



Federation of Protestant Welfare Agencies

TESTIMONY

of

The Federation of Protestant Welfare Agencies

**Before the
New York City Council General Welfare Committee
And Women's Issues Committee**

Executive Budget Hearing – Fiscal Year 2008-09

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My name is Jill Poklemba and I am the Senior Policy Analyst for Income Security and Workforce Development at the Federation of Protestant Welfare Agencies (FPWA). For 85 years, FPWA has been a leading policy advocate for individuals and families served by our almost 300 member human service agencies and churches in and around New York City. FPWA promotes the social and economic well-being of greater New York's most vulnerable by strengthening human service organizations and advocating for just public policies.

I would first like to thank the City Council for the opportunity to testify on needed investments that will strengthen vulnerable populations across New York City. Although we understand that the City is facing a very tight fiscal year given increasingly grim economic projections, we urge the City to ensure that its neediest citizens are protected. It is often these children and families who suffer the most during times of economic crisis.

Today, I will discuss FPWA's budget priorities in the areas of early childhood education, child welfare and income security.

Early Childhood Education

Quality early care and education is a vital component of preparing children for future academic achievement and success in later life. Children who have the benefit of a preschool education are more likely to graduate from high school, attend college, participate in the workforce, and avoid risky behavior such as drug use and criminal activities.¹ Furthermore, as noted by the Mayor's Commission for Economic Opportunity, scarce child care resources in New York City continually affect low-income working families. FPWA agrees with the Commission's 2006 report, which called on New York City to "do all it can" to invest in quality early care and education programs.²

In the past few months, a number of high-profile child care center closings have captured the City's attention, generating confusion and apprehension in communities where low-income

¹ Schulman and Barnett, "What Impacts Does Preschool Education Have on Personal Responsibility and Related Social Behavior?," National Institute for Early Education Research, 2006. Available at <http://nieer.org/resources/research/ImpactsOfPreKOnLifeChoices.pdf>.

² "Increasing Opportunity and Reducing Poverty in New York City," New York City Commission for Economic Opportunity, September 2006.

parents already face limited options in terms of finding quality, subsidized child care programs. Although a variety of reasons has contributed to the recent string of center closings, under-enrollment appears to be a significant factor in the City's decisions to dissolve contracts with certain centers. In fact, according to D.C. 1707's review of center closures and consolidations since 2004, 10 out of 17 were due in part to under-enrollment or the existence of empty classrooms.³ This is likely to be a continuing problem: last month, the City was reporting an enrollment rate of only 86% across its subsidized child care system.⁴

The issue of enrollment has also taken a new turn with the recent unveiling of the City's "Pay-for-Children Enrolled" initiative in the Mayor's preliminary budget for FY 2008-2009. In an effort to move centers towards full enrollment, the City announced that starting in September, a new plan will be phased-in whereby child care centers will only be reimbursed for the number of children enrolled in their programs. For centers struggling to recruit children but still falling short of their contracted capacity, this new reimbursement initiative will mean the loss of crucial funding that could affect their ability to meet fixed costs and ultimately threaten the viability of their programs. As a result of "Pay-for-Children Enrolled," additional center closings are likely to occur in the future.⁵

While FPWA agrees that vacancies in child care centers should be filled by children in need of subsidized care, we also recognize that under-enrollment is a complicated issue. The existence of unfilled slots may not simply indicate reduced demand for services in a particular community or insufficient outreach on the part of providers. In October 2007, FPWA released a policy brief entitled, "Enrollment in New York City's Publicly-Funded Child Care Centers: The Need for Collaboration." This brief identified a number of systemic factors which currently interfere with the ability of centers to enroll children, as well as specific policy recommendations for addressing these issues. Before closing centers in already underserved neighborhoods, we must ensure that vacant slots are truly empty, as opposed to just "unfilled." We at FPWA worry that these vacancies are actually warning signs, representing a failure to connect low-income parents with much-needed subsidized care.

