



Agency Recommendation Summary

The Department of Children, Youth, and Families (DCYF) requests \$2,728,000 (\$2,350,000 GF-State) and 8.0 full-time equivalents (FTEs) in the 2027-29 Biennial Budget to fund a foundational litigation operations infrastructure and a centralized claims and litigation management platform that will improve litigation tracking coordination, portfolio-level analytics, and operational visibility across DCYF.

Program Recommendation Summary

090 - Program Support

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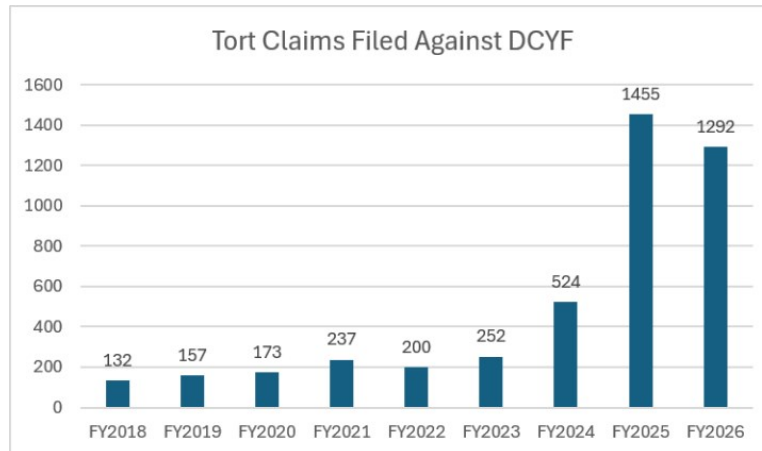
Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2028	2029	2027-29	2030	2031	2029-31
Staffing						
FTEs	8.0	8.0	8.0	8.0	8.0	8.0
Operating Expenditures						
Fund 001 - 1	\$1,200	\$1,150	\$2,350	\$1,150	\$1,150	\$2,300
Fund 001 - A	\$179	\$172	\$351	\$172	\$172	\$344
Fund 001 - C	\$14	\$13	\$27	\$13	\$13	\$26
Total Expenditures	\$1,393	\$1,335	\$2,728	\$1,335	\$1,335	\$2,670
Revenue						
001 - 0393	\$193	\$185	\$378	\$185	\$185	\$370
Total Revenue	\$193	\$185	\$378	\$185	\$185	\$370

Decision Package Description

Over the past several years, DCYF has seen an unprecedented surge in civil legal tort exposure due to changes in state law and State Supreme Court and Court of Appeals decisions. In 2018, the Washington State Supreme Court ruled in *H.B.H v. State* that the department has a special duty of care to foster children that includes a tort duty to protect dependent children. In 2024, the court ruled in *Barlow v. State* that this duty of care includes a heightened duty to protect foster children from any foreseeable harm and equated that duty with strict liability. A subsequent decision of the Court of Appeals in *Asphy v. State* further found that direct evidence that a child was in fact a dependent of the state is not required for this duty and liability to apply.

Recently, in *M.R. v. State*, the State Supreme Court held that the statute of limitations for childhood sexual abuse claims does not preclude plaintiffs from bringing claims of sexual abuse that originated in childhood and extend into the plaintiff's adulthood, which could allow claimants to bring claims that previously would not have been allowed. Claimants have made increasingly broad demands for documentary discovery in such cases, which often implicates hundreds, if not thousands of documents, further increasing the strain on DCYF resources.



DCYF manages one of the largest and most complex tort liability portfolios in Washington State (WA) government. Many claims involve allegations of harm to children and youth while in state care, with over 60 percent reaching back decades. Litigation volume, discovery obligations, and operational demands continue to increase while litigation support processes remain decentralized and heavily manual. Critical claims and litigation information are dispersed through spreadsheets, emails, PDFs, and other operational support materials, limiting DCYF's ability to consistently track litigation activity, support reporting, coordinate workflows, and analyze trends.

DCYF requests \$2,728,000 (\$2,350,000 GF-State) and 8.0 full-time equivalents (FTEs) in the 2027-2029 Biennial Budget to fund a foundational litigation operations infrastructure and a centralized claims and litigation management platform that will improve litigation tracking coordination, portfolio-level analytics, and operational visibility across DCYF.

The primary goals of this package are to:

- Establish a single, reliable, enterprise-wide source of claims and litigation data;
- Improve the DCYF's ability to analyze litigation trends, identify operational risks, benchmark settlements, and support informed legal and operational decision making;
- Strengthen coordination and information sharing between DCYF and the AGO; and
- Identify recurring practice concerns and operational patterns earlier to support improvements that reduce harm to children and families and lower long term litigation costs.

