



**Gladys Carrión, Commissioner
Testimony to the New York City Council
Committees on General Welfare, Juvenile Justice, and Women's Issues
May 12, 2016**

"New York City Council Fiscal Year 2017 Executive Budget Hearing"

Good afternoon Chairs Ferreras, Cumbo, Levin, and Cabrera and members of the Finance, Women's Issues, General Welfare, and Juvenile Justice Committees. I am Gladys Carrión, the Commissioner of the Administration for Children's Services, and with me today is Susan Nuccio, our Deputy Commissioner for Financial Services and Jill Krauss, Deputy Commissioner for Communications and Community Affairs. Thank you for the opportunity to update you on our 2017 Executive Budget and to address the improvements that ACS is making to our systems, for our providers, and most importantly for the children and families that we serve.

For the past 20 years, ACS' has been working to promote the safety, permanency and well-being of New York City's children. The families who come to our attention are among the most challenged and most vulnerable in New York City. Including this year's proposed additions, the de Blasio Administration has added over \$160 million to ACS in the past two years to help us strengthen our work. We are adding 829 new staff positions, and are able to maintain historically low child protective caseloads. This past January, in partnership with the CUNY School of Professional Studies, ACS launched a state-of-the art Workforce Institute that will train and support New York City's entire frontline child welfare workforce.

As part of the Mayoral commitment, I'm happy to share that this plan proposes 106 staff and \$30 million that increases to \$66 million over the next three years, to support children and families. To implement a new primary prevention approach to reach families before they are in crisis, expand preventive services for high risk families, reduce the likelihood of children returning to foster care, and increase the availability of skilled clinical consultation services, we are investing \$19 million new dollars in FY 17, which will grow to over \$53 million by FY 19. To

fund increases in the subsidies for foster care, KinGAP and adoptive parents, as well special payments for youth in foster care, and discharge grants for youth leaving foster care, we are adding over \$10 million. And, for the first time, the City is making an extraordinary commitment to young people in foster care who want to attend college: over 200 young people will be able to afford college through a partnership with CUNY that adds \$1.4 million in FY17, growing to 2.7 million to support the housing, daily living and tuition expenses for foster youth who attend CUNY schools.

Budget Overview

Children's Services' budget for the 2017 Executive Financial plan provides for operating expenses of \$2.98 billion, of which approximately \$901 million is city tax levy. Last year's Adopted 2016 budget was \$2.95 billion. The difference of \$33 million is primarily due to new need funding that enhances services for children and families throughout New York City. Like all agencies across the City, ACS has been asked to identify efficiencies in our budget, and we are able to do so through three main initiatives: the first is savings from consolidating juvenile detention operations that will save \$5 million by FY18; the second is through an agency wide vacancy reduction of 250 headcount that will lead to a \$4 million city savings; the third is a foster care re-estimate for \$4 million funds which is due to an anticipated reduction in the foster care census. These savings will be reinvested to fund enhanced child welfare services. I'm pleased to say that these savings will in no way impact services to families.

Wage Adjustment

As a result of the human services wage adjustment initiative announced in the FY2016 Executive budget, ACS and other city agencies were able to increase wages for more than

50,000 employees of human service providers under contract with the City. A total of 400 ACS child care, child welfare, and juvenile justice contracts were eligible for the wage adjustment. Eligible employees will receive a wage increase of either 2.5% or up to \$11.50 per hour, whichever results in the higher wage. As announced in the Preliminary budget, this will be followed by the phase-in of an additional increase to a minimum of \$15 per hour by FY 2019.

Child Welfare Programs

The FY2017 Executive Budget proposes substantial resources to bolster our ability to support children and families. These funds will allow us to undertake a robust expansion of our preventive services and provide additional financial supports for youth in foster care and the families that care for them.

