
Embedding Fiscal Management in Child Welfare Program Oversight

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Executive Summary

Sonoma County Human Services Department (HSD) implemented a process for oversight of fiscal expenses in the Children, Youth, and Families Division which includes intentional oversight of direct spending, contracts, time-study hours, and revenue through a project management lens. The county created reporting infrastructure, oversight processes at multiple reporting responsibilities, and thorough staff training regarding the importance of time study and fiscal accountability. As a result, Sonoma County has carefully directed resources to meet program priorities, addressed changing fiscal needs, and demonstrated the ability to be fiscally agile during changing economic times. The purpose of this project is to explore Sonoma County HSD's implementation, successes, and ongoing processes as well as explore potential new ideas for Solano County Health and Social Services-Child Welfare Services (HSS-CWS). This case study included in-person interviews, program and fiscal document review, and significant assistance from the program and fiscal teams in both Sonoma and Solano counties.

Embedding Fiscal Management in Child Welfare Program Oversight and Program Oversight in Fiscal Management

The Sonoma County Human Services Department (HSD) Administration Division and the Sonoma County Family, Youth, and Children (FY&C) Division collaborated to improve fiscal oversight to create more meaningful program reporting and facilitate management level discussion and decision-making using fiscal data. The purpose of this project is to explore HSD's implementation throughout this change, and the tools and processes in place for ongoing improvement in Sonoma County. Assessment of Solano County's current practices and possible mechanisms for implementation in Solano County are also considered.

The Sonoma County Human Services Department encompasses a staff of approximately 1,000 employees who provide safety net services to residents and vulnerable populations within the county. The Department serves over 150,000 individuals a year, with a county population of around 485,000 (County of Sonoma, 2026). The Sonoma HSD provides services through four program divisions, as well as one administrative service:

- Aging and Adult Services Division
- Economic Assistance Division
- Employment and Training Division
- Family, Youth, and Children's Services Division
- Executive Management and Administration Division

Sonoma Identifies a Need

Prior to implementation of the current structure, Sonoma County's fiscal oversight in Child Welfare relied primarily on standard accounting reports reviewed with upper leadership. Program staff identified that this information was difficult to connect to the operational activities that were being completed because funding streams crossed multiple program areas or due to the complexities of managing 1991 and 2011 Realignment funding, as well as non-realigned funding. In practice, if a question was asked regarding the specific cost of a

program or whether a program is over or underspending, it was difficult to obtain that information.

Beginning around 2017, Sonoma County HSD Administrative Services Division and the Family, Youth and Children Division identified the need to create fiscal reporting for program areas tied to program codes related to key areas such as: utilization of existing funding, capacity within existing services and contracts, and the use of overtime and extra help staffing. This would help make real-time decisions that balance program needs and budgetary limitations and that would be flexible enough to allow adjustment within fiscal years to correct for human error (generally caused by time studies) or changing fiscal conditions.

The program has been in full operation for more than five years and this case study identifies key areas that were present for successful implementation:

- Development of good fiscal reporting tools, including advance work in program coding.
 - Monitoring time study draw down and overtime
 - Knowledgeable program analysts overseeing contract spending
- Consistent oversight of fiscal and program deliverables.
 - Close communication between the fiscal/accounting team at HSD and program staff in Family, Youth, and Children's Services (FY&C)
 - Mutual work between FY&C and HSD to establish areas of programmatic oversight connected to specific fiscal streams
- Initial and ongoing training to support staff at all levels in maintaining fiscal management and time study fidelity.

Fiscal Reporting

Use of program codes allowed for reorganization of expenses and revenue in a more granular manner (e.g. breaking down large cost categories into specific programs). This allowed individual programs to monitor their budgets independently. Sonoma County established 34 project codes tied to specific child welfare functions, including prevention services, youth supports, placement-related services, crisis services, and contracted family services. Some examples of these include: substance abuse services, flexible family supports, foster/adoptive parent recruitment, childcare, and transportation costs, among others.

While the development and programming of the codes was time intensive, maintenance of them is not. Reports are run monthly through standard reporting structures. For example, in one cost area, a specific budget is established for the Quality Parenting Institute (which includes Resource Parent recruitment and retention). These costs include expenses such as a QPI event, refreshments for participants at meetings, mentor costs, outreach, direct recruitment costs, support costs, conference attendance, and supplies. The manager responsible for this program is provided with all information needed to manage the costs and revenue on a quarterly basis including spending in each of these areas and any time study claiming (if applicable). There is no specific revenue allocation for QPI, so the program combines revenue from several funding streams. As those revenue or priorities change, any needs to change spending are identified early and addressed by those program staff who are most knowledgeable on the topic, in consultation with the fiscal team. Because there is a clear budget for the entire program, the manager responsible has boundaries to work within, as well as a framework for reviewing the information they are provided.

