

**Saint Mary's Home for Children**

**Strategic Plan  
Update  
March, 2011**

The following trends were identified as having high relevance to the future of Saint Mary's Home for Children.

#### *Overarching trends*

- Government wants to get out of housing dependent populations
- Major shift nationally and internationally to move dependent persons back home to family based or kinship based care
- Change is largely driven by costs associated with state run residential options and the anticipated impact of baby boomer population moving through elder supports
- Medicaid reform is under discussion in many states due to explosive cost increases
- Many services are moving to home and community as "family supports" rather than child treatment. Best practices have shifted away from separating children from families for treatment purposes.

#### *Rhode Island trends*

- Changes in DCYF funding model...moving from agency contracts to network contracts. DCYF also wants to curb use of residential placement for other than short stays.
- More acute medical cases in ARTS program and shelter program
- More specialization required – psychiatric, school programs — requires multi-disciplinary approaches to deal with more complex conditions
- More serious behavioral health issues/medication issues
- Census is expected to decline with shorter term placements trending downwards on overall numbers of placements
- Supporting home and foster care requires multi-expertise and training of more than one caretaker
- Participation in network model will drive changes in quality assurance and will require more collaborative work with other agencies. Outcome measurement will be required.

#### *Programs/Services*

- Opportunities to diversify school program
- Need for aftercare, to follow children home post placement
- There is a need to blend more of residential and in-home services – fluid, responsive, service modules
- Respite for short periods
- Treatment planning moving towards outcomes with valid measures
- More intensive treatment will be coupled with shorter time frames
- Families need more than we can give – case management increasing – DCYF not there as a re-enforcer

- People losing benefits – no one to pay for behavioral health services
- Many families in dire financial straits
- Insurers do not pay for sex abuse work
- Reimbursement rates are flat or declining.

#### *Workforce Issues*

- Due to fiscal constraints, ways must be found to express value in other ways than salary
- Need to make behavioral norms for employees clear. Accountability for the agency is rising; accountability for staff must also rise.
- Generation Y: attracting and keeping these employees requires a stress on the meaningfulness of work and strong internal communications – clear and, timely
- Retention problems must be addressed. (Saint Mary's turnover rate is 30% per year.)
- Benefits are becoming more important to employees as means of increasing stability of workforce.

#### *Practice Trends*

- Toward customization of interventions, adapting to kids and their environment, not just safety and quality. Moving to relationship model of care.
- Bringing families into case planning as part of customization.
- Reducing the use of physical interventions.
- Practice is moving closer to Eastern philosophy
  - Meditation
  - Deep breathing, relaxation
  - Stress reduction
- Treatment is more flexible now for sexual trauma kids – more family involvement, many things they can do at home.
- Permanency planning is now a standard expectation.
- Training for direct care staff has and should continue to increase
- Raised expectations of staff.

#### *Funding*

- Grant funding – harder to come by, more restrictive – hard to find a niche
- Foundation and corporate funding are expected to be reduced over the next 24 months as a result of the recession.
- Government funding will continue to be stressed.
- Funders want more accountability, looking for outcomes.

## Views of Saint Mary's from Key Informants

The information provided in this section was developed in the fall of 2008. Saint Mary's management has put several efforts in place to address the issues raised.

### School Program

Four Special Education Directors were interviewed. Saint Mary's is viewed as the provider of choice for children who have been impacted by sexual abuse, either as victims or perpetrators. Children with mental health issues and who are DCYF involved due to abuse or neglect are seen as doing well at Saint Mary's. Children who do not do well include those with severe cognitive issues and high school age youth who are "street wise."

Concerns raised include the need to systematize programming rather than depend upon a few key staff. Leadership at the school has turned over quickly and the lack of consistent leadership is viewed as a concern. Concerns were also raised about the condition of the school's physical plant.

### Feedback from DCYF

Six key informants at DCYF were interviewed. DCYF representatives also view Saint Mary's as having real strength with children who have been impacted by sexual abuse. The ARTS Program is also seen as a strength. The program is viewed as clinically strong and the school is seen as a strength.