Families are strongest when they are connected to and supported by their communities. As the number of children in foster care continues to decline, we are increasing investments in a number of preventive services so that more children can be cared for safely by their families, in their communities without having to enter foster care. Using a public health approach for preventing child maltreatment, this year's budget allows us to implement a new primary prevention initiative that is designed to reach families *before* they come to the attention of the child welfare system. ACS will establish three Family Enrichment Centers - accessible, "storefront" centers that will offer a welcoming and supportive environment to walk-in families. The centers will connect families to services and supports in child development, housing, parenting skills, and health. We are proud to partner with the federal Consumer Financial Protection Bureau to bring financial literacy education as part of this initiative.

In addition to offering primary prevention services to decrease the need for ACS involvement, we are also expanding preventive services for our highest risk families. When fully implemented, \$31 million will support 2,350 new preventive slots. The new slots will include a combination of expanding existing preventive contracts and an RFP for additional services in FY 2018. In addition, ACS has long recognized that families who are reunited with their children need additional strong support to ensure stability and success during the transition from foster care back to home. By FY 18, we will add a total of \$8 million for 580 slots that will support families prior to discharge and continuing after family reunification. We will also add attorney and support staff to help prepare provider agencies for court appearances and to reduce the caseloads of our Family Court attorneys.

Foster Care

We celebrate National Foster Care Month this May with some terrific news about increasing funding throughout our system. Starting in 2017, we will be able to support youth in foster care to attend CUNY, increase the stipend paid to foster parents, double special payments for youth in care, and reinstitute the discharge grant for youth leaving foster.

Building pathways for success for our youth transitioning out of foster care is a major priority, and we are committed to supporting more young people as they attend and succeed in college. Beginning in FY 2017, ACS will provide financial assistance for up to 50 youth, growing to 200 by FY 2019, in care who attend CUNY schools to help support their tuition, living, and housing expenses each year and connect them to academic and other supportive services to help them succeed.

ACS will also invest \$10.2 million to increase the stipend and subsidy we pay to foster and adoptive parents, and Kinship Guardianship caregivers by 5%. We are also increasing supports for young people in two ways: The first is to enhance the “special payment” allowance that foster care providers offer to support the needs of children in foster care – anything from car seats to graduation attire, summer camp tuition, tutoring, and music or dance lessons. ACS is doubling the special payment from \$175 per child to \$350 per child. Second, youth aging out of foster care will receive discharge grants of \$1,000 to help them transition to independent living.

ACS will also invest \$3 million in FY17 (increasing to \$6.1 million in FY18) to expand our Clinical Consultation program, which pairs experienced clinicians with expertise in mental health, domestic violence, and other areas to support child protection staff, and to help families understand their challenges and navigate services. The FY 17 budget allows ACS to extend these clinical consultations to our staff at the Children’s Center and to our preventive and foster care and provider agencies as well. It will also bring more resources to address substance abuse and the needs of families with young children.

Last week, the DOI released a report regarding our child welfare work in three particular cases. While no three cases represent the 55,000 investigations we conduct each year, we take the responsibility to address case practice gaps very seriously and are committed to continuous improvement. This administration’s unprecedented investment in ACS has dramatically improved our ability to keep children safe and well. The additional investments of the plan brings the total FY 2017 commitment to support and enhance child welfare services to \$87 million in total funds (\$37 million in City funds), growing to \$122 million in total funds (\$52 million in City funds) by FY 2019.

This includes the creation of the Workforce Institute, a partnership with CUNY that created our state-of-the-art professional development institute. The institute has trained over 1,500 staff so far and will train 5,000 frontline staff in the skills they need to best serve children and families. In partnership with the CUNY School of Professional Studies, the Workforce Institute focuses on core competencies for child welfare and juvenile justice workers, such as analytic thinking, interviewing and investigation skills, and critical interpersonal skills of empathy, adaptability and advocacy. The Institute also teaches our supervisory staff ways to more effectively coach and support their teams. We now provide learning programs for thousands of staff employed by ACS and by our more than 75 provider agencies in the child welfare and juvenile justice sectors, and have already trained over 1,500 staff so far.

