



CARROTS *and* STICKS:

The Impact of the
New York State Family and
Children's Services Block Grant
on Child Welfare Services
in New York City



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PART I



CITIZENS' COMMITTEE FOR CHILDREN
OF NEW YORK INC

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EXECUTIVE SUMMARY

Over the years, many task forces, commissions, foundations, studies, public hearings and lawsuits have identified problems with the child welfare system in New York City and offered solutions. Funded with public and private dollars, some of these promising initiatives were implemented as pilot projects but were abandoned before going to scale citywide, while others have been implemented across-the-board as one package of reforms, without regard for the individualized needs of each community and the children and families served. These piecemeal efforts at reform have resulted in little discernible improvement in service delivery, quality or outcomes for children or families. It is against this backdrop that Governor Pataki proposed and the Legislature approved the Family and Children's Services Block Grant in 1995, believing that by creating an incentive system structured and financed with carrots and sticks, long overdue improvements would occur in the child welfare system. As a tool for reform, the Block Grant failed. The new fiscal sanctions and incentives in the Block Grant were not powerful enough to overcome the regulatory and statutory barriers to reform that the Block Grant did not address. And by failing to adequately fund the Block Grant, the state actually made it harder for counties like those in New York City to provide a sufficient array of services to meet the needs of abused and neglected children and their families.

The first of its kind in the nation, New York State's Family and Children's Services Block Grant (Block Grant) capped state funding for child welfare services and reduced state spending by 25%, or \$151 million in its first year. The Block Grant promised to reduce financial, programmatic and administrative mandates to counties by eliminating restrictive regulatory and statutory requirements. As a result of two years of state funding cuts through the Block Grant, New York City has received less state financial support for protective, preventive, foster care and adoption services. Less available funding for the New York City Administration for Children's Services (ACS) has resulted in reduced quality and availability of services for abused and neglected children and their families. With less state funding available and the City's own fiscal crisis in 1995 ACS, faced with a set of complex and severely restrained choices regarding the safety of abused and neglected children, maintained spending on protective services and reduced spending for preventive and foster

care services. The City used the Block Grant funds to perform mandated investigations of abuse and neglect to protect children, to provide out-of-home care for children at imminent risk of abuse and neglect, and to prevent the unnecessary removal of children from their homes. As a result of the Block Grant, the City passed on severe funding cuts to voluntary agencies that contract with the City to provide preventive and foster care services to vulnerable children and families. Even with cutbacks in services, the City overspent its Block Grant allocation in 1995 and 1996, borrowing against future State reimbursement and accumulating a substantial rolling cap debt. This rolling cap deficit puts the City at great financial risk when it comes due in 1999. While the Block Grant did combine categorical funds for various child welfare services into one grant to the counties, it failed to deliver on its promise of regulatory relief, and program and fiscal flexibility. In fact, the severe reduction in the level of funding for services in the Block Grant actually made it harder for New York City to deliver services.

In the two years since the implementation of the Block Grant, reports of abuse and neglect have increased, the number of children entering foster care has begun to climb, and children entering care are reported to be more severely disturbed and suffering from more profound emotional and behavioral problems that require more intensive services and monitoring than ever before. Block Grant funding is, however, set at a fixed amount that does not take account of the increased need and increased intensity for services or surges in the number of abused and neglected children. In FY'1996, over 9,500 children were admitted to foster care, representing a 17% increase in foster care admissions over FY'1995 (ACS, 1997). In addition, admissions to preventive service programs had decreased by approximately 11% between FY'1995 and FY'1997, when only 11,744 families were admitted to preventive service programs (ACS, 1997). Recognizing the potential impact of the Block Grant on the City's child welfare system, Citizens' Committee for Children of New York (CCC) responded to a Request For Proposals from the United Way of New York City, submitting a plan to study the effects of this new state funding scheme on voluntary child welfare agencies in New York City and track changes over time.

This report examines the impact of the Family and Children's Services Block Grant on the five counties of

New York City and identifies the competing demands placed on the child welfare system, the critical choices that the City and its contract agencies made in response to severe budget cuts and capped funding, and the consequences of those choices on children and families, agency staff and programs. To assess the impact of the Block Grant, we proposed a field study of the voluntary foster care and preventive service agencies which have contracts to provide child welfare services in New York City. The field study was intended to assess staffing changes, program consolidations and agency mergers and reorganizations, changes in children's and families' access to services, impact on families, and other impacts of the Block Grant at the child and family, agency and community levels.

We also sought to track changes in child welfare services over time by establishing baseline data of new and existing indicators. To that end, we created a database of child welfare indicators which will be collected regularly to monitor the performance of the child welfare system, delivery of child welfare services and outcomes for children and families. The matrix of data elements for this database includes indicators identified by researchers and others working on similar projects, administrative and service data collected and reported by the voluntary agencies to the City and State, administrative and service data collected and reported by ACS and the New York State Office of Children and Family Services¹ (OCFS) and identifies other indicators considered important by our Project Advisory Committee. The data matrix will be incorporated into CCC's *Keeping Track of New York City's Children* database to enable tracking over time and will be updated in each new edition of *Keeping Track*. Please note that the data analysis and policy recommendations expressed in

this report are not necessarily those of the United Way of New York.

The pendulum of reform continues to swing back and forth as trends in social policy, government spending, community preferences, and new program developments affect the functioning of the child welfare system. City policies, changes in the welfare system, increasing numbers of child abuse fatalities of children known to child welfare authorities, and a heightened awareness by New Yorkers of what constitutes abuse and neglect, have all contributed to a growing surge in the numbers of New York City children who are reported to be abused or neglected, greatly increasing the number who require out-of-home care. As social problems like poverty, homelessness, unemployment, domestic violence and substance abuse which are linked to high incidence of abuse and neglect, instigate and exacerbate stress experienced by families, the City and its contract agencies are caught in a continuous struggle to find more effective and less expensive ways to address the needs of these vulnerable children and families. Our study found that the New York State Family and Children's Services Block Grant is yet another attempt in a long line of child welfare reform proposals that failed to help the City appropriately structure and maintain a service delivery system which keeps children safe from abuse and neglect, supports and strengthens families, reduces the number of children entering foster care, and provides children with access to a permanent home.

¹ *The newly created New York State Office of Children and Family Services includes the former State Department of Social Services (DSS).*

The Following Are Key Findings:

Protective Services

- The severe funding cuts passed through the Block Grant by the state created a set of complex but very limited choices for New York City. The City maintained spending for protective services but reduced spending for preventive services and foster care.
- Due to a combination of reduced state funding, sanctions, and an increase in the number of children and families needing child welfare services, New York City overspent its state child welfare funds by approximately \$95 million to date. The City is carrying this liability and will have to repay these funds to the State when the Block Grant expires in 1999.
- The increase in the number of abuse and neglect reports in 1995 and 1996 without an equivalent increase in the number of child protective/diagnostic caseworkers caused a significant increase in child protective caseloads.

