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### Office of Ombudsperson for American Indian Families

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<https://mn.gov/oaif/>

### AT A GLANCE

- New agency created by the legislature in 2021
- Collaborates with the Minnesota Indian Affairs Council
- Monitors cases and investigates complaints of non-compliance from American Indian families negatively impacted by child welfare social service agencies

### PURPOSE

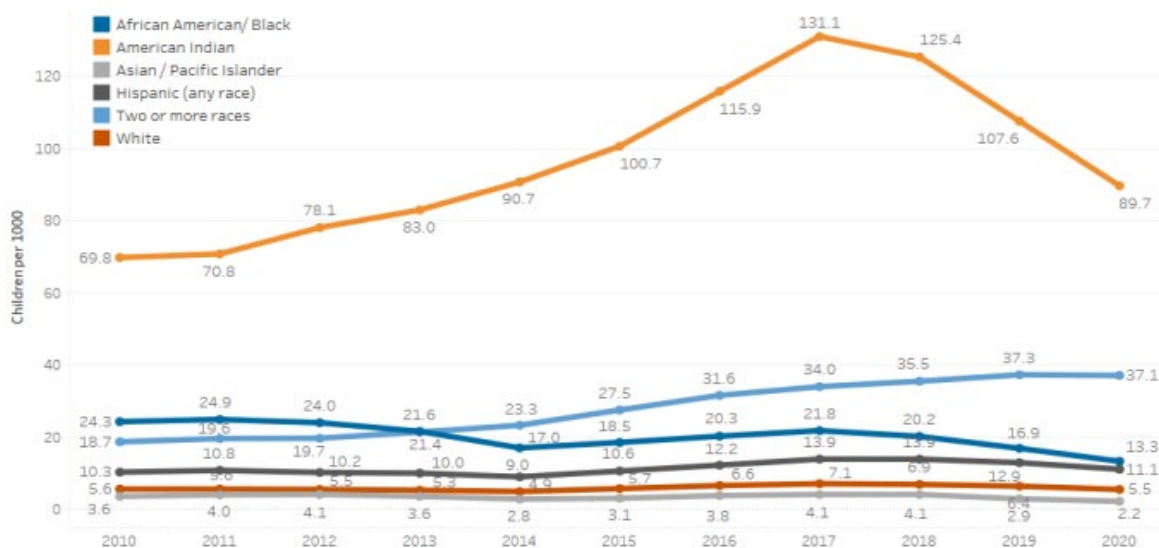
According to Minnesota's 2020 Out-of-Home Care and Permanency Report (published January 2022):

- 13,442 children were placed in out-of-home care; 2,563 (19%) of those were American Indian.
- American Indian children stay in care for two years or longer compared to other groups.

As shown in the figure below, the rate per 1,000 children in out-of-home care has been declining since 2017, and the rate of American Indian children has seen a dramatic reduction from a high of 131.1 per 1,000 children in the Minnesota population in 2017 to 89.7 per 1,000 in 2020.

[Note: Native children remain the most likely group in the state and nation for removal from their homes.]

### Rate of Minnesota Children in Out-of-Home Care, 2010-2020 (by race/ethnicity)



The Office of Ombudsperson for American Indian Families (OAIF) is a new independent agency, created by legislation in July 2021. However, since 1991, there has been an Ombudsperson for American Indian Families working to serve American Indian Families involved in child protection. The OAIF works independently and in collaboration with the American Indian Community-Specific Board. The Board is appointed by the Minnesota Indian Affairs Council. The Ombudsperson monitors cases and investigates complaints of non-compliance of statutes, rules, and laws, and educates the legal community and the American Indian Community about the Child Protection Process. The OAIF mission is "Preserving the Indian Family."

## BUDGET

The OAIF's budget was seeded in July 2021 with \$190,000. Since this is a newly created agency, there is no historic data to report.

## STRATEGIES

As shown in the above figure, there is great disparity and over-representation of American Indian children who are in out-of-home care. The OAIF seeks to close the gap and emphasize the importance of an antiracist child welfare system that dedicates resources to enable Minnesota's American Indian children and families to achieve their full potential. Effective strategies are needed at every stage of the child welfare continuum process: prevention, screening and assessment, decision-making, providing culturally specific and responsive services, ensuring that fathers are being provided notice and a case plan, and including the tribes at every stage when a child is tribally affiliated.

To begin the process, the OAIF will learn national best practices and develop creative messaging so children are not removed from their homes at such high rates. When and if they need to be removed, it is our goal to ensure they are placed with family instead of strangers and to prioritize reunification. The OAIF three-year plan is to:

- Establish new networks to begin building effective coalitions.
- Assess strategies to address over-representation.
- Implement an action plan.
- Propose legislative packages on policy directions.