Another key area of reporting is the review and oversight of time study reporting. Sonoma County has developed fiscal reporting that includes time study reporting based on a per hour cost basis for each of the programs. This allows program staff to monitor and determine on a quarterly basis whether staff are on track to fully claim an allocation, overdraw an allocation, or fail to draw it down, and then make appropriate adjustments either to staff activities or priorities (particularly when staff activities could fall in multiple claiming codes).

Oversight

Another important area of this program is the level of shared oversight that has been developed and maintained. By establishing the Program Development Manager as the liaison between Fiscal and Program, the county has created a strong interrelationship between the two Divisions. Currently, HSD and FY&C meet regularly at various leadership levels to achieve different goals. These routine meetings share information, develop fiscal planning priorities, assist the fiscal team to understand program-related changes in spending, and also facilitate time-sensitive adjustment to staff activities when needed.

Sonoma County maintains oversight through regular meetings between fiscal staff, executive leadership, managers, and program analysts. Meetings occur monthly or quarterly, depending on the level of review, and focus on expenditures, allocations, staffing, revenue, and compliance monitoring.

Staff training

Staff training is a critical aspect of implementation of fiscal oversight in this model. Sonoma County implemented a consistent and intentional training of its staff and leadership regarding time study coding and its use in fiscal oversight. Specifically, this includes both new hire time study training and annual refresher training for all staff. This allows the fiscal leaders and program managers to have both small and large impacts.

Consider the use of the “Health-Related” Code in the Child Welfare time study. Staff claiming this time study code can draw down a larger Federal share of cost than for most time study codes. However, it cannot be used in all circumstances. It is important for staff to understand how it can be used, and when it should not, so that it can be maximized while still being accurate. The lead fiscal staff member conducted extensive meetings with staff and leadership to better understand the tasks that social workers engage in, in order to create an estimate regarding appropriate levels of coding to the “Health-Related” codes for each program area. When claiming levels fall below expected levels, the fiscal leader and program leadership in that area can engage in discussions with staff regarding whether they require a refresher about the availability of the code or have accurately coded their time to other codes.

The importance of time study oversight is most notable in the non-realigned allocations in Child Welfare. Most of California’s Child Welfare Services (CWS) funding was realigned (paid directly to the counties) in 1991 and, again, in 2011. However, subsequent allocations remain as direct allocations which require either direct cost claiming or time study claiming to access the revenue. Correct time study claiming is vital to these areas, which include many functions peripheral to direct practice such as Resource Family Approval, Child and Family Teams, Family Finding and Engagement, Bridge Child Care, and many others. Much of the work of County-level Child Welfare Services could be correctly claimed to realigned codes, when it is more appropriate to claim to non-realigned codes based on the activity. In addition to time study training, the fiscal leader provides as-needed training to program areas around fiscal management needs, presentations to the leadership team, and on-demand presentation as needed.

These approaches have successfully identified overspending, provided leadership and staff with a stronger understanding of programmatic changes and funding, allowed the county to ensure that funding is available to meet priority needs, and allowed the division to be fiscally nimble when funding and revenue changes occur.

An excellent example of this process at work is demonstrated through a review of Sonoma County's spending related to Commercially Sexually Exploited Children (CSEC). The fiscal leader and accountant generated a monthly single-page report which includes information for the program manager to review, including detailed costs billed to the project. These include specific charges, broken into subsections when relevant (e.g., Training and travel/Equipment /Billboard/CSEC Support Services). The report shows staffing, services and other youth-specific purchases. In this CSEC example, it was observed (not shown due to personal client information) that the mid-year report included spending of approximately 37.5% of the allocation, with most of the underspending falling within the "CSEC support services area". In the staff time cost area, it showed that staff have overclaimed to time study code 928/951 by almost double and have almost no claiming to time study code 918. This would likely prompt the fiscal leader and CSEC manager to take a closer look at those time study codes to determine whether there are training needs or adjustments in staff activities needed. This allocation is a great example of how the single reporting tool, combined with regular oversight meetings, improved the county's use of one-time or non-realigned allocations as well as ensured that program leadership were aware of their staff fiscal activities.