Preventive Services

- The Governor and the Legislature implemented an 80% maintenance of effort provision for preventive services in the state Block Grant which in practice permitted counties to reduce spending for preventive services by 20%.
- In the first year of the Block Grant, New York City reduced spending for general preventive service programs, eliminated the drug treatment component of the Family Rehabilitation Program (FRP), eliminated on-site social service preventive programs and reduced funding for homemaking services by 55%.
- Many preventive service providers used private funds to replace some lost State and City government support.
- Forty percent of responding preventive service providers believe that they are less able to meet children and families' needs since FY'95.
- The number of staff has decreased in preventive programs, most significantly for administrative and part-time direct service staff, creating larger caseloads and reducing hours of service provided to children and families.
- Most preventive service providers closed programs.

Foster Care

- The City reduced reimbursement to foster care agencies by 15%, for room and board and services for children in foster boarding homes and congregate care facilities.
- Most foster care agencies reported using private funds to make up some of the cutbacks in government funding for child welfare services.
- The number of child abuse and neglect reports and the number of children entering foster care continues to grow.
- More than half of responding agencies have seen an increase in the number of children served in foster care.
- All responding foster care agencies reported maintaining or increasing adoption services since FY'95, while over one-third of responding agencies reported decreasing the level of services offered to reunify a child with his or her biological parents over the same period.
- Foster care agencies reduced full-time and part-time direct service staff, and administrative and secretarial/support staff.
- Every agency responding reported staff lay-offs, some eliminating whole levels of administration, which has forced agencies to eliminate and consolidate programs and services for children and families.
- In response to budget cuts, many foster care agencies have closed or are considering closing group homes because low staffing levels compromise the quality of service and safety of the children in their care.
- The quality and availability of community support services has deteriorated since FY'95, and 90% of foster care agencies responding reported that vulnerable children are at greater risk of foster care placement.

Based On Our Findings, We Offer The Following Recommendations:

- The Block Grant should be eliminated this year rather than being allowed to sunset in 1999, as originally planned, because it has failed to provide sufficient funds to meet the competing and equally compelling needs of a growing number of vulnerable children and families, and has merely shifted costs to counties without providing increased flexibility in spending, administration or service delivery design. Base funding for the Block Grant is set too low and fails to account for growth in the child welfare population or the changing needs of children and families.
- To replace the Block Grant, we recommend a funding arrangement that promotes high quality services at the county and neighborhood level, increases spending and program flexibility and provides an adequate funding base for all components of the child welfare system—foster care, preventive services, protective services, independent living and adoption services—and which does not force competition between types of services for resources. This new funding formula would promote and protect preventive services and create incentives for counties to develop neighborhood networks of support services in local communities.
- The formula used to determine the Maximum State Aid Rate (MSAR) should be redesigned to reflect a more elastic rate structure which would allow for growth and contraction of the child welfare system, depending on children and families' needs. The MSAR formula should incorporate an intensity adjuster to account for current need instead of being based solely on historical costs and historical utilization.
- New York City should negotiate with the State to write off the rolling cap debt that resulted from reduced funding under the Block Grant.
- The State should work with the counties and child welfare providers to design a new way to finance child welfare services to better meet the needs of abused and neglected children and families at risk of having their children placed in foster care. This could be achieved through New York State's federal IV-E waiver proposal, which unlike the Block Grant will allow increased spending flexibility to achieve a better balance between protective, preventive and foster care services.
- An evaluation process should be built into the new state funding arrangement to promote accountability and measure the impact of spending plans on quality, access and availability of child welfare services. When the Governor and the Legislature approve dramatic policy shifts such as the Block Grant, counties should be required to report on the impact that these shifts have on children, families and programs. The Assembly and Senate Committees on Children and Families should hold regional hearings with county commissioners to gauge the effects of the Block Grant and to develop a plan with the Governor to replace or adequately fund the Block Grant.

INTRODUCTION

Background

The mission of the New York City child welfare system is to ensure the safety and well-being of all the children of New York (ACS, 1996). To accomplish this goal, the New York City Administration for Children's Services (ACS) provides protective, preventive, foster care, adoption and independent living services to children, youth and families either directly or through agencies which contract with the City. Each year the City appropriates funds for these services in its own budget and also submits claims to the State for proportionate reimbursement. The State then submits claims on behalf of the City and its other counties to the federal government to secure financial reimbursement for child welfare services. In this way the costs of child welfare services are shared between the various levels of government.

Historically, state and federal reimbursement for child welfare services had been open ended so that all abused and neglected children who needed protection and care could receive it. For services to avert foster care placement, the State would provide 75% reimbursement to New York City and the counties, after each county had exhausted its federal IV-B funds. For protective services, the State provided 75% reimbursement to the counties with no reimbursement from the federal government. For foster care services, the State contributed 25% reimbursement to the counties for the daily room and board costs for children in foster care, for staff training and administrative costs, and the federal government would provide 50% reimbursement to counties from federal Title IV-E funds.

In 1993, Governor Cuomo and the State Legislature changed the State reimbursement methodology and implemented a foster care expenditure cap, which marked the beginning of New York State's effort to restrict its support for child welfare services. Under this reimbursement scheme, counties received a set sum of money each year for foster care services and any savings a county incurred could be kept and reinvested in other child welfare services. This new reimbursement mechanism, while capping foster care costs, had incentives built in which permitted counties to invest in preventive services as a vehicle for decreasing the number of children who required foster care placement. However, each county's allocation was based upon prior year expenditures for foster care. The incentive for counties to save state foster care dollars,

however, was based on historical spending and not based on the current demand for services for families whose children required out-of-home placement. Between 1993-1995, counties were generally able to meet the needs of children and families and stay within their foster care cap budgets. As the foster care population decreased during the early to mid-1990's, some counties underspent their state foster care dollars and were able to use the newly accumulated incentive fund to expand preventive service programs. New York City, however, overspent its state foster care cap expenditures dollars by \$12 million. However, the State failed to closely monitor the appropriate use of incentives by the counties.

The Family and Children's Services Block Grant

In 1995 during Governor Pataki's first year in office, he proposed and the Legislature adopted a new mechanism to finance the state's child welfare system. Unique to any state in the nation, Governor Pataki and the New York State Legislature implemented the Family and Children's Services Block Grant (Block Grant), which consolidates state funding streams for various child welfare services and caps the amount of state funding available for these services. The Block Grant conditioned funds for child welfare services as a fixed annual state budget appropriation and no longer as an uncapped entitlement for all abused and neglected children needing protection and care.