Concerns raised included the need for more attention to transitions and to family supports. A pattern of lack of information among those who are most likely to refer children to Saint Mary's was noted. Higher ups within DCYF seemed more informed of the changes and strengths of Saint Mary's than those who actually refer,

### Community Representatives

Four community representatives from municipal government and law enforcement from North Providence were interviewed. They expressed their support for Saint Mary's and explained their role in dealing with runaways. While one key informant expressed concern about after hours communication about a runaway, the others were supportive and without concerns.

### Foundation Community

Six representatives from local foundations were interviewed. They expressed their support for Saint Mary's and identified no concerns. One expressed concern for Saint Mary's future, advising that they carefully watch what DCYF is doing and position themselves as closely as possible to the direction DCYF chooses.

#### Focus Group with Beacon Health Insurance

As the major referrer to the ARTS Program, Beacon UR representatives are well positioned to observe Saint Mary's in context with other providers. Saint Mary's appears to be very dedicated to the children they serve and to have their best interests in mind. Their concerns center on how well Saint Mary's competes for referrals with other providers. During clinical reviews it appears that some of St. Mary's clinicians do not fully understand that the level of care criteria speaks to what clinical information the treating clinician needs to provide during reviews. This can be printed from Beacon's website. The clinician does not always appear prepared for the questions that are asked, i.e. the dosages of medication. They would like to see increased understanding on the part of the St. Mary's Clinician providing the pre-certification that this is not an adversarial relationship and the questions that are asked by Beacon are necessary to determine if the member meets level of care. Saint Mary's is viewed as "not aggressive" in its marketing and Beacon UR is concerned that a disproportionate share of referrals is going to providers who are more sophisticated in their marketing practices and their ability to report on outcomes. Increasing Saint Mary's competitive stance should include developing the ability to follow kids home.

## Key internal issues from internal focus groups and assessment process

### Climate survey

The survey was administered on-line. Employees were asked to complete the survey during a two week period in August, 2008, which was then extended for an additional week. Approximately 110 staff were asked to participate and ninety-four staff responded for a return rate of 85%. This is an excellent rate of return.

#### Overview of responses

	2007
<b>PERCENTAGE POSITIVE</b>	60.1%
<b>PERCENTAGE NEGATIVE</b>	13.8%
<b>PERCENTAGE INCONSISTENT/ UNCLEAR</b>	26.0%

Based on the use of this survey in multiple venues, very healthy organizations have a negative response rate of 6% or less. With negative responses of 13.8%, St. Mary's should be considered an organization with significant challenges. This is compounded by the high percentage of inconsistent/unclear practices of 26.0%. These results are often found in organizations with high growth rates, high staff turnover or extreme environmental stress. The survey results are a portrait of an agency in transition. There appears to be a higher degree of inconsistent practice than preferable but no serious or profound areas of dysfunction. Supervisors, in their interactions with employees, appear to be a source of strength.

Future organizational health will be influenced by management's intentional choice of a culture that supports St. Mary's mission and growth, and re-enforcement of that culture through training and consistent management action. As nonprofits overall move toward a culture of accountability, the need to shift culture away from personal support and adherence to job descriptions to one focused on achievement will increase in importance. Management will need to create a specific plan around creating cultural cohesion around achievement based norms.

### Board survey

The Board is comprised of twenty-four members of the community. Sixteen of the board members completed the survey either online or via paper copy. Of those who responded, all of them are on the Board primarily because they believe strongly in the mission and values of this organization. The Board includes a group of seasoned members, with 73% (11) of the Board respondents having served for more than six years.

The Board is cohesive with little evidence of unhealthy interactions. Board discussion is useful and productive and trust levels are strong. Board discussion could allow for Board members to learn more about one another's strengths and expertise. Additionally, some respondents were unaware that the Board may have a set of explicit goals for the Board as a group.