Juvenile Justice

Since 2012, the number of justice involved youth who require confinement has decreased dramatically. Our secure detention average daily population has declined by 54% from 188 in December 2012 to 87 youth in April 2016, while non-secure detention has seen a decline of 55% from 137 to 62 youth during the same timeframe. Our preventive providers, sister City agencies, and the City Council should be applauded for helping to bring about this tremendous reduction. As a result of the decline, ACS was able to close one of our NSD operations at the Beach Avenue non-secure detention facility in the Bronx on March 31, 2016. We reduced personnel without a single staff layoff, but rather by redeploying staff to other open positions and through attrition. Closing the Beach Avenue facility creates \$1.3 million city savings in the FY 17 budget.

Both of our secure detention facilities, Horizon in the Bronx and Crossroads in Brooklyn, are in need of substantial repairs. The declining population at each facility makes this an opportune moment to undertake these much needed facility renovations and consolidate operations into a single facility. Beginning this spring, the NYC Department of Design and Construction is assessing both existing facilities to determine what renovations are needed at each and make recommendations for consolidation into a single facility.

As the Council is aware, Department of Investigation released a report about a June 2015 Close to Home incident in which three youth escaped from a non-secure placement residence and perpetrated a horrifying assault. In response, ACS took immediate and decisive action. We closed the site in question and determined that the provider would cease all Close to Home operations. In the year since, NYPD crime prevention officers have assessed safety and security at all 27 of our Close to Home sites and we have substantially increased the number of site visits we conduct. ACS retained a nationally recognized expert in juvenile justice quality assurance to implement Performance Based Standards (PbS), a comprehensive system that has been adopted by 200 programs in over 30 states across the country.

As we testified in March, the Administration added close to \$4 million to our Close to Home budget, which will allow ACS to hire 35 new positions across the agency. The additional staff will improve our ability to respond to critical incidents, monitor provider agencies, continue the steep downward trend of AWOL incidents, and develop a data-driven approach to inspecting and evaluating programs.

Early Care and Education

This time last year the Administration announced a set of reforms in support of *EarlyLearn* programs geared toward improving the financial stability of providers, making services more affordable, better compensating the workforce, and ensuring safe and healthy learning environments. In addition to the 2.5% Cost of Living Adjustment and \$11.50 minimum wage for *EarlyLearn* staff, ACS is transitioning to an expense based reimbursement system. We are also reducing the fee paid by low-income parents whose children receive part-time care and improving our ability to keep facilities safe by adding staff to implement necessary repairs and renovations.

As we testified in March, the Administration is investing \$4.1 million to implement a trauma-informed care model across our *EarlyLearn NYC* system. The investment is made up of three components, all of which are part of the larger ThriveNYC Mental Health Roadmap: ACS will spend \$1.7 million to hire 22 social worker staff to provide support for *EarlyLearn* programs across the City; ACS will dedicate another \$1.6 million to procure an evidence-based trauma-informed model that we will implement in approximately 90 child care programs in the South Bronx and the Brownsville area of Brooklyn that serve particularly high-risk families. Finally, we are allocating \$800,000 of our \$4.1million investment in one-time funding to train early care and education providers in the social and emotional foundations of learning—addressing everything from promoting a positive classroom environment, engaging parents, and helping children cope.

As ACS testified at our Preliminary Budget Hearing, *EarlyLearn* contracts expire in September 2016, at which point we will take advantage of the option to renew contracts for two years through September 2018. We recognize how tirelessly our providers have been working

since *EarlyLearn* began in 2012. We hope that the two-year renewal coupled with the transition to an expensed-based reimbursement system and ongoing wage adjustments help stabilize the system so that our providers can continue to help the City's youngest children learn and grow.

Conclusion

In this very challenging work, there is no magic bullet. But with smarter investments in more effective interventions, we can make sure that more families and children receive the support they need. As I endeavor to continue strengthening the work of ACS, I am also refocusing our work on the strengths and successes of our children, families and communities. I would like to thank our dedicated workforce for their tireless efforts to support the children and families of New York City. I look forward to a continued productive collaboration with the City Council. Thank you for your time this afternoon. I welcome your comments and questions.