The OAIF will continue to take complaints and inquiries, monitor cases for non-compliance, investigate cases when necessary, and develop public policy.

## RESULTS

The Ombudsperson for American Indian Families was previously with the Office of Ombudsperson for Families (OBFF) and the results below are data for the three-year period prior to the legislation creating the OAIF. This data provides information on the effective work the Ombudsperson for American Indian Families did from 2018 to 2020. When the OBFF reported their data, it was reported cumulatively and did not disaggregate the data for each of the Ombudspersons. The data below is what the Ombudsperson for American Indian Families reported.

<i><b>Name of Measure</b></i>	<i><b>2018 Report</b></i>	<i><b>2019 Report</b></i>	<i><b>2020 Report</b></i>
Complaints and Inquiries received*	932	1,035	879
Consultations/resolutions	428	556	583
Investigations	63	60	64

\*This measure tracks the number of calls/complaints to make inquiries, to lodge a complaint, or request information about the child protection system and how to navigate it.

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The legal authority for the OAIF is Minn. Stat. 3.9215 <https://www.revisor.mn.gov/statutes/2021/cite/3.9215>

The legal authority for the American Indian Community Specific Board is Minn. Stat. 3.9216

<https://www.revisor.mn.gov/statutes/cite/3.9216>

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
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### Expenditures by Fund

1000 - General			169	211	190	190	336	340
2001 - Other Misc Special Revenue				53	53	53	53	53
<b>Total</b>			<b>169</b>	<b>264</b>	<b>243</b>	<b>243</b>	<b>389</b>	<b>393</b>
Biennial Change				433		53		349
Biennial % Change						12		80
Governor's Change from Base								296
Governor's % Change from Base								61

### Expenditures by Program

Ombudsperson for American Indian Families			169	264	243	243	389	393
<b>Total</b>			<b>169</b>	<b>264</b>	<b>243</b>	<b>243</b>	<b>389</b>	<b>393</b>

### Expenditures by Category

Compensation			112	117	119	120	265	270
Operating Expenses			57	147	124	123	124	123
Capital Outlay-Real Property			0					
Other Financial Transaction			1					
<b>Total</b>			<b>169</b>	<b>264</b>	<b>243</b>	<b>243</b>	<b>389</b>	<b>393</b>

### Full-Time Equivalents

			0.73	1.00	1.00	1.00	2.50	2.50
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In				21				
Direct Appropriation			190	190	190	190	336	340
Balance Forward Out			21					
Expenditures			169	211	190	190	336	340
Biennial Change in Expenditures				380		0		296
Biennial % Change in Expenditures						(0)		78
Governor's Change from Base								296
Governor's % Change from Base								78
Full-Time Equivalents			0.73	1.00	1.00	1.00	2.50	2.50

**2001 - Other Misc Special Revenue**

Balance Forward In				163	133	103	133	103
Transfers In			163	23	23	23	23	23
Balance Forward Out			163	133	103	73	103	73
<b>Expenditures</b>				<b>53</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>53</b>
Biennial Change in Expenditures				53		53		53
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
<b>FY2023 Appropriations</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>380</b>
<b>Forecast Base</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>380</b>
<b>Change Items</b>				
Maintain Current Service Levels		5	9	14
Full - Time Investigator		92	92	184
Part - Time Office Admin Specialist		49	49	98
<b>Total Governor's Recommendations</b>	<b>190</b>	<b>336</b>	<b>340</b>	<b>676</b>
<b>Dedicated</b>				
<b>Fund: 2001 - Other Misc Special Revenue</b>				
<b>Planned Spending</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>106</b>
<b>Forecast Base</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>106</b>
<b>Total Governor's Recommendations</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>106</b>

## Office of Ombudsperson for American Indian Families

### FY 2024-25 Biennial Budget Change Item

#### Change Item Title: Maintain Current Service Levels

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	5	9	9	9
Revenues				
Net Fiscal Impact = (Expenditures – Revenues)	5	9	9	9
FTEs	0	0	0	0

#### Recommendation:

The Governor recommends additional funding of \$5,000 in FY 2024 and \$9,000 in each subsequent year from the general fund to maintain the current level of service delivery for the Ombudsperson for American Indian Families (OAIF).

#### Rationale/Background:

Each year, the cost of doing business rises—employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

For the OAIF, operating cost pressures exist in multiple categories—increases in compensation and insurance costs at the agency, increasing costs to maintain our current staff complement in a challenging labor market, and increasing IT costs. If an operational increase is not provided, the Ombudsperson will be unable to provide the current levels of service to Minnesotans.

#### Proposal:

The Governor recommends increasing agency operating budgets to support maintaining the delivery of current services. For the OAIF, this funding will support expected and anticipated employee compensation growth and known cost increases to IT services.