Effective for a four-year period from July 1, 1995 through March 31, 1999, the New York State Family and Children's Services Block Grant combined state funding for preventive, protective and most foster care services, including the State's share of services provided to children and families, daily room and board payments for children and youth in foster boarding homes and congregate care facilities, payments to foster parents to assist with the daily living expenses of children in their care and tuition payments for foster children enrolled in special education programs. Funding for adoption subsidies was not included in the Block Grant and appears as a separate line item in the State budget.

When the Block Grant was created in 1995, the existing state reimbursement mechanisms for protective, preventive and foster care services were abolished. In FY'95-96, the first year of implementation, the Block

Grant reduced overall state spending on child welfare services by 25%, approximately \$151 million statewide (Figure 1). During this period, the State allocated \$428 million for child welfare services in the State budget, an amount significantly lower than the New York State Division of Budget's own estimate of \$631.5 million needed to adequately serve the children and families receiving child welfare services in New York State. In year two of the Block Grant, funding increased by 18% to \$79 million—an amount still far below that allocated two years earlier. New York City was still receiving 20% less in State funding than prior to the implementation of the Block Grant in 1995. Under the new Block Grant formula, counties around the State were mandated to provide the same range of child welfare services to as many children and families as needed them, with substantially fewer dollars.

Figure 1:
Statewide Funding for Protective, Preventive and Foster Care Services for FY 1995-1998

Fiscal Year	State Budget (\$ in millions)
1995	\$579
1996	\$428
1997	\$507
1998	\$507 ²

Source: New York State Executive Budget, FY'95-FY'98.

Each county's Block Grant allocation is loosely based upon historical spending and the number of families below the poverty line. Even with historically high spending on child welfare services and a large number of poor families, New York City is disadvantaged by the Block Grant funding formula. New York City provides services to approximately 81% of the State's child welfare population and has three times the poverty rate for children as the rest of New York State as of 1995, but only receives 65% of the total Block Grant. In the first year of the Block Grant, the City suffered a 36% cut in state aid for child

welfare services receiving only \$272 million in state child welfare funds, which was \$157.5 million less state funds than provided in 1994. In FY'97, after tremendous pressure from county officials, child welfare service providers and child advocates, Governor Pataki and the New York State Legislature restored \$80 million of the \$151 million cut to the Block Grant in FY'96, bringing total funding for the Block Grant up to \$507 million statewide. This restoration increased funding to New York City by \$63 million, with New York City receiving a total \$335 million for protective, preventive, foster care, adoption and administrative services.

In the FY'98 New York State Executive Budget, the Governor and the Legislature transferred \$78.4 million in federal welfare dollars to the Title XX Social Services Block Grant intending but not requiring that counties use these funds to enhance child welfare services. The counties are permitted to spend these funds on any Title XX social services, which include child welfare, welfare, and homeless services and programs for the elderly. To date, none of these funds have been passed to the counties.

To absorb the Block Grant funding cuts, some counties around the State have shifted dollars between funding streams where allowable, and have used surplus funds which resulted from declining welfare caseloads to finance child welfare services. This strategy has its own limitations since counties will need to reinvest welfare surplus funding in welfare-to-work programs to meet the stringent requirements of the new welfare law and will no longer be able to use surplus state welfare funds to make up for cuts in child welfare services. New York City did not rely on this approach to increase funding for child welfare services and instead spent against future appropriations. In FY'96 and FY'97, New York City overspent its Block Grant allocation by \$91 million and \$32 million, respectively, and the City rolled over these amounts as outstanding receivables or deficits each year in what is called a rolling cap. To reduce the rolling cap, the City used \$26 million in federal child welfare funds in FY'96. Having underspent its Block Grant allocation by \$2.3 million in FY'98, the City currently carries a deficit owed to the State of approximately \$95 million and is left with a liability that will have to be repaid when the Block Grant expires in 1999. On top of the State Block Grant reductions in 1995, the City also incurred \$53 million in section 153-d sanctions,

² In the FY'98 New York State Executive Budget, the Governor and the Legislature transferred \$78.4 million in federal welfare dollars to the Title XX Social Services Block Grant intending but not requiring that counties use these funds to enhance child welfare services.

Figure 2:

Child Welfare Trends FY 1994-1997

Fiscal Year	Abuse and Neglect Reports	New Families Receiving Preventive Services	Children who Entered Foster Care who Received Preventive Services Previously	Number of Children Admitted to Foster Care
1994	49,129	13,675	1,484	9,022
1995	47,571	13,156	1,576	7,949
1996	52,994	12,407	1,441	9,959
1997	53,567	11,744	1,479	NA

Source: ACS, Office of Management and Analysis, *Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts)* and Unpublished Data. The City of New York, *Mayor's Management Report*, Fiscal Years 1994-1997.

under the New York State Social Services Law, for failing to comply with state filing requirements for children in foster care, including failing to timely file petitions to extend placement in foster care timely and failure to complete timely assessments of children and families who are being considered for foster care. The State announced a moratorium on these sanctions for the period January 1, 1995 through March 31, 1997 and to date, no penalties have been paid, although they can be reinstated at any time. New York City could owe New York State a total of \$148 million in over-expenditures and sanctions.

When faced with reduced state dollars between FY'96-FY'98 and its own fiscal crisis in 1995, New York City could not maintain the level of funding needed for child welfare services and was forced to make a series of difficult choices. The City maintained protective services but cut preventive and foster care services. At the same time demand for services was increasing and reports of abuse and neglect had increased 12% from FY'95-FY'97 and the number of children entering foster care had increased 17% from FY'95-FY'96 (Figure 2).

In an attempt to mitigate the impact of Block Grant cuts and stretch available dollars further, ACS proposed to develop a managed care model for financing and delivering child welfare services and submitted a Title IV-E waiver request to the federal government. To date, neither effort has protected the City from the impact of the state Block Grant cuts. These plans failed to take hold for a number of reasons including a lawsuit brought against the City for its managed care plan, alleging that the financial incentives offered to child welfare provider agencies risked forcing children out of

foster care prematurely. The Title IV-E waiver, however was just approved by the Federal Department of Health and Human Services in December 1997 with implementation scheduled to begin by September 30, 1998—three years after the Block Grant was implemented. Even without the lawsuit, the City's managed care plan would not have lessened the impact of the Block Grant cuts because it required a longer timeline for planning, implementation and approval than was possible under the state Block Grant. Between 1995 and 1998, it was impossible to synchronize the City's system redesign efforts with the immediate pressures of reduced state Block Grant funding.

