



FEDERATION OF PROTESTANT WELFARE AGENCIES

**Testimony Prepared for the
New York City Council General Welfare Committee's Public Hearing on
the Mayor's FY 2010-2011 Executive Budget**

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The Federation of Protestant Welfare Agencies (FPWA) has been working since 1922 to improve the lives and conditions of disadvantaged and low-income New Yorkers. We are unique in New York City in that we are the only membership organization for Protestant and non-sectarian health and human services organizations. Our network of human service organizations and churches operate over 1,100 programs throughout the New York City metro area. Together we serve over 1.5 million low-income New Yorkers of all ages, ethnicities and denominations each year. This puts us in direct contact with every level of the social service system. It also gives us a comprehensive view of the complex social problems that human service organizations face today, and allows us to identify common ground among our members so that we can have a greater impact as we advocate for them.

We thank the City Council for the opportunity to testify on needed investments that will strengthen programs serving vulnerable populations across New York City. Although we understand that the city is facing fiscal challenges this year, we urge the Mayor and the City Council to ensure the city's neediest residents are protected. It is often these children and families who suffer the most during times of economic crisis.

This testimony contains FPWA's budget priorities in the areas of early childhood education, income security, child welfare and HIV/AIDS.

Early Childhood Education

According to the Administration for Children Services' (ACS) 2008 *Community Needs Assessment*, the availability of subsidized child care in the city falls far short of the need, with ACS child care programs currently having the capacity to serve only 27% of potentially eligible children. When programs are under-enrolled, it reflects a lack of access in a confusing decentralized enrollment process, not a lack of need. As the economic crisis deepens and more families find themselves in need of child care assistance, we simply cannot afford to lose capacity.

Last year, funding cuts to subsidized care were deep. These reductions included the transfer of children from kindergarten slots in child care centers to public schools settings, and the supplanting of ACS funding with Universal Pre-Kindergarten funding created a significant net loss. FPWA remains deeply concerned that the cumulative effect of last year's actions and the current proposals will create irreparable damage to the citywide infrastructure of ACS funded child care centers.

FPWA calls on the Mayor and the City Council to baseline \$25 million to support and stabilize early childhood education programs for low-income New Yorkers.

While we understand the difficult fiscal environment, the loss of this critical infrastructure will have long lasting and damaging impact on New York City's capacity to provide subsidized child care. In these difficult economic times, essential services that help stabilize household income and basic expenses should be shored up.

Of the \$25 million requested:

- \$16.2 million should be used to maintain 16 ACS child care centers, or 1,200 classroom seats, that were slated for closure in the Mayor's Executive Budget.
- About \$8 million should be used to preserve 31 classrooms, equaling 1,300 slots, out of the total of 124 classrooms that were restored last year by the Mayor and City Council to serve infants and toddlers. These classroom spaces were made available after the shift of five year olds out from ACS funded centers to public school kindergarten settings.

FPWA also recommends the City Council to support the following:

- **Restore \$4.2 million for Priority 8 and 9 eligibility categories that were eliminated in FY 2009-2010 budget**

The elimination of these priority code eligibility categories impact families that can no longer access vital care. In addition, child care centers are also left with vacancies that can't be filled by children that need care but are now ineligible because of the elimination of these eligibility categories. The Priority 8 eligibility category provides vouchers and access to center-based care to parents who are not able to provide care for their children during the day because they are either ill or incapacitated. Providing support for these parents would ensure young children receive the care they need, which is a low cost preventive measure and investment in the well-being of children in especially vulnerable families.

The Priority 9 eligibility category provides vouchers and access to center-based care to low-income (non-public assistance) households for child care coverage while parents are looking for work. To be successful in their job search, parents need access to subsidies for child care services. Providing support for child care in the job seeking process is an essential piece of the puzzle that would enable parents to focus on looking for work and therefore, preventing families from falling deeper into crisis.