³ Tram Whitehurst, "Daycare Realignment Sparks Citywide Concern," *City Limits Weekly* #621, January 7, 2008; "17 ACS Child Care Centers Have Been Closed or Consolidated Since 2004," D.C. 1707, AFSCME, January 2008.

⁴ Tram Whitehurst, "Funding to Follow Kids at Public Daycare Centers," *City Limits Weekly* #627, February 18, 2008.

⁵ Ibid.

Therefore, FPWA urges the New York City Council and the Mayor to work with the Administration for Children's Services (ACS) to address under-enrollment at publicly-funded child care centers in ways that allow centers to continue operating and providing quality child care services. Enrollment in these centers has been destabilized due to a variety of factors, including the child support requirement, inconsistent administrative procedures leading to serious application processing delays, and poor distribution of information to parents about the availability of programs and the application process. ACS should work with centers to resolve these problems without compromising the centers' ability to serve families in need.

We encourage all of you to read our policy brief, a copy of which is attached to our testimony today, and we would like to highlight some of our key recommendations for improving enrollment at publicly-funded child care centers:

- Continued State-level advocacy to rescind the child support requirement for families seeking subsidized care;
- Continued support for community-based enrollment, including resources like additional staff and specialized training to support programs in providing on-site eligibility services;
- Creation of a working group that brings together ACS and child care centers to properly identify and resolve other administrative barriers;
- Increased efforts to strengthen City informational sources, including an easily searchable, complete online list of child care programs and proper information and training for 3-1-1 personnel;
- Active outreach to communities, including an annual Spring campaign with increased marketing to promote child care enrollment for the Fall and targeted outreach strategies for hard-to-reach populations such as immigrant families; and
- Technical assistance and funding for centers taking on infant/toddler care. Although there is an opportunity for child care centers to "age down" (i.e., take on the care of children under age three), preparing centers to do this requires significant additional work, including facility modifications and staff training.

Without the necessary assistance from the City to improve enrollment, centers will lose funding under the "Pay-for-Children Enrolled" initiative, and some will ultimately be forced to close.

While center closings are extremely difficult for both staff and parents, it is the children who suffer the most. These children will be forced to leave the familiar settings and trusted teachers of their neighborhood child care centers, thus disrupting their educational experience and compromising their development. Furthermore, we cannot emphasize enough the importance of ensuring that communities in need, particularly communities that have been historically under-served, have access to subsidized child care programs. Without subsidized care, parents are forced to shoulder the entire cost of these services, causing serious emotional and economic stress for their families.⁶ Moreover, low-income working parents are left without the reliability of a subsidized care arrangement for their children, which can jeopardize their job security and the financial security of their families. Parents will be forced to place their children in the only care they can afford, which may mean a compromised level of safety and a learning experience that falls short of high-quality, developmentally appropriate care.

FPWA will do its part to ensure that child care centers and ACS communicate openly and effectively as they work together to address these serious issues. Fatima Goldman, Executive Director of FPWA, was recently appointed to the City's Project Full Enrollment Task Force, created by ACS Commissioner John Mattingly to advise ACS as it moves forward with its "Pay-for-Children Enrolled" initiative. FPWA looks forward to working with the Commissioner to ensure that the voices of child care providers, and the children and families that they serve, are not lost in this process.

In addition, the Mayor's preliminary budget for FY 2008-2009 included \$2 million in savings as a result of the new "Pay-for-Children Enrolled" initiative, as well as the reinvestment of another \$2 million, also saved from this initiative, in technical assistance to help providers increase enrollment. We urge the City to ensure that the total savings amount, as well as any future savings generated from this initiative or other changes to child care, is reinvested in strengthening the City's overall child care system. This money could help the City address important areas of need in child care, including the need for additional child care slots and capacity-building for providers.