A preliminary review of the New York State FY'99 Executive Budget shows that the Governor redefines the Block Grant in several ways. First, he proposes to remove child protective services and \$50 million and establishes a separate child protective services funding stream. The Governor also proposes to consolidate \$49 million in funding previously in the Division For Youth (DFY) budget for foster care for juvenile delinquents and persons in need of supervision (PINS) with foster care services from the former Department of Social Services (DSS) budget into the Block Grant. Upon an initial review, it appears that the Governor is also proposing to add \$15 million in new dollars to the Block Grant for foster care and preventive services, which would total approximately \$521 million, which could be used by the counties as fiscal relief for prior year's reductions in state child welfare spending or to expand child welfare services. After discussions and negotiations with the New York State Senate and Assembly, a three-way agreement will be made when the budget deal is finalized.

Fiscal Impact of the Block Grant on New York City's Child Welfare Services

Protective Services

Under State law, all county governments are permitted to contract out the provision of protective services to private agencies. New York City has chosen to maintain these services within ACS and provides its own caseworkers to investigate all suspected cases of child abuse and maltreatment after a report is made to the State Central Register (SCR). ACS investigates all reports of suspected abuse and neglect in New York City to determine the validity of allegations. The SCR is the central reporting center for all allegations of abuse and neglect and is funded by the state, separate from the Block Grant funding for child welfare services. Prior to the enactment of the Block Grant, counties split the cost of providing protective services with the state 50%/50%. Now, counties are limited by the amount of state Block Grant funds available for all services and may be reimbursed for 50% of protective costs until the Block Grant funds are exhausted. Faced with deep funding cuts in the Block Grant in FY'96, New York City maintained spending for protective services while responding to increasing numbers of reports of abuse and neglect which had increased child protective/diagnostic staff caseloads from 19:6 in FY'95 to 24:1 in FY'96.

In FY'97, the City increased the amount of Block Grant funds and City tax levy dollars spent on protective services by approximately \$5.9 million and used these funds to hire more caseworkers and reduce investigative and diagnostic caseloads (ACS, New York City Office of Management and Budget 1997). In the FY'99 Executive Budget, the Governor proposes to remove protective services from the Block Grant and reinstate state and local cost sharing, which would mean that the State would pay for 65% of costs for child protective services and the localities would pay for 35% of these services. The Governor will take \$50 million out of the Block Grant to fund the new child protective services, which represents approximately what the state spent on child protective services in FY'95 prior to the creation of the Block Grant. By removing child protective services from the Block Grant, the state can be reimbursed by the federal government for costs associated with investigating reports of child abuse and neglect because the state will be appropriating adequate dollars to qualify for the federal matching funds.

Preventive Services

New York City provides preventive services for families at risk of having their children placed in foster care through contracts with seventy-eight preventive service providers. Among others, families can receive general preventive services, homemaking services, or enroll in the Family Rehabilitation Program (FRP), provided by voluntary agencies which contract with ACS. Families can access preventive services by referral from ACS, a school, day care center, hospital or youth development program, by a Family Court order, or by walking into a preventive service program in their neighborhood. Court-ordered supervision, which provides caseworkers to monitor families whose children do not require removal but who need counseling and support services to maintain a stable living situation, is the only preventive service directly provided by ACS.

Voluntary agencies that contract with New York City to provide preventive services submit a yearly proposal to ACS that includes the kinds of services that will be offered, the number of children and families to be served, the geographic catchment area, and the proposed cost of services. Prior to the enactment of the Block Grant, the City received 75% of the cost of preventive services from the state, after exhausting federal IV-B funds. In reaction to decreased funding in the state Block Grant in FY'96, the City decreased spending for preventive services by \$8.4 million, bringing the total loss of funding for preventive services to \$38.3 million, including state and federal funds. Because the state Block Grant remained severely underfunded in FY'97, the City decreased preventive service spending by another 19%, or approximately \$7.1 million, which meant a total loss of an additional \$35.6 million, including state and federal matching funds. In FY'98, no additional funds were available through the state Block Grant, however the City Council allocated \$1.6 million for general preventive service programs to replace the State's matching portion for these services.

Foster Care Services

Sixty-three voluntary agencies contract with the City to provide foster care services to children and families. They are reimbursed for these services, and the daily room and board of children in their care based upon a per diem formula set by the state each year. Called the Maximum State Aid Rate (MSAR), this formula represents the maximum reimbursement rate that the State allows

the City to pay agencies for services provided to families and children in foster care, room and board of children placed in foster boarding homes and congregate care facilities and administrative costs associated with providing these services. Generally speaking, the MSAR is computed based upon historical spending (not costs) by each agency for different types of foster care placement services (foster boarding homes and congregate care facilities) in the two years prior to the current year. Based on this formula, the more money an agency spent two years ago to care for children in a congregate care facility or foster boarding home placement, the higher that agency's MSAR is for the current year. Conversely, if the agency suffered budget cuts two years ago and reduced program spending, the agency's MSAR was renewed at a lower rate, which represents the amount of money actually spent on each child in placement two years ago. Similarly, the pass-through reimbursement rate for foster parents is set at a maximum reimbursement level determined by the needs of the child (i.e. exceptional, special, normal) which is passed through the agencies to the foster parents to cover the cost of room and board for children in their care.

Once the State determines the maximum foster care agency rates, the City then sets its own reimbursement rate anywhere from 0% to 100% of the agency's MSAR. For every dollar that the City spends on room and board for children in foster care, it draws down a portion of State funds from the Block Grant, which are capped, and \$2 in Title IV-E federal funds, which is an entitlement with uncapped funding. Prior to the implementation of the Block Grant, the City imposed a series of foster care rate cuts. In the first quarter of FY'95, the City lowered foster care reimbursement rates to providers by approximately two percent. This meant that agencies received 98% of their FY'95 MSAR. During the second and third quarters of FY'95, the City decreased reimbursement to providers and paid only 96% of the MSAR. In the fourth quarter, the City revised reimbursement upward to 98% of the FY'95 MSAR for providers.

To manage the severe reduction in funding for child

welfare services in the state Block Grant, the City reduced foster care spending by \$176 million in FY'96. This cut was passed along to the foster care agencies through a 10% reduction in their MSAR in the second half of 1995, which meant that agencies were receiving approximately 85% of their FY'95 MSAR in FY'96. In addition, the City reduced payments to foster parents by 10% and eliminated funding for baby-sitting services for children in foster care. Prior to the state Block Grant, the City was paying 100% of the maximum state aid rate, which was approximately \$450 per month for a child 0-5 years old without special needs. With reduced funding due to the state Block Grant, the City reduced its reimbursement and foster parents currently receive \$401 per month for the same child, a 10% decrease. In FY'97, the City reduced spending on foster care services by another three percent or approximately \$20 million.