There are two areas of clear weakness identified in the survey - the Board's roles in fundraising and community relations. The functional ratings indicate that some Board members are concerned that fundraising efforts are not sophisticated enough to support the organization. In addition, some members indicated that the use of individual influence and connections to create access, clear obstacles and raise funds is less than adequate.

When looking at the results of the Executive Committee separate from the Board as a whole, the results are somewhat mixed. There are six members on the committee. One member of the Executive Committee believes that the Board functions poorly and is dissatisfied with his/her Board service. It is understood that this smaller group is responsible for the majority of the work of the Board. It is possible that the individual's concerns are already well known to leadership. If not, given the level of negativity of this one individual, we recommend that the Executive Director and/or President meet with each Executive Committee member to provide an opportunity for this individual to provide feedback directly.

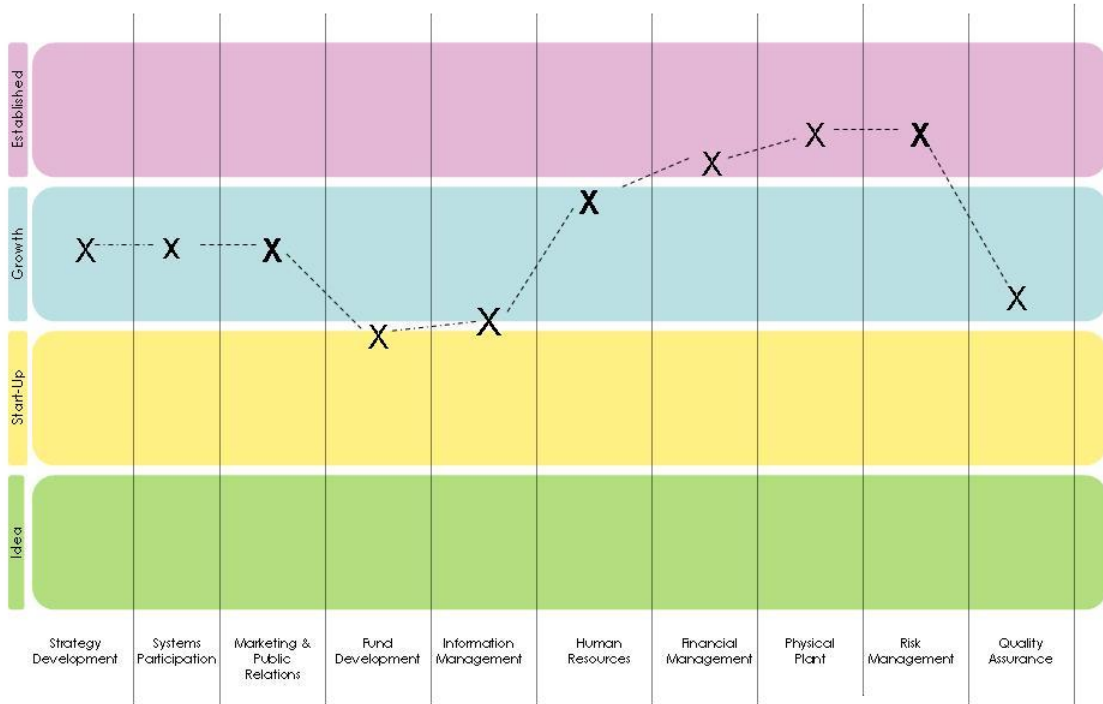
It appears that most St. Mary's Home for Children Board members are satisfied with their Board Service – but given the large number of Board members and that eight members did not respond to the survey, it is also recommended that the group explore ways to engage the entire group of board members in a discussion of Board functioning, using the survey results as a springboard for that discussion.

## **Management System Assessment**

Using the FIO Partners Strategic Growth Guide, the various management systems at Saint Mary's were tracked against stage of development indicators. Based on senior management views, the following results show that Saint Mary's has not invested in its management infrastructure to ensure cohesive growth across all systems. There are clearly leading systems, such as financial and risk management and physical plant, and lagging systems such as fund development, information management and quality assurance. Given the several environmental challenges, Saint Mary's will need to invest in these lagging areas.