⁶ Coltoff, Torres, and Lifton, "The Human Cost of Waiting for Child Care: A Study," The Children's Aid Society, December 1999. Available at <http://www.childrensaidsociety.org/media/file/humancost.pdf>.

Lastly, New York City is currently experiencing a shortage of subsidized care for infants and toddlers. Four-year-old children are nearly ten times more likely to receive subsidized early care and education services than one-year-olds.⁷ This greatly impairs parents' ability to work while their children are under age three, which can have serious implications for the financial stability of low-income families. FPWA urges the City Council and the Mayor to invest in quality early care and education programs that serve infants and toddlers.

Child Welfare

Tragedies related to child abuse in the past few years have directed attention to the importance of investing in child maltreatment prevention, 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. Their workers are the City's ongoing line of defense, promoting and supporting family stability, but ready to intervene if warranted.

FPWA strongly urges the Mayor and the City Council to work together to restore and baseline the \$4.2 million included in last year's budget for the Child Safety Initiative, which reduced general preventive service caseload sizes from 15:1 to 12:1. In its 2006 Child Welfare Workload Study, the New York State Office of Children and Family Services examined the effects of high caseloads on child protective, foster care, and preventive services caseworkers and found that excessive caseloads undermine the ability of caseworkers to provide families with the high-quality services they deserve. Establishing reasonable caseloads reduces the amount of time caseworkers must devote to demanding administrative duties and increases time spent with children and families, allowing workers to build strong relationships with families and resolve crucial issues in an efficient and timely manner. The preventive caseload reduction money restored last year in New York City, which leveraged roughly \$8 million in State funds, helped general preventive agencies lower caseloads and accommodate increasingly complex cases. It is imperative that agencies be able to rely on this funding in the future.

It is also important to note that contract agencies providing foster care and/or preventive services in New York City struggle with the same recruitment and retention challenges faced by ACS itself. As highlighted by the media this past week, ACS' child protective services (CPS) division has suffered from an extremely high turnover rate, prompting the agency to launch a \$1

⁷ "Rethinking Child Care: An Integrated Plan for Early Childhood Development in New York City," New York City Administration for Children's Services, 2005.

million recruitment effort, including an extensive ad campaign.⁸ Commissioner Mattingly himself noted that the primary reason for high turnover was staff burnout, resulting from the difficult nature of the work and unmanageable caseloads.⁹ In the words of the Commissioner, “[a CPS] caseworker should have to handle *no more than 12* ongoing investigations.”¹⁰ We call on New York City to recognize that preventive services caseworkers interact with the same troubled families that confront ACS’ CPS division, making it necessary for them to devote the same significant amount of time to understanding and addressing the problems of these families. Likewise, we must show the same concern for the caseloads of these caseworkers as we do for ACS caseworkers. We again urge the City to baseline the \$4.2 million allocated in last year’s budget to reduce general preventive caseloads to a ratio of 12:1.

Furthermore, as ACS moves forward with its “Request-for-Proposals” process (“RFP”) for the child welfare system, reduced caseloads for preventive agencies are more important than ever. Preventive services providers and community advocates see many of the system changes, such as increased family-caseworker interaction and support for community coalitions, as steps in the right direction; however, these changes will result in added responsibilities for already overwhelmed caseworkers. For example, reasonable caseloads must be in place if caseworkers are to successfully accommodate new responsibilities associated with Family Team Conferencing, a featured element of the RFP that requires caseworkers to meet more frequently with families and community stakeholders as they work to move children more quickly into safe and stable living situations.