Markers of Success for Sonoma County

The consistent through-line seen in assessing Sonoma's implementation of this project and long-term continuation of the model is based on the commitment of leadership at multiple levels to transparency and communication between program and fiscal areas, and work of key personnel to develop tools to allow the work to continue into the future without having to build spreadsheets and reports each month. By creating the program codes and monthly reports for program areas, the values can be updated without change to the structure of the report itself.

By engaging in this practice over years, Sonoma HSD's Fiscal and CY&F Divisions have both practiced information sharing and communication. This practice allows leaders to pivot during times of fiscal reduction and quickly identify areas where program reduction can be accomplished without staff loss or significant client impact. With the fiscal oversight structure in place already, the program and fiscal teams have a shared language and relationship. Sonoma has consistently provided good fiscal oversight regarding its allocations and funding priorities and is now using these practices to address staff overtime and determine Division priorities with regards to use of retired annuitant and extra help staff.

Applicability to Solano County

Solano County is a strong comparison county for Sonoma in many ways, including size of county and size of its child welfare caseload. There is minimal income disparity between the counties, in that the median income for a family of four in Solano County is \$124,600 while the median income for Sonoma County was \$132,000 (California Department of Housing and Community Development, 2025). However, there are some notable differences in both structure and funding. While Solano County is also a mid-sized county, and on the outskirts of the Bay Area, Solano County HSS does not have a strong County General Fund contribution, whereas Sonoma County HSD receives approximately 9% of its operating budget from its County General Fund. Solano County HSS Department also includes Public Health and Behavioral Health, while Sonoma HSD does not.

None of these factors prevent the type of monitoring suggested here, but it is noted that creation of this process requires investment in infrastructure, including program codes programming, training, and staff designated as fiscal lead, which present different challenges based on resources.

For Solano County's Child Welfare Division, the current structure for fiscal oversight in Child Welfare consists of the CWS Deputy Director and Administrator who are the key contacts with fiscal staff. They are responsible for meeting with the analyst, reviewing monthly reports regarding staffing, vacancies, and allocations. During budget season, the pace and leadership level of meetings increase. Routine meetings at the manager or supervisor level do not exist. In addition, there is no routine oversight of time study claiming beyond these reports. Throughout the past five to ten years there has been a large amount of turnover in fiscal staff assigned to Child Welfare, resulting in loss of institutional knowledge. Ad hoc meetings occur to discuss challenges or solve specific issues. Reporting is provided monthly by the fiscal team consisting of spending on contracts, staff costs and benefits, building and overhead expenses, vacancy reporting, and many specific areas of spending based on the county expense claim. Additionally, administrative staff have consistently sent time study reports to the Administrator and recently resumed sending them to program managers as well.

The information and content of the reports are quite difficult to understand from a programmatic standpoint, in that staff costs, time study claiming, and general overhead are all on different reports, which are not directly connected to program allocation or budget information. Although programs do have budgets established, they are established at a higher level (e.g. staff level) rather than direct program function.

The Child and Family Team Example in Solano County

Currently there are multiple allocations where either time study claiming, or contract oversight combined with time study claiming is resulting in failure to draw down available state and/or federal funding. One such example is the allocations for Child and Family Team Meetings (CFTM). These allocations are primarily funding staff time in Solano County. Although there are direct costs available, they are not being claimed to these codes. The Solano County CFTM team consists of two social workers and their supervisor, but the codes are also available to case carrying staff who are attending and preparing themselves and their clients to attend meetings.

A review of this allocation finds that the county received \$70,954 (California Department of Social Services [CDSS], 2026, February 17) and \$486,686 (California Department of Social Services [CDSS], 2026, March 14) for a total of \$557,610 for the 25/26 fiscal year. As of December 2025, time study records show a total expenditure of \$237,020.

However, records show that staff were coding directly to the “0944-Non Federal” code in error, resulting in a faster draw-down of the state funds, and social workers were not routinely coding to the time study code at all when attending or preparing for Child and Family Team Meetings. This is an important shift, as work performed under the 0945-Federal code is 50% Federal/50% State while work claimed under the 0944-Non Federal is 100% State funded and work claimed to various direct program (case management or court coding) incurs a county share of cost and does not draw down from this non-realigned funding source at all. Further, not all applicable case carrying staff hours were claimed by social workers attending and preparing for CFTM’s. This resulted in less advantageous cost-share for those hours. Additionally, CFTM facilitators coded to *07321- Increase Family Case Planning Meetings*, which is an available code to use, but made obsolete by the CFTM codes above, and carries a county share of cost. In several quarters, coding to this area was nearly as much as the facilitators coded to CFTM codes.