# Functional Mapping of Saint Mary's Management System by Stage

## Functional Mapping



## Financial trends

### Strategic Planning Ratios St Mary's Home for Children

	FY05	FY06	FY07	Un-audited FY08	Projected FY09
<b>Defensive Interval (DI)</b> (Cash + Marketable Securities + Receivables) (Average Monthly Expenses)	6.75	6.87	6.58	5.37	5.45
<b>Liquid Funds Indicator</b> (Total Net Assets-Restricted Net Assets-Fixed Assets) (Average Monthly Expenses)	2.66	3.06	1.82	2.26	2.97
<b>Debt Ratio (DR)</b> (Average Debt) (Average Total Assets)	0.24	0.20	0.24	0.26	0.28
<b>Revenue Ratios</b> (Revenue Source) (Total Revenue)					
1. Public contributions/events	0.12	0.03	0.02	0.03	0.03
2. Government grants	0.01	0.02	0.03	0.02	0.04
3. Program service revenues	0.83	0.92	0.87	0.95	0.87
4. Endowments/Investments	0.02	0.03	0.06	(0.03)	0.03
5. Grants & Foundations	0.01	0.01	0.02	0.03	0.03
6. Other/Miscellaneous	0.01	0.01	0.01	0.01	0.00
<b>Totals</b>	1.00	1.00	1.00	1.00	1.00
<b>Program Service Expense</b> (Program Service Expenses) (Total Expenses)	0.96	0.96	0.97	0.96	0.96
<b>Accounts Payable Aging Indicator</b> (Accounts Payable X 12) (Total Expenses)	0.37	0.20	0.26	0.22	0.44
<b>Contributions and Grants Ratio</b> (Contributions and Grants) (Total Revenue)	0.14	0.05	0.06	0.08	0.10
<b>Fundraising Ratio</b> (Fundraising Expenses) (Total Expenses)	0.02	0.01	0.01	0.01	0.03

The vision, mission and values statement of Saint Mary's was revised as part of the planning process. The following statement had its genesis in staff focus groups, was reviewed with the Board of Directors and reviewed twice with the Strategic Planning Committee.

## **Saint Mary's Home for Children Vision, Mission and Values**

### **Vision**

St. Mary's Home for Children is dedicated to helping children who have been affected by violence in their homes or communities and/or who have behavioral health issues. Our vision is to provide the opportunity for each child in our care to become a healthy adult, capable of healthy relationships. Our programs focus on providing children with the skills and strengths they need to cope with family, school and social environments. We provide families with appropriate supports as they strive to create healthy relationships. We seek to provide children in our care with positive and lasting relationships with adult role models and a permanent home base that they can return to as they need us. We seek to build a strong sense of self worth and raised aspirations for what each child can become.

### **Mission**

Our mission is to create an environment of healing and hope for those we serve. Children and families are empowered to develop healthy, trusting relationships. Through an array of residential and community based services, we create effective, lasting partnerships that enable children and adults to lead fulfilling lives.

### **Beliefs and values**

#### ***Our services are child centered and family focused:***

We are committed to meeting the needs of the people that we serve. Effective decision making that balances autonomy, individual empowerment, and personal accountability is encouraged.

#### ***Respect and compassion are the hallmarks of our work.***

We commit to a safe, nurturing atmosphere in all we do. Our aim is to foster the growth of children and families and this requires a full measure of both respect and compassion.

***We commit to the long term healthy development of children:***

Children who have experienced abuse and neglect can develop into healthy adults. They are fully capable of participating in a life with the same opportunities, privileges and responsibilities as others in the community. We are committed to supporting the development of individuals through their lifespan.

***We believe family members are an integral part of our clients' lives:***

Our first choice is always to support the successful reintegration of a child into his/her family's life. If this is not possible, we commit to finding alternative family settings with the goal of permanency for each child.