- **Restore the reduction in funding for day care center renovation and repair**
The Mayor proposes to cut \$2 million in FY 2011-12 and \$1 million in the out years for day care center renovation and repair. Maintaining a safe and pleasant environment for children is vital to providing quality programs. Repairs that are not tended to quickly become more expensive to address.
- **Fully restore and baseline funding for full-day Universal Pre-Kindergarten (UPK) in ACS child care programs**
In March 2009 ACS implemented a "cost allocation" measure for ACS funded centers operating UPK classrooms. This supplanting of ACS funding with Department of Education funding has meant a significant net loss to already chronically underfunded programs, making the efforts to maintain UPK standards increasingly challenging.

In recognition of New York's successful mixed delivery system for pre-kindergarten, FPWA urges the city to fully restore funding to support full-day UPK programming in ACS contracted programs. The provision of full-day pre-k services in settings other than public schools, including ACS community-based programs which can offer extended day and/or year-round services, would allow parents to choose the program that best fits their needs.

Income Security

The Mayor's Executive budget calls for a reduction of 319 positions in the Parks Opportunity Program (POP) in 2010 and 737 positions in 2011, out of a total of 2,322. The city anticipates that this budget action will reduce funding by \$1.7 million in FY 2010-11 and \$3.9 million in the out years. As a transitional jobs model, JTP positions provide welfare recipients with a paid job combined with regular education, training and skills development.

Transitional jobs are much better in promoting career advancement than the Work Experience Program (WEP), which places welfare recipients in unpaid workfare assignments. Rather than receiving a welfare check, JTP participants receive a real paycheck. JTP participants spend four days a week at an assigned worksite and one day a week at vocational training, education, employment skills counseling, or job search. **FPWA urges the City Council to restore reductions in the Job Training Participant (JTP) program for welfare recipients.**

We would also like to **recommend increasing funding for the Emergency Food Assistance Program (EFAP) to \$25 million from the current \$20.2 million.** This funding is used for the direct purchase of food and for capacity expansion efforts for over 500 EFAP food pantries and soup kitchens throughout NYC. In addition, funds are used to assist in the automation of Food Stamp enrollment at food pantries, soup kitchens and other appropriate locations. Even prior to the recession, food programs have been overwhelmed and unmet need has steadily grown.

According to a study released in 2009 by the Food Bank of NYC, "NYC Hunger Experience 2009: A Year in Recession," 3.3 million (40 percent) New York City residents have had trouble affording basic food. Many people turn to soup kitchens and food pantries for help. To cope with the overwhelming need and lack of resources, emergency food providers take painful measures:

- 59% ran out of food
- 47% had to turn people away due to lack of food
- 69% reduced the amount of food they were able to provide

Child Welfare

Tragedies related to child abuse in the past few years have directed attention to the importance of investing in child welfare services, and remind us all of what can happen if these services are under-funded. Preventive service agencies provide invaluable assistance to families at risk of entering the child welfare system. Over 35,000 children receive preventive services. Preventive workers are the city's ongoing line of defense, promoting and supporting family stability, but ready to intervene if warranted.

FPWA strongly recommends the City Council to restore loss of General Preventive slots. As a result of the Child Welfare Request for Proposals (RFP) award recommendations announced May 3, 2010 (scheduled to begin in October 2010) and the Mayor's Executive Budget, there is slated to be a substantial decrease (over 3,000 slots) in the number of General Preventive (GP) slots throughout New York City. The loss of this many slots is considerable and could jeopardize the gains made in the utilization of preventive programs. Families whose problems – mental illness, domestic violence, substance abuse – jeopardize the health and safety of their children need to be able to receive preventive services in their own communities so their children are able to remain safe at home.

Furthermore, preventive services are a cost-effective component of the child welfare system. *Each slot costs about \$9,500 and serves an entire family; whereas foster care costs \$36,000 per child.* In addition, the state funds 63.7% of each preventive slot. In order to restore 3,000 slots, \$11.0 million of City funding is required.

Since the RFP includes funding to maintain a 12:1 caseload ratio, City Council funds (\$3.7 million) that have previously been devoted to caseload reduction can be utilized to help restore preventive slots.