DCYF's litigation management infrastructure has largely remained unchanged while litigation volume and case complexity have grown. While the Attorney General's Office (AGO) represents Washington state in litigation, DCYF remains responsible for locating and producing records, coordinating, discovery responses, identifying witnesses, supporting depositions and mediations, evaluating operational impacts, and coordinating with program areas involved in claims and litigation matters.

Current decentralized processes severely limit the DCYF's ability to consistently identify operational trends, recurring claim factors, cross-programmatic impacts, and areas requiring additional oversight or coordination. DES claims data identified approximately 180 claim payouts in FY2025. To respond to discovery, consistently identify litigation, trends and strengthen operational decision-making, DCYF requires a centralized claims and litigation management system. A secure cloud-based platform, combined with dedicated analytical and operational support staff, will improve visibility into litigation activity and support more consistent records management, reporting, coordination, and operational oversight.

The requested system will improve enterprise- wide visibility enabling earlier identification of systemic trends and strengthening operational decision-making, risk management, and coordination with legal and program partners. It will provide the ability to systematically identify recurring practice failures, operational trends, and high- risk environments that contribute to claims and payouts. Combined with dedicated analytical staff, the system will identify benchmarks and emerging trends earlier, strengthen operational oversight, improve agency practices, support informed litigation strategy, and reduce long term financial exposure.

A modest reduction in future payouts or prevention of a single significant claim could offset the cost of the entire request while improving accountability, operational insight, and outcomes for children and families.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This proposal expands DCYF's existing infrastructure within the Administrative Services Division by adding staffing capacity and purchasing a litigation management platform to support enterprise claims management, litigation operations, and portfolio oversight.

Detailed Assumptions and Calculations:

Implementation of a Cloud-based Claims and Litigation Management Platform

\$165,000 (\$142,000 GF-State) in FY 2028 and \$165,000 (\$142,000 GF-State) in FY 2029, and ongoing, for a contracted cloud-based claims and litigation management platform. This includes the initial configuration, implementation, and staff training to use the platform, as well as ongoing maintenance, technical support, and other vendor services as needed.

Workforce Assumptions:

Program Support Program 090:

1.0 FTE - Management Analyst 4, responsible for administering the claims and litigation management platform, develop portfolio-level reporting, analyze claims and litigation data, identify litigation trends and exposure patterns, produce actionable analytics to support informed decision-making, improve operational efficiency, and strengthen long-term oversight of the agency's litigation portfolio.

1.0 FTE Program Specialist 3, to coordinate claims intake, litigation discovery activities, responses to requests from the AGO, and litigation tracking workflows. This position will also provide related operational support, ensuring consistent workflow management, accurate case tracking, and effective operational coordination across the DCYF's claims and litigation functions.

1.0 FTE Legal Assistant 1, to maintain case-related information within the litigation management platform; coordinate litigation documents; and perform data entry and related ongoing administrative activities necessary to support increasing litigation volume, growing discovery coordination demands, and enterprise-wide litigation tracking.

2.0 FTEs IT Application Developer Senior to configure, customize, and maintain the cloud-based claims and litigation management platform. Develop workflows, forms, business rules, reports, and integrations with internal systems. These FTEs will also support defect resolution during implementation, develop system enhancements, and provide ongoing application maintenance.

1.0 FTE IT Business Analyst Senior to gather and document business requirements, analyze and document business processes, translate business needs into functional specifications, manage the product backlog, facilitate user acceptance testing (UAT), and ensure the solution meets operational and business needs.

1.0 FTE IT Quality Assurance Senior to develop and execute test plans, validate new functionality, perform regression testing, verify system integrations, document defects, and ensure releases meet quality standards prior to deployment.

1.0 FTE IT Project Manager Senior to oversee project scope, schedule, budget, vendor coordination, risk management, stakeholder communications, implementation planning, and ongoing governance to ensure the successful delivery and long-term maintenance of the application.

Historical Funding:

FY2026

- FTE = 7.75 FTE
- Total Funds = \$912,414
- Near General Fund = \$710,512
- Other Funds = \$201,901

FY2027

- FTE = 7.75 FTE
- Total Funds = \$912,414
- Near General Fund = \$710,512
- Other Funds = \$201,901

Strategic and Performance Outcomes

Strategic Framework:

This decision package supports the agency's strategic plan goal of improving the quality and intention of our practice; and ongoing equity and oversight efforts. This package will help strengthen DCYF's operational oversight, consistency, and accountability by improving visibility into operational trends and helping leadership evaluate whether impacts are occurring disproportionately across populations, program and service areas. Centralized litigation data and dedicated analytical capacity will support DCYF's ability to identify recurring trends across programs, facilities, placement types, time periods, and operational practices. Litigation data may help identify communication gaps, workflow concerns, operational trends, and areas requiring additional oversight or practice improvement.