In FY'98, the Mayor appropriated \$13.2 million in city tax levy dollars, which totaled \$59.7 million, assuming matching state and federal dollars, to reimburse voluntary agencies for additional days that children remained in foster care in FY'97 and for anticipated additional care days in FY'98. Appropriating funds over the City's budget for additional care days can increase the rolling cap. The City Council allocated \$6.4 million in the City's FY'98 budget to restore the MSAR for congregate care providers to 100% of the FY'98 rate. In FY'98, the City also revised reimbursement to foster boarding home providers, who are currently receiving 91% of their FY'98 MSAR.

Without increasing dollars in the Block Grant in FY'98, the Governor and the Legislature carved out \$6.4 million of the Block Grant to match the City's \$6.4 million, to fully restore the FY'98 MSAR for congregate care providers. The State also allocated \$6.4 million in surplus Temporary Assistance to Needy Families (TANF) dollars to New York City outside of the Block Grant to maintain state spending at the same level. However, by identifying and mandating the use of specific funds within the fiscal limits set by the State Block Grant, counties will have even less flexibility in the use of limited funds.

METHODOLOGY AND DATA CONSTRAINTS

In September 1996, Citizens' Committee for Children of New York, Inc. (CCC) submitted a proposal in response to a Request For Proposals from the United Way of New York City for a grant to analyze the impact of the Family and Children's Services Block Grant (Block Grant) on child welfare agencies in New York City and to track changes in the child welfare system over time. In December 1996, CCC was awarded a six-month grant to conduct a study to assess the impact of the Block Grant on New York City agencies and to establish baseline indicators to measure the functioning of the child welfare system. The report does not address different county experiences with the Block Grant.

Field Survey

In January 1997, we began the first phase of the project, which included conducting a field study and an administrative and policy review to analyze the impact of the Block Grant on the City's child welfare agencies. To begin, we identified the components of the Block Grant and measured the efforts and effects of complying with its goals. We reviewed the Block Grant language (Appendix A), cataloguing the components of the Block Grant and held discussions with the former New York State Department of Social Services (DSS) and the New York City Administration for Children's Services (ACS) which provided a context for understanding the experiences and practices of State and City government and voluntary agencies in response to the Block Grant.

At this time, we also convened a professional Advisory Committee composed of 18 attorneys, academicians, advocates, funders, industry group representatives, religious federations, coalitions and other professionals in the child welfare field, and representatives from the New York City Administration for Children's Services (ACS) and the United Way of New York City who served to guide the project. There were no direct service providers, parents, youth or other service recipients on the Advisory Committee. The Advisory Committee met three times to review the questionnaires, impact and system indicators, the methodology for selecting sites and conducting face-to-face interviews and the findings in the report. The data which form the basis of this report were analyzed by staff of Citizens' Committee for Children of New York (CCC) and CCC takes sole responsibility for the report, its findings and conclusions.

After extensive discussions with providers and a review of city and state reporting requirements, we developed drafts of two separate mail survey instruments to be distributed to the 63 foster care agencies and 157 preventive service programs to be studied. These drafts were field tested with preventive service and foster care providers, reviewed by our Advisory Committee, revised and used for additional field testing. In the first week of May 1997, we mailed surveys to the 63 foster care providers that contract with ACS, 157 purchased preventive service programs and 78 Executive Directors of the preventive service programs (Appendix B).

The questionnaires were designed to elicit information about impacts from FY'95, the year prior to the implementation of the state Block Grant to establish a baseline for comparison. Five areas of impact were reviewed: Child and Family Impacts, Staffing Impacts, Program Impacts, Community Impacts, and Impacts on the Child Welfare System as a Whole. We also studied changes over time in agency program budgets, census and per diem rates. The foster care and preventive service providers responding to the survey reported on the changes in government funding as reflected in their program budgets but were not necessarily able to identify the cause of these changes. The surveys were sent out from May 2-6, 1997 and asked preventive service providers to respond to 65 questions and foster care agencies to respond to 91 questions, which included a combination of forced and open-ended question format. We did not administer a survey for protective services or for ACS direct services.

To insure a strong response from the mail surveys, we followed-up by telephone with several agencies to prompt them to complete and return the questionnaire by the due date, June 30, 1997. Thirty-three percent of foster care agencies mailed back the questionnaire, a total of 21 of 63 agencies, and 31% of preventive service programs returned the survey, a total of 49 of 157 programs responding (Figure 3). At the suggestion of the Project Advisory Committee, we made another series of follow-up telephone calls to solicit information from the eight minority foster care agencies because it was anticipated that these agencies would be more vulnerable to reductions in government funding.

Figure 3:
Profile of Responding Agencies

	Foster Care	Preventive Service
Total number of voluntary agencies under contract with ACS	63	157
Number of responding voluntary agencies	21	49
Program budget range of responding agencies, FY97	\$545,000 - \$84 million	\$108,000 - \$5 million
Number of full time and part-time direct service staff of responding agencies, FY97	6 - 293	3 - 59

Source: Carrots and Sticks Survey.

Although pleased that the number of responses exceeded the 20% return rate we anticipated in our proposal, most of the responding foster care agencies represent larger agencies rather than smaller, community-based foster care agencies. Of the 21 responding foster care agencies, approximately 11 could be described as large, 5 respondents are mid-size foster care programs, and 5 responding programs serve small client populations. Consequently our report reflects impacts on larger foster care agencies which may have been affected by and responded to the state Block Grant cuts in different ways than smaller agencies may have. We received responses from a broad array of preventive service programs ranging from small programs serving a single community to the larger organizations serving children and families at several locations throughout the City. It is also important to note that of the 70 respondents, ten agencies answered our surveys for both their foster care and preventive service programs. Of the responding agencies, some failed to answer every question in the mail survey and we have identified the number of responses in each finding throughout the report. We limited collection of the questionnaires to a seven week period in May-June 1997 to stay within the six month project timeline. The findings reflect the experiences of responding agencies only and are useful in beginning to identify the impact of the state

Block Grant on child welfare services. We do not generalize from these findings but rather use them as useful illustrations of some of the effects of the state Block Grant.

We identified 15 foster care agencies which agreed to follow-up face-to-face interviews that were located in each borough of the City and outside the City but serving New York City children and families to obtain a range of experiences of foster care providers. We targeted preventive service programs located in the highest risk neighborhoods in the City as identified in CCC's *Keeping Track of New York City's Children 1997*. Some indicators used in the neighborhood sample selection included: reported rates of abuse and neglect, number of families in poverty, proportion of single parent families, unemployment rate, percent of low birthweight births, infant mortality and child death rates, referrals for special education and high school graduation rates. We categorized the programs which agreed to a site visit interview by Borough so that we would include a total of 15 preventive service programs across the City where we conducted follow-up interviews.