***We commit to employing best practices in our work:***

It is our responsibility to seek out, and integrate best practices into our provision of services. We value innovation and creativity, and we reward our staff for demonstrating excellence in our field.

***We will practice Continuous Quality Improvement:***

We are committed to review and evaluate our work. We recognize that the success of our organization is dependent on our willingness to look objectively at what we do, and to make the changes necessary to improve practice. We accept the challenge to learn from our efforts.

***We value a quality and reliable workforce to fulfill our mission:***

We recognize that reliability and continuity in the lives of the people we serve are critical to their success. We reaffirm and strengthen our commitment to develop and maintain competent, caring and dedicated staff.

***Our employees are the cornerstone of our agency:***

We recognize the importance of our staff and the contributions they make in the lives of our children and families. We are committed to offering education, training, and advancement opportunities that enhance employee professional development and a work environment that expresses both dignity and respect.

## **Corporate goals**

### **Goal I. Redefine the program portfolio to better meet local and field trends in child welfare and children's behavioral health**

The following proposed changes to the program portfolio are substantial and reflect the need to shift Saint Mary's program model from one that is primarily residential to one that balances residential and community based interventions.

#### A. Programs in which Saint Mary's will have to compete for market share

For these programs, resources exist, and Saint Mary's is in a strong competitive position, but there is significant competition. There is a major opportunity here, but the organization will have to fight for its share of the market and must expect to invest heavily in marketing efforts to maintain market share.

ARTS: short term residential care for continuing stabilization and treatment following discharge from inpatient psychiatric care and/or diversion from inpatient level of care.

Day School: out of district placement for children with behavioral health issues.

Shelter: stabilization for homeless youth in a safe, supportive, structured environment

RTC after care (new): extension of RTC into the home. Follow child into the community after residential stay.

Enhanced Outpatient Services (new): Community based program that provides an array of services delivered by master's level clinicians and case managers in order to reduce the risk of hospitalization or other intensive higher levels of care. Services may include individual, group and family treatment, assistance with attending substance abuse or medical appointments, coordinating care with other community services, resolving crisis situations, transitioning to community programs or resources. St. Mary's will offer a specialty in-home sexual abuse treatment service under the EOS umbrella as well.

B. Programs for which there is opportunity for growth but little competition at this point

There are substantial resources, plentiful consumers, and few competitors for these programs. This programming automatically becomes a high priority for attention as the organization has a significant opportunity to build market share. As others recognize the organization's success, competition will increase - so *timely* investment in growth is imperative.

Mauran: Treatment/planning for chronic and developmentally abnormal abuse reactive sexualized behaviors

VOCA (new): For children who have acted out sexually, this is an in-home treatment program with Beacon as a payer.

21 day assessment (new): complete psychiatric, psychological and educational assessment for treatment planning conducted while the child is at home

Respite (new): short term stays to stabilize family situations with the goal of reunification at the earliest possible time.

C. Programs that are latent or emerging

Competition is low but the agency does not yet have significant strength in these areas. This programming is a worthwhile investment when the organization has resources available for improving its competitive position – after programs in B and C, above, have been taken care of. If investment resources do not exist, these programs then become candidates for finding a strategic partner to share in the development costs. If neither alternative works out, abandon the programming – it is unlikely to assume a competitive position on its own.

45 day assessment onsite: complete psychiatric, psychological and educational assessment for treatment planning conducted while the child is in residence (stay not to exceed 45 days)

PCH: partial day treatment in the ARTS program. This is a stabilization program that attempts to intervene before residential placement is necessary.

#### D. Programs that need to be restructured or closed

Resources are scarce to support these programs. Competition is plentiful. Reinforce best competitor or find a partner. Or, restructure to be more competitive.