FPWA would also recommend the City Council to support the following:

- **Restore \$3.6 million cut for Preventive Services**
In the Mayor's Executive Budget, additional cuts to preventive services have been proposed, which exacerbate an already strained system. This funding for general and specialized services to prevent foster care placements is crucial to the child welfare system. The proposed cut will result in the reduction of about 600 slots for non-mandated preventive cases and reduce the reimbursement rates to Family Treatment and Rehabilitation (FT/R) programs, Persons In Need of Supervision (PINS) preventive services, and homemaking by 5%.
- **Restore \$6.9 million cut for Foster Boarding Home Rates**
The Executive Budget proposes to delay the increase for foster care boarding home rates. As it is, foster care agencies are not adequately resourced and this delayed increase will force agencies to make significant cuts in staff and/or services. In these difficult economic times, agencies responsible for serving New York City's most vulnerable children and families deserve our support.

- **Restore \$9.9 million cut for “One Year Home” Permanency Campaign**
The Executive budget also proposes to cut \$9.9 million to support permanency for foster youth. This initiative was a direct result of the Children’s Rights report, *The Long Road Home: A Study of Children Stranded in New York City Foster Care*, which found that too many children languish in foster care. In order for agencies to implement permanency plans they must be financially supported in this difficult challenge.
- **Restore \$4.15 million cut for After-Care Services**
Almost 16,000 youth are in foster care. The large numbers of children and families receiving services must be fully supported to ensure the child’s welfare. In order to support the reunification process, FPWA urges a restoration of \$4.15 million to support after-care support services. After-Care for foster children and their families is crucial for children’s long-term well-being and reintegration of the family.

HIV and AIDS

Last year, the Mayor’s Executive Budget included a reduction of \$1.8 million for community-based HASA case management contracts. Although this cut was later fully restored by the City Council, it has not been included in the Mayor’s Executive Budget for FY 2010-11. Additionally, the Mayor includes another \$4.1 million cut to HASA by eliminating 248 HASA case managers in his Executive Budget for FY 2010-11.

FPWA asks the City Council to restore both of these cuts to HASA case management services. These two budget proposals, if adopted individually, or in combination, would significantly delay and undermine the comprehensive care provided to this population that is challenged by complex health issues.

According to Local Law 49, HASA case managers are required to provide “access to benefits and services” such as cash and rental assistance, food stamps, Medicaid, rent arrears, home care, immediate needs grants, moving fees, storage fees, broker’s fees, security deposits, and other special needs grants to persons living with symptomatic HIV/AIDS. These basic, subsistence benefits cannot be processed by non-governmental staff. This means the role of HASA case managers cannot be duplicated by providers at community-based organizations and both types of assistance are essential.

Furthermore, HASA is required to provide “intensive case management with an average ratio which shall not exceed one caseworker or supervisor to twenty-five family cases, and with an overall average ratio for all cases which shall not exceed one caseworker or supervisor to thirty-four cases.” The Mayor’s proposed reduction of the HASA case management workforce would lead to a violation of this requirement.

FPWA also urges the City Council to restore \$491,000 for an HIV Nutrition Contract. Last year, the Mayor put forth a proposed cut of \$491,000 to a HIV Food and Nutrition contract administered by the Human Resources Administration (HRA), which was later restored by the City Council. Unfortunately, this funding has not been included in the Mayor's Executive Budget for FY 2010-11. The Momentum Project, which receives this contract, provides over 40,000 congregate meals and approximately 29,000 pantry bags each year to more than 2,500 poor, homeless and low-income hardest-to-reach individuals living with HIV/AIDS. In addition to providing meals, The Momentum Project also educates, counsels, and links individuals to primary health care, mental health and substance abuse treatment, housing and other essential services. FPWA urges the City Council to restore funding to support this important program.

Conclusion

We thank you for the opportunity to testify and for your historical commitment to making restorations to vital programs and services for New York City's most vulnerable residents and low-income communities. We hope that you will seriously consider our budget priorities and concerns about the Mayor's proposed budget when making decisions during this year's budget negotiation process.