FPWA also strongly urges the City Council and the Mayor to increase the Child Safety Initiative funding by \$2.05 million to reduce caseloads for all remaining general preventive programs and to ensure that these general preventive programs can maintain the ACS-recommended supervisory ratio of 1:5. Across all preventive programs, supervisors are the key to quality, working closely with less experienced workers to make clinical recommendations, advise staff about quality program referral based on their community knowledge and ensure that staff is meeting the exhaustive reporting requirements. Caseload reduction is extremely important to preventive services agencies, but its benefits may be compromised if supervisors remain

⁸ Kathaleen Lucadamo, “ACS unveils recruitment campaign,” *New York Daily News*, March 3, 2008; Marc Santora, “To Recruit Caseworkers, a Dose of Reality,” *The New York Times*, March 3, 2008.

⁹ *Ibid.*

¹⁰ Marc Santora, *supra* note 8.

overburdened. As agencies hire more caseworkers, additional funding would allow them to hire new supervisors, thus maintaining the appropriate supervisory ratio of 1:5.

FPWA also asks the City to reaffirm its commitment to expanding the capacity of the preventive services system. Although FPWA commends the Mayor for including funding in last year's budget to support 1,000 new slots for preventive services, we urge the Mayor to retain these slots in this year's budget and to baseline the funding. Reports of child abuse and neglect in New York City have been increasing and these additional slots are necessary to meet the demand for preventive services, which are an essential part of the City's efforts to support families and keep children safely at home when possible. Preventive services also help reduce the use of more costly foster care services, and we urge the Mayor to baseline funding for the 1,000 additional slots in FY 2008-09.

Finally, FPWA urges the City to use the upcoming RFP, through which the City will be issuing new contracts for preventive, foster care, and residential care services, as an opportunity to institutionalize critical improvements to the system. For example, the reduced caseloads for preventive services and the 1,000 additional preventive services slots, both of which were funded last year, are extremely important to the successful operation of preventive service programs across the City. It is essential that these advancements be made permanent elements of the system, rather than year-to-year funding initiatives at risk of being cut in each year's budget dance. The City also has an opportunity to build upon these improvements in its RFP process, such as extending reduced caseloads to foster care caseworkers as well. With the needs of vulnerable children at stake, we must do all we can to ensure that the child welfare system has the resources it needs to strengthen families and keep children safe.

Income Security

FPWA has a long-standing commitment to a solid safety net and supports for low income families. We also sponsor the Welfare Reform Network (WRN), a collaborative of New York City advocates, service providers, policymakers, and current and former public assistance recipients. WRN is committed to promoting policy and budget decisions that enhance social welfare and economic justice goals. FPWA and WRN seek to empower people by giving them the tools and opportunities they need to permanently rise out of poverty.

We ask the City Council to restore \$1.5 million for the Emergency Food Assistance Program (EFAP) for food pantries funded through the Human Resources Administration (HRA) that is once again missing from the Mayor's Financial Plan. The following statistics demonstrate the urgent need for increased EFAP funding in FY 09:¹¹

- There has been a 24% increase in those relying on Emergency Food Programs (EFPs) since 2004, which is now up to 1.3 million City residents.
- An increased percentage of those using EFPs are working full-time (57%) and have attended college (24%), demonstrating increased cost of living.
- About 46% of EFP participants receive Food Stamps – up from 31% in 2004. The average monthly Food Stamp benefit is only \$147 per month. Since this is not nearly enough to cover the costs of food, 24% of EFP households run out of Food Stamp benefits in one week or less, 60% run out in two weeks, and 84% run out in three weeks.
- Federal funding for The Emergency Food Assistance Program (TEFAP) has been severely cut, resulting in a shortage of 12 million pounds of food in NYC in the last year alone.

We also ask the City Council to add \$15.9 million in funding for the Job Training Participant (JTP) program to create 1,500 new positions for welfare recipients. As a transitional jobs model, JTP positions offer a paid work experience with regular education, training and skills development. FPWA recommends the expansion of this program beyond the Department of Parks and Recreation and the Department of Sanitation, and into the following City agencies with demonstrated career pathways: 1) Health and Hospitals Corporation, 2) Department of Education, and 3) Department of Citywide Administrative Services.