RTC-POS, St. Mary's traditional residential program for DCYF kids, will be restructured into smaller specialty units. The numbers of referrals for long term residential placement is expected to dropping and is expected to continue declining for the foreseeable future. Smaller specialty units will be created including respite as described above, adolescent girls, and pre-latency co-educational unit. In addition to creating smaller specialty units, the treatment philosophy for this program needs to shift to trauma informed care.

#### E. Programs that need to be protected and supported

These programs are those that the organization is committed to delivering even at the cost of subsidizing them with resources from other programs – and that do not have easy access to resources on their own. Such programming makes a special or unique contribution to the welfare of the organization's consumers and therefore to mission accomplishment, and its elimination may cause consumers irreplaceable loss of services.

Shepherd: Services to sexually abused children and their families as well as abusing children. Current efforts to better track productivity will help to reduce the deficit in this program. Current efforts to raise endowment funds will also help to reduce the impact of the operating deficit here.

### **Goal II. Create a network of supportive relationships to enhance mission accomplishment**

#### A. Manage collaborative and competitive relationships

- Ocean State Network

- Monitor actions of competitors

  - Day One

  - Psychological Centers

  - Gateway

  - Family Service RI

#### B. Build a more powerful network of individual and institutional donors to support mission accomplishment

1. Engage Board in fund development efforts
  2. Set Board goal for contribution to fund development efforts
    - a. Operating
    - b. Endowment replacement
- C. Develop a marketing plan around specific services targeted to funders
1. NHP
  2. DCYF
  3. Beacon
  4. Courts
- D. Define scope of work concerning marketing expectations for program managers
1. Alter job descriptions to reflect new expectations
  2. Develop training and tools to support managers in these new roles
- E. Build name recognition of Saint Mary's in wider community
1. Recruit expertise in marketing and public relations to the Board
  2. Develop Board liaison program
  3. Improve website

### **III. Adjust organizational infrastructure to better support strategic goals**

Saint Mary's should explore the possibility of reduced cost by developing a partnership with one or more other nonprofits to consolidate one or more infrastructure functions. If these functions remain independent, the following strategies will be required.

- A. Financial management
1. Establish cash reserve by setting aside \$20,000 per month
  2. Return \$1.9 million to endowment per auditor's instruction
  3. Monitor Ocean State Network infrastructure to determine opportunities to reduce Saint Mary's overhead costs
  4. Adjust system to new billing realities and changes in the program portfolio
- B. Information Management
1. Add hardware and software for new programs
  2. Develop metrics for management that are tied to outcomes
    - a. Train as needed
  3. Create an interdepartmental committee to assess ongoing IM needs and system functioning

#### C. Human Resources

1. Adjust staffing pattern as programs change and evolve
2. Undertake cross training for multiple roles to ensure maximum flexibility in staffing pattern
3. Get people in the right jobs
4. Alter job descriptions as necessary to adjust to programmatic changes
5. Develop a merit based compensation system
6. Create a positive organizational climate
7. Shift to a climate of achievement with person support as the secondary, rather than primary culture
8. Create clarity around expectations
9. Evaluate for outcomes and help staff understand how their work contributes to outcome attainment
10. Create clarity around expectations of supervisors
11. Conduct supervisory training on setting expectations and holding staff accountable.

#### D. Physical Plant

1. Continue efforts to sell excess buildings
2. Design of state of the art school facility
3. Prepare the Board for capital campaign

#### E. Fund Development

1. Place more emphasis on Board's involvement and engagement in supporting the work of Saint Mary's
2. Include fund development expertise and experience as criteria for Board recruitment
3. Recruit at least 3 individuals from the philanthropic community
4. Set annual goals for the Board's own contributions
5. Ensure that 100% of the Board give to the agency
6. Ask the Board to consider minimum giving levels for the agency
7. Prepare the Board for supporting a capital campaign to renovate the school

### **Goal IV. Re-focus emphasis on quality assurance and organizational learning**

1. Create a dashboard of indicators for management and Board review
2. Meet COA Standards for Quality Assurance in 2011 accreditation review

3. Review policy infrastructure to ensure compliance with accreditation standards
4. Redefine training function to anticipate organizational shifts
5. Increase leader and supervisor development
6. Promote and encourage learning across the agency

## **Board goals, strategies and ownership in support of the Strategic Plan**

### **Goal I: Review Programs and Infrastructure systematically and comprehensively, looking at results, competition and synergies**

#### **Strategies**

1. Create and use a template/structure for reports to the board on programs and infrastructure.
2. Maintain Board knowledge of program portfolio changes. Engage Board with staff in considering adjustments to internal infrastructure.