#### Results:

This proposal is intended to allow the Ombudsperson for American Indian Families to continue to provide current levels of service and information to the public.

# Office of Ombudsperson for American Indian Families

## FY 2024-25 Biennial Budget Change Item

### Change Item Title: Full-Time Investigator

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	92	92	92	92
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	92	92	92	92
FTEs	1	1	1	1

### Recommendation:

The Governor recommends an increase to fund a full-time investigator to assist the Ombudsperson for American Indian Families. The amount of the request is \$92,000. In FY21, the Legislature appropriated \$190,000 for this new agency. The requested proposal is an increase of approximately 48% to the base appropriation.

### Rationale/Background:

- Hiring a full-time investigator to assist the Ombudsperson for American Indian Families will allow the Ombudsperson to focus on the core mission of the Agency – ensuring that American Indian children and families are protected by law in all child placement proceedings conducted by public and private agencies and organizations.
- According to the Minnesota Department of Revenue, there were 21 counties whose reimbursement for aid were reduced by 50% due to not being in compliance with the Indian Child Welfare Act/Minnesota Indian Family Preservation Act. It is unclear how many cases this entails. Having a full-time investigator will be able to assist the Ombudsperson to looking into this.
- Minnesota has the highest rate in the nation for the removal of American Indian children from their families. The Ombudsperson needs the assistance of a full-time investigator to assist on investigating the cases, especially the cases that are in violation of the Indian Child Welfare Act and the Minnesota Indian Family Preservation Act.
- The future prosperity of the State will depend on American Indian children as our state becomes more racially and ethnically diverse. Minnesota must find ways to better serve its Native children through child welfare services. Adding an investigator will allow this independent state agency, the only state agency of its kind in the nation, to:
  1. Investigate cases that are not in compliance with the Indian Child Welfare Act, the Minnesota Indian Family Preservation Act, the Tribal State Agreement and other statutes and rules regarding the out-of-home placement of American Indian children.
  2. Create a referral center in the OAIF to assist families in finding the resources to maintain safe and stable families.
  3. Help families navigate intersystem and across systems (achievement gap/education, juvenile justice, housing, substance/chemical abuse services, etc.) for those families that are involved in more than one system and to educate mandated reporters with their requirements.
  4. Develop a client/provider satisfaction survey where the OAIF would deliver results of the survey to the agencies/systems surveyed and the Legislature.



5. The full-time investigator will assist the Ombudsperson with investigations, as well as administrative and technology duties to include helping to grow and maintain the Agency's website.

**Proposal:**

This proposal will provide funding for an investigator, which includes salary of \$58,000 annually and fringe benefits including family medical insurance of approximately \$33,000 annually. Having a full-time investigator to assist the Ombudsperson for American Indian Families will allow the Ombudsperson to perform the statutory duties and roles in a timely manner, to include doing statewide outreach to the American Indian Communities. In March 2021, the Ombudsperson for American Indian Families worked on a Fiscal Note Worksheet and provided information that the cost for a full-time investigator would be \$79,521.94 which included the base salary and fringe benefits.

The hiring of a full-time investigator will assist the Ombudsperson in case investigations, some administrative duties and helping to maintain the Agency's website, as well as creating the resources for families to access as noted above. As soon as the new agency is funded with adequate funds to hire a full-time investigator, the Ombudsperson will work with Human Resources to begin the process of posting the position and ultimately interviewing and hiring the selected person. Creating strong and stable families is important by developing a client/provider satisfaction survey where the Agency would deliver results of the survey to the agencies/systems surveyed.

**Impact on Children and Families:**

Minnesota has the highest national rate for the removal of American Indian children from their homes. Once the agency is fully staffed, the Ombudsperson and the American Indian Community Specific Board will meet to develop a three-year strategic plan.

The Agency wishes to:

1. Create a referral center in the OAIF to assist families in finding the resources to maintain safe and stable families.
2. Help families navigate intersystem and across systems (achievement gap/education, juvenile justice, housing, substance/chemical abuse services, etc) for those families that are involved in more than one system and to educate mandated reporters with their requirements.
3. Develop a client/provider satisfaction survey where the OAIF would deliver results of the survey to the agencies/systems surveyed and the Legislature.

The outcomes the OAIF expects to achieve is a reduction in the racial and ethnic disparities in the child welfare system regarding American Indian Children and Families.

**Equity and Inclusion:**

Based on the feedback from the American Indian Community, the proposal to hire a full-time investigator will help the Ombudsperson so that the Ombudsperson can focus on the Agency's core statutory mission and to learn national best practices and develop creative messaging, so children are not removed from their homes at such high rates and to work on the OAIF three-year plan to:

- Establish new networks to begin building effective coalitions.
- Assess strategies to address over-representation.
- Implement an action plan.
- Propose legislative packages on policy directions

**Tribal Consultation:**

This proposal does not have a substantial direct effect on Minnesota Tribal Governments; however, it does have a substantial direct effect on American Indian Children and Families. The Ombudsperson meets with tribal leadership on a quarterly basis to discuss the work being done.