We assembled a group of 50 volunteers to conduct on-site face-to-face interviews and provided them with extensive education about the state Block Grant and trained them on the use of the questionnaires. At each site, at least two CCC volunteers interviewed senior staff using a modified questionnaire. The face-to-face interviews were conducted as a way to validate findings reported on the mail survey.

The data collected from 70 questionnaires returned by mail and the 30 follow-up site visits and the were coded and entered into a database created for the project. We verified the financial data reported in this report against City and State projections by reviewing ACS and DSS financial data, and by interviewing City officials about the level of State funding from FY'95 to the present.

During the period assessed in this report, child welfare services in New York City were affected simultaneously by a number of factors in addition to the state Block Grant, including the reorganization of ACS, agency preparation and response to new models of managed care for social service proposed in the federal IV-E waiver, and government budget cuts in other areas. It is important to note, that the responding agencies reacted to cuts in govern-

ment funding since FY'95 and were not necessarily able to identify the source of these budget cuts. Because of the complexity of events studied, the limitations of the cross-sectional design employed and the lack of more complex statistical controls, causal questions in government budget cuts cannot be addressed by the responding agencies with confidence based on the research data collected.

The report was reviewed by the Project Advisory Committee, Board of Directors and Program Committee of Citizens' Committee for Children of New York (CCC), City and voluntary agency staff and the United Way of New York City Research Committee. CCC takes sole responsibility for the findings, recommendations, and opinions in this report.

FINDINGS

The findings are based on an analysis of information obtained from mail surveys completed by 49 of the 157 preventive service programs in contract with the City and 21 of the 63 foster care agencies in contract with the City; approximately one-third of all contract agency providers; interviews with senior staff at 15 preventive service programs and 15 foster care agencies; and discussions with senior staff at the New York City Administration for Children's Services (ACS) and the New York City Office of Management and Budget (OMB). Where necessary to provide context, findings are related to system-wide data from ACS that identifies similar trends in the child welfare system.

To describe the impact of the Family and Children's Services Block Grant on child welfare services in New York City since its implementation, we have listed our findings separately by impact area. For preventive services and foster care programs, our findings address the impact of the Block Grant in five key areas: fiscal, children and families, staff, program, and community. The final set of findings discusses the impact of the Block Grant on the child welfare system as a whole as reported by both the voluntary preventive service providers and foster care agencies.

Fiscal Impacts

New York City maintained spending for protective services but reduced spending for preventive services and foster care. Because the Block Grant consolidated state funding for protective, preventive, and most foster care services and simultaneously reduced state aid overall, the City had to apportion resources among competing child welfare services that were equally necessary. Ranking as priorities—child protective services first, foster care services second and preventive services third. The increase in the number of abuse and neglect reports that require ACS investigation (up 12% since FY'95) without an increase in the number of child protective/diagnostic caseworkers caused caseloads for protective service workers to increase dramatically (Figure 4) from 19:1 in FY'95 to 24:1 in FY'96 (ACS, 1996). According to the Child Welfare League of America, the recommended caseload for intake is 12:1 which includes investigations and assessments of reports of child abuse and neglect (CWLA, 1995). In an effort to reduce high child protective

caseloads, the City added \$1.7 million in tax levy funds to the FY'96 budget for ACS (which totaled \$7 million including state and federal matching portions) to hire more caseworkers to improve the quality of investigations and ease child protective caseloads down to 20:1 by FY'97 (ACS, 1996).

Figure 4:
Average Caseloads for Protective Service Workers
FY1994-1997

Fiscal Year	Caseload
1994	21.7
1995	19.6
1996	24.1
1997	16.8

Source: ACS, Office of Management and Analysis, Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts) and Unpublished Data.

The Governor and the Legislature included a maintenance of effort (MOE) provision for preventive services along with the Block Grant which permitted counties to reduce up to 20% funding for preventive services. Under the MOE provision in the Block Grant, counties were only required to spend a minimum of 80% of dollars spent on preventive services in FY'94 and counties would be penalized dollar for dollar if they failed to meet this MOE requirement. Preventive service spending is de-emphasized by this new formula which actually allows counties to reduce spending by 20%. In FY'94, New York City spent \$152 million on preventive services, which at 80%, of which equaled approximately \$122 million. Although New York City did not reduce preventive services funding by the full 20% in the first year of the Block Grant, it did reduce funding by 2% in fiscal year 1996 and another 17% in FY'97, for a total of 19% over three years. Prior to the implementation of the MOE the state reimbursed localities for 75% of costs for preventive service programs.

In FY'96 the MOE provision was renewed, however, the penalties to counties for failing to comply were eased and a phase-in schedule was developed to gradually increase fiscal sanctions each year that the county failed to spend on preventive services (Figure 5).

Figure 5:

Preventive Service MOE Penalties

Fiscal Year	The penalty for failure to make the MOE for counties with less than 100,000 people	The penalty for failure to make the MOE for counties with populations between 100,000-200,000 people	The penalty for failure to make the MOE for counties with more than 200,000 people
1997	No penalty	25% of the amount underspent	50% of the amount underspent
1998	10% of the amount underspent	35% of the amount underspent	65% of the amount underspent
1999	Every county loses dollar for dollar in state reimbursement for preventive services based upon the amount underspent of the 80% MOE		

Source: New York State Executive Budget, FY'97.

The City reduced spending on general preventive service programs. In FY'95 prior to the enactment of the Block Grant, the City chose to reduce spending for general preventive services by 2% because of its own fiscal constraints. When the Block Grant was implemented in FY'96, the City reduced spending for general preventive services by an additional 1% or \$4.4 million in City tax levy funds. General preventive service programs offer families a range of services for a limited period of time of eighteen months on average to help stabilize and support families that are at risk of having their children placed in foster care. The services offered include counseling, parenting skills training, advocates for other social services like housing, employment, drug treatment and day care, and emergency food and clothing.

The City eliminated the drug treatment component of the Family Rehabilitation Program (FRP) in 1995. In response to the crack epidemic in the late 1980's that produced many drug-exposed newborns and more children entering foster care, the City began the FRP to provide intensive preventive services and drug treatment referrals. The FRP included home visits at least three times a week and substance abuse treatment referrals and support to families with positive toxicology infants who were at risk of being placed in foster care. The City originally financed 31 FRP programs in 1990 which provided services to approximately 700 families and 2000 children per year. Based on reduced state funding and the City's fiscal crisis in 1995, the City terminated the substance abuse treatment component in all FRPs and eliminated 13 FRPs

entirely. The FRP was the only substance abuse treatment program funded by the City for families with drug exposed infants who were at risk of placement in foster care.