Table 1: Current Claim Status for CFT-CWD, by Quarter

09/30/2025 Quarter

Program code	Federal Funds	State Funds	County Funds
0944 CWS CFT – Federal	32,111	32,111	0
0945 CWS CFT- Non Fed	0	55,310	0
Subtotal for claim	32,111	87,421	0

12/31/2025 Quarter

Program code	Federal Funds	State Funds	County Funds
0944 CWS CFT – Federal	56,396	56,397	0
0945 CWS CFT- Non Fed	0	93,202	0
Subtotal for claim	56,396	149,599	0

Total Expenditures for Both Quarters

Program code	Federal Funds	State Funds	County Funds
Subtotal Claimed for 09/30/2025 Quarter	32,111	87,421	0
Subtotal Claimed for 12/31/2025 Quarter	56,396	149,599	0
Expenditure total	88,507	237,020	0

Current claim status for CFT-CWD: \$557,610 (State total received) - \$237,020 (Total state expenditures) = **\$320,590 (Available allocation)**

By routinely identifying time study errors such as the incorrect coding to the non-federal code, it can be corrected timely as seen below. In this example, staff could be trained to use the appropriate CFT code when they attend, prepare for, or document meetings during time study months, thereby utilizing additional allocated funding. The example above also shows that no staff time study claiming has been made to the CWS CFT FM code, which includes \$70,954 of the total available state allocation.

Table 2: Possible claim status for CFT-CWD
Alternative Claiming for 09/30/2025 Quarter

Program code	Federal Funds	State Funds	County Funds
0944 CWS CFT – Federal	59,766	59,766	0
0945 CWS CFT- Non Fed	0	0	0
Subtotal for claim	59,766	59,766	0

Alternative Claiming for 12/31/2025 Quarter

Program code	Federal Funds	State Funds	County Funds
0944 CWS CFT – Federal	102,997	102,998	0
0945 CWS CFT- Non Fed	0	0	0
Subtotal for claim	102,997	102,998	0

Total Possible Expenditures for Both Quarters

Program code	Federal Funds	State Funds	County Funds	Available allocation
Subtotal for 09/30/2025 Quarter	59,766	59,766	0	N/A
Subtotal for 12/31/2025 Quarter	102,997	102,997	0	N/A
Expenditure total	162,763	162,764	0	394,846

Possible claim status for CFT-CWD: \$557,610 (State total received) - \$162,764 (Total state expenditures) = **\$394,846 (Available allocation)**

Review of this specific example identified inconsistent use of appropriate time study codes, including use of non-federal claiming codes and failure to code staff activities to the appropriate allocation. These practices reduce the county's ability to maximize federal reimbursement and increase reliance on state or county funding. In this example, the county makes an additional \$74,259 available simply from the one change from Non-Federal to Federal. If the other changes (change from 07321 to CFTM and from program specific code to CFTM) were also completed, additional funding becomes available as well.

Recommendations for Implementation

Application of the Sonoma model in full or part is strongly encouraged for Solano County. Immediately this would benefit single allocation non-realigned funding, and in the long term, it would benefit all fiscal planning in the Division.

The following specific recommendations are presented for Solano County:

Time Study

- Review all time study codes that staff are using for appropriateness, accuracy, and access to unused non-realigned funding when possible.
- Reinstate time study training (from both a fiscal and program lens) for onboarding new staff, with a focus on the benefit to staff and clients for accurate time studies.
- Complete annual review training for all staff on time study materials and values.

CWS Fiscal

- Train CWS managers on Fiscal Essentials topics, and involve them in fiscal planning for their programs.
- Review existing non-realigned allocations for current spending.
- Develop plans for future spending for each allocation which involve specific tracking mechanisms and ongoing oversight at the program level.

Communication

- Ensure consistent communication between Fiscal Analyst, Accountant, and CWS and multiple leadership levels.
- Oversight tool development
- Program code or spreadsheet development for simpler tracking of non-realigned funds expenditure through direct spending, staff time, and contract use.

Conclusion

During this project, it appeared that some fiscal tools exist in Solano County that may not be routinely provided to the CWS team, including information from CECRIS CEC ledger reporting. Even if no additional tools are developed in the final recommendation, sharing the CECRIS ledger for non-realigned reports would serve as a potential bridge regarding these expenditures, while broader reporting measures are developed. Regardless of which approaches are selected, further integration of the fiscal and program teams in Child Welfare and administration are strongly recommended. Our partners in Sonoma have demonstrated several methods and are willing thought partners for our future work.

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