Performance Outcomes:

Performance Outcomes:

The Department will track:

- Percentage of litigation and claims matters maintained within the centralized claims and litigation management platform using standardized workflow practices.
- Timelines of claims intake, discovery coordination, and operational workflow management.
- Number and type of AGO requests, discovery coordination activities, litigation support functions tracked through centralized platform.
- Reduction in reliance on decentralized spreadsheets, duplicate data entry, manual litigation tracking practices across litigation operations workflows.
- Percentage of active litigation and claims matters migrated into the centralized management system and maintained using standardized workflows.
- Number of portfolio level reports, trend analyses, and operational risk summaries produced to support leadership and legal decision making and litigation operations oversight.

Outcome Measures

The Department will measure:

- Improved response times for litigation support activities, discovery coordination, and claims related document production support.
- Improved ability to identify recurring operational risks, practice concerns, and litigation trends across programs, facilities, and placement settings.
- Improved operational coordination and information sharing between DCYF, program areas and the AGO.
- Improved portfolio wide reporting, settlement benchmarking, and data informed decision-making.
- Reduced administrative inefficiencies associated with decentralized tracking methods, duplicative operational processes, and manual litigation support activities.
- Increased capacity to track litigation activity, review claims data, and identify recurring operational risk patterns across the Department.
- Improved operational oversight and institutional knowledge related to litigation support, claims coordination, and litigation operations activities.

Success Measures

- Establishing standardized enterprise-wide workflows for litigation tracking, AGO coordination, discovery management, records oversight, and operational reporting to improve consistency, accountability, and efficiency across programs. Active litigation and claims matters will be migrated into the system and maintained using standardized records management and workflow practices.
- Increasing access to reliable portfolio-wide reporting, litigation trend analysis, operational risk data, settlement information, and management reporting to support informed operational and legal decision-making.
- Improving the ability to identify recurring operational patterns, monitor litigation exposure, coordinate discovery-related activities, maintain centralized institutional knowledge, and support long term risk reduction strategies intended to reduce harm and financial liability over time.

Equity Impacts

Community Outreach and Engagement:

The agency is committed to meaningful community outreach and engagement, particularly with populations disproportionately impacted. This includes working closely with tribes, community-based organizations, families with lived experience, and service providers to deliver culturally responsive services that are accessible, inclusive, and responsive to the families' needs.

Disproportional Impact Considerations:

By securing the necessary funding, this proposal ensures the agency can keep pace with the growing volume of claims and prevent delays that could adversely impact vulnerable populations.

Target Communities and Populations:

This request is critical to maintain the agency's ability to respond to claims timely and prevent delays that could exacerbate existing disparities. Many tort claims involve children and youth in WA's care who are disproportionately youth of color, tribal members, youth with disabilities, and youth from families experiencing poverty. The resources in this decision package will:

- Improve DCYF's ability to analyze claims data across facilities, placement settings, geographic regions, time periods, and available demographic information to identify patterns of harm and operational risk; and
- Help better understand whether specific populations experience disproportionate harm, identify recurring practice concerns, and inform operational improvements intended to reduce disparities, strengthen accountability, and improve outcomes for children and families.

Community Inputs and Incorporation:

The agency actively seeks and incorporates input from impacted communities.

Other Collateral Connections

HEAL Act Agencies Supplemental Questions

Not Applicable

Puget Sound Recovery:

Not Applicable

State Workforce Impacts:

Not Applicable

Intergovernmental:

No changes to tribal services consultation obligations, federal requirements, or intergovernmental relationships. However, improved litigation tracking and records management will strengthen the DCYF's ability to respond consistently and accurately to matters involving tribal, federal, or interstate coordination.

Stakeholder Impacts:

Strengthen coordination and information sharing between DCYF, the AGO, and DES. Improving records management, litigation tracking, and discovery coordination will support more timely and consistent collaboration with legal and operational partners involved in claims and litigation activities.

State Facilities Impacts:

Not Applicable

Changes from Current Law:

Not Applicable

Legal or Administrative Mandates:

Not Applicable

Governor's Salmon Strategy:

Not Applicable

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2028	2029	2027-29	2030	2031	2029-31
Obj. A	\$871	\$871	\$1,742	\$871	\$871	\$1,742
Obj. B	\$254	\$254	\$508	\$254	\$254	\$508
Obj. C	\$165	\$165	\$330	\$165	\$165	\$330
Obj. E	\$13	\$13	\$26	\$13	\$13	\$26
Obj. G	\$19	\$19	\$38	\$19	\$19	\$38
Obj. J	\$58	\$0	\$58	\$0	\$0	\$0
Obj. T	\$13	\$13	\$26	\$13	\$13	\$26

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