The City reduced ACS homemaking services funding by 55% due to state funding cuts in the Block Grant. In response to reduced state aid for child welfare services in the Block Grant, the City cut funding for ACS homemaking services by 55% in FY'96. With the creation of ACS in 1996, homemaking services for families at risk of abuse and neglect were transferred from HRA to ACS and the budget for homemaking services was split between ACS and the Human Resources Administration's Division of AIDS Services (HRA-DAS). With this separation, ACS lost 2.2 million hours of service for its homemaker cases while DAS remained fully funded. In FY'97, the City restored \$4.1 million in city tax-levy dollars and drew down state matching funds for ACS homemaking services, which made up for 41% of the cut in ACS homemaking services taken in FY'96. ACS homemakers work with families who are at risk of having their children placed in foster care, visiting and monitoring families in the home, and offering support services and assistance in restructuring household activities and parenting practices to ensure the health and safety of the children. Homemaker services are intended to be short-term and assess a family's difficulties and offer referrals and support to remedy the conditions that put children at risk of abuse or neglect. The City contracts with eight voluntary agencies for homemaking services and served 1,024 families in FY'97 (Mayor's Management Report, 1997). Homemaking ser-

VICES are provided to families at risk of placement due to abuse and neglect as well as families at risk of placement due to the death of a parent as a result of AIDS. Homemaking services for families afflicted with AIDS were provided DAS and full funding has been restored to these services.

The City eliminated on-site social service preventive programs in child care centers. In FY'96, the City eliminated preventive service programs that provided on-site social service workers at day care centers to detect any early signs of family distress or deterioration. The City had provided funding for voluntary agencies to provide 51 social workers to serve children in 108 day care centers in the five boroughs, and provide early intervention and early detection services for abused and neglected children. Agencies reported the loss of on-site social services in child care centers as another preventive service they were forced to close due to state Block Grant budget cuts.

Many preventive service providers used private funds to replace some lost State and City government support. Sixty-five percent of responding preventive service programs reported using private funding since FY'95 in an attempt to maintain available services and continue to provide quality programs to children and families³. To enable programs to serve new families and maintain quality services for children and families already receiving care, many preventive service providers reported using private funds to cover operating costs, strengthen services to children and families, increase wages and benefits to homemakers, and provide cost-of-living (COLA) increases to staff. For example, in one year an agency used \$100,000 in private funds to support a drug treatment and prevention program, \$130,000 in private funds for its crisis nursery, and \$320,000 in private funds for general preventive services to maintain these services for children and families in their care, totaling \$550,000 raised privately to replace government funding. Many smaller preventive service programs have no reserve funds and limited expertise in generating private support and were unable to make up for funding cuts.

³ 48 providers responded to this question: 65% reported using private funding, 35% reported not using private funding since FY'95.

The City reduced foster care reimbursement by 15%, for room and board and services for children in foster boarding homes and congregate care facilities.

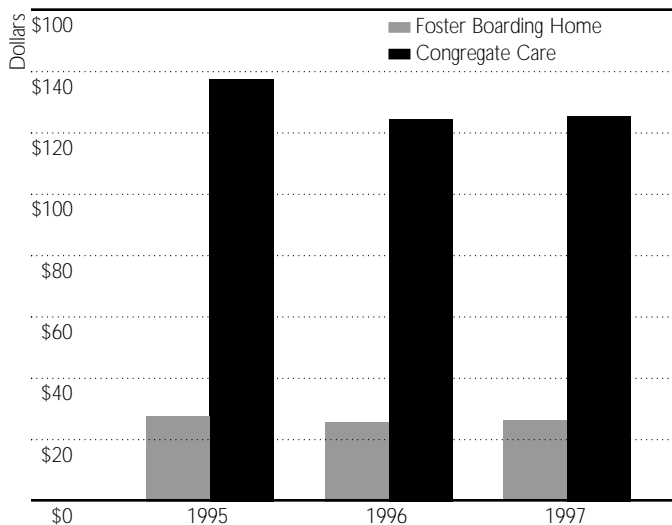
In 1995, prior to the creation of the Block Grant, the City reduced reimbursement rates to foster care providers between 2% and 4% over the year, to 96-98% of their FY'95 MSAR. To manage state Block Grant reductions, ACS reduced reimbursement under the MSAR by another 10% in FY'1996, which meant that agencies received approximately 85% of their FY'95 MSAR (Figure 6). Since the enactment of the Block Grant in 1995, ACS has frozen foster care reimbursement rates for foster boarding home and congregate care providers at 85% of the FY'95 MSAR. Even though the State revised the MSAR downward for FY'96 and FY'97, and revised the MSAR upward for foster boarding home providers to 91% of the MSAR for FY'98 and 100% of the MSAR for FY'98 for congregate care providers, counties are not required to pay providers the State approved maximum rate for services. The City's foster care reimbursement rates to voluntary agencies has remained at 85% of the FY'95 levels. Complicating matters, the formula used to calculate the MSAR penalizes agencies hardest hit by earlier budget cuts and has caused many agencies' MSAR to decrease since 1995 (Figure 7).

Figure 6:
Funding for services to foster children was cut by 15%

Fiscal Year	New York City's Reimbursement Schedule for the Maximum State Aid Rate (MSAR)
1995	98% of FY'95 for 1st quarter, 96% of FY'95 MSAR for 2nd and 3rd quarters, increased to 98% of FY'95 MSAR in 4th quarter
1996	85% of FY'95 MSAR
1997	85% of FY'95 MSAR
1998	91% of FY'98 MSAR for foster boarding home providers; 100% of FY'98 MSAR for congregate care providers with a floor of \$120 to be implemented.

Source: ACS, Office of Budget, Finance and Audits, 1997.

Figure 7:
Foster Care Rates Have Decreased



Source: Carrots and Sticks Survey. 21 providers responded to this question.

Most foster care agencies reported using private funds to make up some of the cutbacks in government funding for child welfare services. Of the eighteen respondents, more than half⁴ (67%) increased the use of private funding to supplement some child welfare services, provide quality care and maintain the safety and well-being of children in care. For these agencies, using private funds was an immediate management decision necessary to preserve valuable programs for children and families. These agencies reported that they evaluate the need to use private funds on a year to year basis and do not anticipate having to invest large sums of private funds every year to preserve foster care services when government reduces spending. Since the inception of the Block Grant in 1995, 5 agencies reported using between \$200,000-\$1 million in a given year to maintain staff and programming to supplement reduced government funding.

