committee Chair requested that the Department explore a different model for the Tree House.

In the attached October 2, 2015 memorandum (©1-3), DHHS Director Ahluwalia transmitted the Department's analysis of options to develop a sustainable model for the Tree House. The analysis (see ©3) considered three options: (1) continuing the partnership with PCC, (2) implementing a hybrid model with two entities handling staffing and fundraising separately, and (3) creating a dedicated non-profit for the Tree House. The analysis identified the best model to be a partnership with a non-profit organization whose sole mission is the support of the Tree House, allowing for "dedicated fundraising capacity to support both short-term infrastructure priorities as well as long-term mission-critical functions." The new model would allow dedicated fundraising to expand the service array, including increasing capacity for bi-lingual clients, improving services to non-offending parents, and increasing primary prevention work with high-risk populations.

The memorandum suggested that the Department would work closely with PCC through a staged two-year transition process. Council staff anticipates that the Committee will hear about the status of strategic planning efforts and any updates about the schedule of accomplishing the transition. **The Committee may want to better understand the current unmet service demand for victims of abuse referenced in the memorandum and projected growth needed to meet this demand.**



DEPARTMENT OF HEALTH AND HUMAN SERVICES

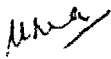
Isiah Leggett  
County Executive

Uma S. Ahluwalia  
Director

MEMORANDUM

October 21, 2015

To: George Leventhal, President, Montgomery County Council

From: Uma S. Ahluwalia, Director 

Subject: New Model for the Tree House Child Advocacy Center

The mission of the Tree House is to provide services to victims of child sexual abuse and serious physical abuse, and to promote recovery and healing. For many years, the Primary Care Coalition (PCC) has served as the Department's non-profit partner to provide staffing assistance. However, the Department of Health and Human Services (HHS) was constrained from leveraging additional funding outside of PCC's competing fundraising priorities, and now seeks to implement a new sustainable model for the Tree House. We have done an analysis on three options: 1) Remain in partnership with the PCC; 2) Implement a hybrid model with two entities handling staffing and fundraising separately; and, 3) Create a dedicated non-profit for the Tree House.

The Department consulted with comparable jurisdictions regarding the auspices of their Child Advocacy Centers- included but not limited to Washington D.C., Philadelphia Pennsylvania, and Fairfax and Arlington counties in Virginia. We have also contacted members of the Maryland Children's Alliance. Our comparative analysis revealed that a partnership between local government and a non-profit organization whose sole mission is the support of the Child Advocacy Center allows for dedicated fundraising capacity to support both the short-term infrastructure priorities as well as long-term mission-critical functions. A dedicated 501(c)3 non-profit would operate as the service providing partner and be responsible for fiscal management and fundraising for the new Child Advocacy Center. Further, with the support of HHS, the Child Advocacy Center would reach out to local foundations and the larger community to solicit expertise and fiscal support.

We have identified the Philadelphia Children's Alliance (The Alliance) as a model that the Department would like to emulate. The Alliance provides professional staff, fundraising and administration, and also has the following features: a solid facility, forensic interview staff and flat funding for medical and behavioral health needs.

The Department will support the Child Advocacy Center to achieve growth in its service array through private support. A key improvement over Tree House's current partnership shall be a dedicated fundraising effort to expand the services we offer for victims, siblings and non-offending

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parents. Programmatically, we will increase capacity for bi-lingual clients, improve services to non-offending parents, such as our current Circle of Safety program, and increase primary prevention work to be done in the community - especially with high risk populations. As a long-term goal, the new non-profit Child Advocacy Center would launch a capital campaign for a state of the art, child-friendly facility.

Our immediate goal is to work closely with PCC through a staged process to ensure an effective and seamless transition until a new non-profit, entirely devoted to the mission of the new Child Advocacy Center, is stood up. In the coming months, we will develop and implement a strategic plan for the transition between PCC and the Tree House with detailed key milestones for implementation to begin in two years. Year one tasks will include incorporation, filings with federal and state government, board recruitment and training, and the creation of financial, fundraising and operational policy and procedures. Year two tasks will focus on transition and include personnel contracting and management. Once the non-profit is established, the priority of the non-profit will be fundraising and awareness activities to support operational and staffing needs of the organization.