In addition to offering more JTP positions, FPWA also urges HRA to make significant policy changes to increase overall access to education and training for public assistance recipients, helping people gain access to jobs that lift them and their families out of poverty permanently. The State Office of Temporary and Disability Assistance (OTDA) has directed all local districts to increase the numbers engaged in education and training activities by 20% by January 2009. In addition, changes in the Final TANF Rule, which take effect on October 1, 2008, allow participation in four-year and advanced degree programs to count within the definition of

¹¹ Hunger Safety Net 2007, Food Bank for New York City; available at: www.foodbank.org.

“Vocational Educational Training,” along with one hour of unsupervised homework for each hour of classroom time. Therefore, HRA should greatly expand efforts to link more individuals to education opportunities and take full advantage of the changes in the federal rules.

We are very concerned about the strategies in the Mayor’s Preliminary Budget to achieve savings through welfare caseload declines, case closures, and grant adjustments. For example, for FY 09 the Mayor’s Budget projects: \$8.3 million in savings from cash assistance re-estimates (resulting in a decrease of over 7,000 individuals receiving assistance between December 2007 and June 2008); \$1.2 million in savings from the child support initiative that will increase earnings and child support collections; \$2.4 million in savings from implementation of a new system to generate employment and income verification matches; and \$4.8 million in savings from accelerating the implementation of administrative fair hearing decisions to reduce or close cash assistance cases. In total, this is a savings of \$16.7 million generated by cutting back the caseload. The city looks to be on the verge of a recession, HRA should be constructing caseload projections based upon factors such as increasing unemployment, decreasing earnings and decreasing availability of non-governmental resources. It is crucial to remember that although there are approximately 347,000 individuals (only 5% of the total population) receiving welfare¹² in New York City, there are close to 1.5 million people (nearly 20% of the total population) living below the federal poverty level.¹³

Workforce Development

FPWA has recently expanded its Policy, Advocacy and Research department to create a workforce development portfolio dedicated to expanding the education, training, job preparation, and career advancement needs of low-income households. We are particularly concerned about those populations often underserved by existing workforce systems. This includes those facing greater barriers to economic security, such as welfare recipients, low-skill and low-income working adults, single parents, disconnected youth, previously incarcerated individuals, immigrants, those with limited English proficiency, domestic violence survivors, and people with disabilities, mental health and/or substance abuse issues.

¹² NYC Human Resources Administration (HRA) Facts: January 2008; available at: http://www.nyc.gov/html/hra/downloads/pdf/hrafacts_2008_01.pdf

¹³ U.S. Census Bureau 2006 American Community Survey (ACS); available at: www.census.gov

We urge HRA to work in closer collaboration with the Department of Youth and Community Development (DYCD), the Department of Small Business Services (SBS), and CUNY to expand welfare recipients' access to the following: Adult Literacy Services, including adult basic education, ESL, and GED preparation classes; services offered by the Workforce 1 Career Centers, including Individual Training Account (ITA) vouchers for training, job placement and career advancement services; and opportunities to enroll in two-year and four-year degree programs at CUNY schools, particularly those that offer specialized academic and career counseling services and accommodate the schedules of non-traditional students.

FPWA also urges the City Council to make an investment in Contextualized Adult Literacy programs that blend basic literacy with vocation-specific training, often through the use of technology and collaborative teaching methods. These programs have proven effective in accelerating participants' progress on their career path, particularly for those with limited English proficiency, who can learn speaking, reading and writing skills in the context of training for a particular trade. These classes should be made available to welfare recipients, particularly since they provide an opportunity for them to participate in an educational activity as a core activity for up to 12 months, since it clearly fits within the definition of "Vocational Educational Training." Expanding access to contextualized adult literacy classes for welfare recipients would also help us achieve the 30% statewide maximum number of recipients that can be engaged in this activity at any given time.

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 Preliminary Budget for FY 09 when making decisions during this year's budget negotiation process.