**Results:**

The Ombudsperson for American Indian Families was previously with the Office of Ombudsperson for Families (OBFF) and the results below are data for two years prior to the legislation creating the OAIF. This data provides information on the effective work the Ombudsperson for American Indian Families did from 2019 to 2020. When the OBFF reported their data, it was reported cumulatively and did not disaggregate the data for each of the Ombudspersons. The data below is what the Ombudsperson for American Indian Families reported when she was with the OBFF.

Name of Measure	2019 Report	2020 Report
Complaints and inquiries received*	1,035	879
Consultations/resolutions	556	583
Investigations	60	64

\*This measure tracks the number of calls/complaints to make inquiries, to lodge a complaint, or request information about the child protection system and how to navigate it.

**Statutory Change(s):**

If the proposal will require statutory changes, include the statute number here.

<https://www.revisor.mn.gov/statutes/2021/cite/3.9215>

The current statute will be amended to clarify that the Ombudsperson for American Indian Families will have the statutory duty to hire staff.

## Office of Ombudsperson for American Indian Families

### FY 2024-25 Biennial Budget Change Item

#### Change Item Title: Part – Time Office Administrative Specialist

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	49	49	49	49
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	49	49	49	49
FTEs	.5	.5	.5	.5

#### Recommendation:

The Governor recommends an increase of \$49,000 annually to hire a part-time Office Administrative Specialist to assist the Ombudsperson. In FY21, the legislature appropriated \$190,000 for this new agency. The requested amount is approximately a 26% increase to the base appropriation.

#### Rationale/Background:

Increasing the Agency's budget to allow for the hiring of a part-time office administrative specialist to focus on the core mission of the Agency -- ensuring that American Indian children and families are protected by law in all child placement proceedings conducted by public and private agencies and organizations, as well as:

- perform the clerical and financial duties of the Agency, such as setting up and managing the office budget,
- review and approve invoices,
- determine the goods and services needed and to initiate the procurement process,
- manage office requirements from MMB, the Department of Administration, MNIT, etc.,
- maintain the Agency's website,
- answer the telephone calls and respond to general email questions and requests
- case screening,
- and other administrative tasks as necessary

#### Proposal:

This proposal will add administrative staff to the agency to expand and strengthen existing work which will allow the Ombudsperson to focus on the core mission of the Agency -- ensuring that American Indian children and families are protected by law in all child placement proceedings conducted by public and private agencies and organizations and to allow the Ombudsperson to perform the statutory duties and roles in a timely manner and to address the very high rate of American Indian children entering the State's child welfare system.

With the hiring of an employee, since this is a newly created agency, the Office will need to incur the expense of the cost of an additional laptop, a cellphone and other necessary equipment and supplies needed for the employee to perform said employee's job.

The addition of a part-time Office Administrative Specialist to work on administrative, financial and website duties will then allow the Ombudsperson to focus on the Agency's core statutory mission and to learn national best practices and develop creative messaging, so children are not removed from their homes at such high rates and to work on the OAIF three-year plan to:

- Establish new networks to begin building effective coalitions.
- Assess strategies to address over-representation.
- Implement an action plan.
- Propose legislative packages on policy directions.

**Impact on Children and Families:**

This budget proposal will build on and/or align with innovations from other public, private, and Tribal agencies to increase equity and bridge the gap for children, youth, and families through improved access to resources and services within their community. Funding this proposal will help achieve the administration's priorities for American Indian Children and Families by ensuring for their safety and well-being by requiring the counties to follow all applicable laws and statutes prior to removing American Indian children from their homes and if they need to be removed, to be placed with family instead of with strangers.

**Equity and Inclusion:**

Based on the feedback noted above from the American Indian Community, the proposal to hire a part-time Office Administrative Specialist will help the Ombudsperson so that the Ombudsperson can focus on the Agency's core statutory mission and to learn national best practices and develop creative messaging, so children are not removed from their homes at such high rates and to work on the OAIF three-year plan to:

- Establish new networks to begin building effective coalitions.
- Assess strategies to address over-representation.
- Implement an action plan.
- Propose legislative packages on policy directions

**Tribal Consultation:**

This proposal does not have a substantial direct effect on Minnesota Tribal Governments; however, it does have a substantial direct effect on American Indian Children and Families. The Ombudsperson meets with tribal leadership on a quarterly basis to discuss the work that is being done.

**Statutory Change(s):**

If the proposal will require statutory changes, include the statute number here.

<https://www.revisor.mn.gov/statutes/2021/cite/3.9215>