**Board ownership:** Program Committee, CQI/Strategic Planning Committee

### **Goal II: Monitor/partner with Leadership to emphasize Quality and Organizational Learning.**

#### **Strategies**

1. Determine outcomes/indicators for dashboard with Executive Director and leadership team.
2. Partner with Leadership Team on specific quality review assignments.
3. Monitor training, development, and learning across the agency.

**Board ownership:** CQI/Strategic Planning Committee, Personnel Committee

**Goal III. Use Board contacts and influence to improve St. Mary's branding and awareness of St. Mary's mission.**

**Strategies**

1. Inventory Board connections: celebrities and corporate
2. Create a visibility campaign: e.g. car magnets
3. Inventory current donors and supporters to determine how to serve them better or get more from them
4. Market other services, e.g. autism
5. Annual of goal of 5 new prospects per Board member including name, mailing address and email address
6. Annual Board member thank you phonathon.

**Ownership:** Development/Events and PR, Full Board

**Goal IV. Establish annual and long-range fundraising goals for all Board members.**

**Strategies**

1. Create specific campaigns to facilitate Board member fundraising.
2. Involve Board in fundraising events
3. Recruit Board members from philanthropic community.
4. Recruit Board members with fundraising expertise.
5. Plan for Board approved capital campaign with a goal of \$2 million.
6. Create a Board goal for unrestricted gifts each year.
7. Create a Board goal for restricted gifts each year to replenish the endowment.
8. Create a Board goal of 10 new members to the 1877 Society.

**Ownership:** Development/Events and PR, Major Gifts, Full Board

## **Goal V. Restoration of the endowment and health of the endowment.**

### **Strategies**

1. Board approval of revised endowment spending policies
2. Board approval of revised endowment investment policies
3. Board approval of endowment position paper
4. Board approval of annual set aside percentage (3-5%) of unrestricted annual appeal transferred to endowment for long term investment
5. Adopt a major gift policy regarding allocation of the gift if not designated

**Ownership:** Finance Committee, Executive Committee

## **Goal VI. Develop the St. Mary's Board so there is a culture of engagement, skillful discussion (healthy conflict) and action**

### **Strategies**

1. Make sure that all Board members are on at least one committee
2. Create a Boot Camp for new members
3. Get members involved with program review
4. When Board agenda goes out, highlight issues and plans so that members can be informed and engaged at the start of the meeting.
5. Discuss/clarify the Board role more often: is it support, monitoring, helping the ED work smarter?
6. Change logistics of Board meetings: different table, vary the location of Board meetings.

**Ownership: Executive Committee**

## **Key Results to be achieved and 2013 and monitored by the board and management staff**

### **Key Results for Goal I**

- Continue to diversify revenue to lessen dependence on state funding. By 2013, Saint Mary's revenue will be 30% from state contracts, and 70% from other sources.

### **Key results For Goal II**

- A specifically identified and articulated position with the Ocean State Network.
- A marketing plan with clearly defined roles for program managers and Board.
- Improved website
- Board competence in marketing and public relations

### **Key results for Goal III**

- Board will give at 100% level.
- Increase annual giving by 10% per year.
- Use sale of Norwood Facility to help restore endowment.
- Commit to monthly return of funds to the endowment.
- Balance budget annually.
- Plan for capital campaign underway.

### **Key Results for Goal IV**

- Meet COA standards
- Identify four areas of focus and work on outcome measures