Although the demand for services for victims of abuse is greater than our current capacity at the Tree House, expansion can be achieved through multiple funding streams, and we are committed to making this change with a cost neutral approach to county government.

USA:kw

Attachments: *Options for Child Advocacy Center Models*

c: Tim Firestine  
Vivian Yao  
Tom Grazio  
Stuart Venzke  
JoAnn Barnes  
Angela Cabellon  
Patty Stromberg  
Lisa Merkin  
Becky Bolat  
Taman Morris

## Options for Child Advocacy Center Models

	<i>Remain with PCC</i>	<i>Hybrid Model *</i>	<i>Dedicated Non-Profit for CAC</i>
<b>Manpower &amp; Staffing</b>	<ul style="list-style-type: none"> <li>➤ Provides stable staffing</li> <li>➤ 26.4% fringe cost</li> <li>➤ Awards contract for some services</li> </ul>	<ul style="list-style-type: none"> <li>➤ Foundation lacks capacity to provide staffing, so alternative strategy needed</li> <li>➤ No way to connect private funds to contract employees</li> <li>➤ Professional staff will be hired through personal services contracts</li> </ul>	<ul style="list-style-type: none"> <li>➤ Capacity must be developed</li> <li>➤ Taking on fundraising and staffing functions part of start-up phase</li> </ul>
<b>Fundraising</b>	<ul style="list-style-type: none"> <li>➤ Provides no support</li> <li>➤ Takes indirect cost (8.3%) on all money raised</li> <li>➤ Donor confusion since EIN is registered to PCC</li> </ul>	<ul style="list-style-type: none"> <li>➤ Mission comparable, but might compete with Tree House Mission</li> <li>➤ No development staff/no track record for Funders for Tree House as an independent non-profit</li> <li>➤ Continued donor confusion</li> </ul>	<ul style="list-style-type: none"> <li>➤ Development staff would be dedicated to Tree House mission</li> <li>➤ Ample opportunity for direct mail, corporate, grants etc.</li> <li>➤ No donor confusion</li> </ul>
<b>Grants</b>	<ul style="list-style-type: none"> <li>➤ Access to many grants limited by PCC Budget (\$7M)</li> <li>➤ Grant opportunities limited to those not pursued by PCC</li> <li>➤ Indirect cost taken out of every grant</li> </ul>	<ul style="list-style-type: none"> <li>➤ May compete with Tree House mission for small operational grants</li> <li>➤ No grant writer on staff</li> </ul>	<ul style="list-style-type: none"> <li>➤ Eliminates current barriers and allows Tree House to pursue funding aggressively from different prospects</li> </ul>
<b>Management and Administrative</b>	<ul style="list-style-type: none"> <li>➤ CAC is not core mission</li> <li>➤ Role limited to staffing and fiscal agent only</li> </ul>	<ul style="list-style-type: none"> <li>➤ No Tree House representation on Board</li> <li>➤ No vehicle to move private funds to staff contracts</li> </ul>	<ul style="list-style-type: none"> <li>➤ Must be developed</li> <li>➤ Opportunity exists for county to place key personnel on board of directors</li> </ul>
<b>Cost of Operating</b>	<ul style="list-style-type: none"> <li>➤ Cost is known</li> <li>➤ Growth of private support unlikely</li> </ul>	<ul style="list-style-type: none"> <li>➤ With Personal Services Contracts through MCDHHS, could eliminate the indirect rate paid to PCC</li> <li>➤ HHS would still have operating oversight</li> </ul>	<ul style="list-style-type: none"> <li>➤ Unknown but using estimated 14% indirect cost (standard), less expensive than PCC fully burdened rate</li> </ul>

\* *Personal Services Contractors through HHS and private foundation*