Some foster care providers are fortunate to have endowments or reserve funds derived from foundation grants, corporate contributions, individual donations, events, bequests and other philanthropic efforts, which they used to supplement the services to children and families paid for through contracts with the City. Foster care

⁴ 67% increased their use of private funding, 5% decreased use of private funding, 28% reported no change in their use of private funding since FY'95.

agencies reported that they have historically used private funds to enhance the basic board and care services for children and paid for by government contracts by providing recreational activities for children and families, paying for transportation costs to promote more frequent visits between children and their families and between siblings, and providing tutoring, music lessons and other enrichment activities. As reported by survey respondents, reduced budgets have forced many agencies to use their endowments or draw on reserve funds to subsidize salaries to maintain staff, continue family support services that promote reunification, subsidize the costs of operating congregate care facilities, and finance discharge grants for adolescents leaving care as reported in our survey.

Other foster care agencies, report that they do not have large cash reserves or endowments that make it possible to protect their programs from government budget cuts. As reported by survey respondents and confirmed in the face-to-face interviews, these agencies have been especially hard hit by budget cuts and have downsized and eliminated jobs, frozen wages for three years, reduced services and closed group homes, effectively reducing services for children and families in their care. Agencies which have been forced to dip further into their endowments or contingency funds to make up for state budget cuts, report concerns about long term solvency and see it as a risky business practice. Many providers report stepping up private fundraising efforts and attempts to develop volunteer programs to take over certain staff responsibilities as a direct response to State Block Grant cutbacks.

Case Example:

One agency operates two diagnostic centers which serve 46 children, two group residences that serve 98 children and five supervised independent living program beds. To maintain services when faced with a 15% MSAR cut, the agency trimmed administrative and direct care staff reducing expenses, and increased private fundraising efforts to allow them to maintain certain minimum health and safety standards for children in care. The agency reports concern about its ability to maintain this level of private support. Unless the agency receives additional funding from ACS to provide child welfare services, it is considering converting its foster care beds for another use which will be paid for by another City agency.

The City reduced monthly subsidies to foster parents.

The maximum reimbursement rate for foster parents is calculated by the State with ACS deciding what portion of that rate they will pay to cover the cost of room and board for children in care. Prior to the Block Grant, ACS was paying the maximum state rate to foster parents. To illustrate, ACS paid approximately \$450 per month for room and board for a child under five years old in a foster boarding home. However, with reduced funding in the state Block Grant, ACS reduced payment for care by 10% and foster parents now receive \$401 per month to provide room and board for the same child. The City also eliminated funds to foster parents used to purchase baby-sitting services for children in their care.

Impacts on Children and Families

Forty percent of responding preventive service providers believed that they are less able to meet child and family needs since FY'95⁵. Insufficient funding for preventive services in the state Block Grant has resulted in oversubscribed programs and scaled back services as reported in the survey. Reduced funding in the state Block Grant, which limited availability of preventive service programs, combined with three years of City budget cuts in other community-based family support services have made it more difficult for families to get the help they need.

Since FY'95, one-third of responding preventive service providers have decreased the length of time that children and families are served. Thirty-five percent of responding preventive service providers have decreased the length of time that families receive care even though they report that families are entering their programs with more severe problems⁶. Housing, employment, child care, and drug treatment services, among others, have long waiting lists for entry, which has challenged some preventive service providers to continue working with families for longer periods of time. Other preventive programs reported instituting time-limited, short term work with families in response to increased pressure from ACS to close cases after 18-24 months of service.

Preventive service program budgets have decreased since FY'95, while the average number of children and families served per month in preventive service programs has increased. Of the forty respondents, preventive service providers reported that program budgets decreased by an

average of 8% in FY'96 and increased slightly in FY'97 (Figure 8). As preventive service budgets decreased, the average census increased by 11%⁷ in FY'96 and another 4%⁸ in FY'97, with a cumulative average census increase of 15% in preventive service programs since FY'95. The number of new families being admitted to preventive service programs remained relatively constant in FY'95 and FY'96 (ACS, 1997). However, due to a smaller number of preventive service programs available and a reduced capacity at the remaining preventive service programs, the census in preventive service programs has increased since FY'96 (Figure 9).

More than half of responding preventive service providers reported no change in the number of children entering foster care from their programs.

Fifty-six percent of responding preventive service providers report no change in the proportion of children entering foster care from their programs, while 37% reported an increased number of children entering foster care from their programs⁹. According to ACS, from FY'95-FY'97 34,496 children were receiving preventive services at the time they were placed in foster care (ACS, 1997).

The number of child abuse and neglect reports and the number of children entering foster care continues to grow. During the second year of the Block Grant, in 1996 10 agencies reported a drastic increase in the number of children entering care which was a direct result of the increase in reports of abuse and neglect and the City experienced a 17% increase in the number of children being admitted to foster care since FY'95 (ACS, 1997, Figure 10). In New York City, reports of suspected child abuse and

⁵ 47 providers responded to this question: 40% reported a decrease in their ability to meet child and family needs, 15% reported an increased ability, 43% reported no change, 2% reported both an increased and decreased ability to meet child and family needs over the past three years.

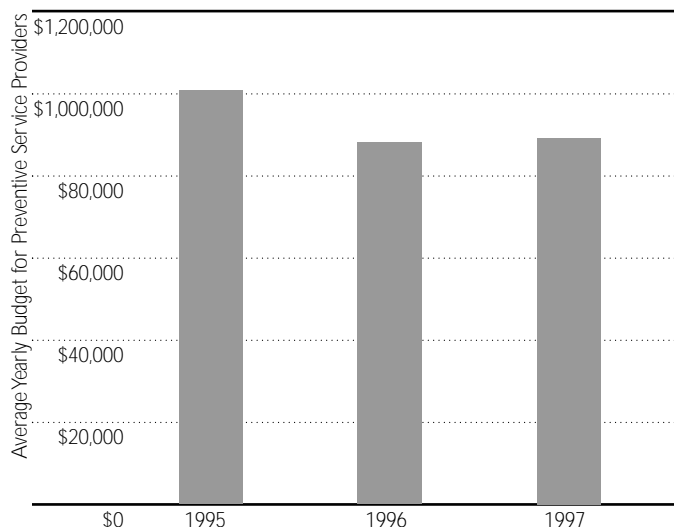
⁶ 48 providers responded to this question: 21% increased the length of time families received services, 35% decreased the length of time served, 42% reported no change in the length of time served, 2% reported both an increase and decrease in the length of time served over the past three years.

⁷ 44 of 157 providers responded to this question.

⁸ 43 of 157 providers responded to this question.

⁹ 46 providers responded to this question: 37% reported an increase in the proportion of children entering foster care from their programs, 7% reported a decrease, 56% reported no change since FY'95.

Figure 8:
Preventive Service Program Budgets Were Cut



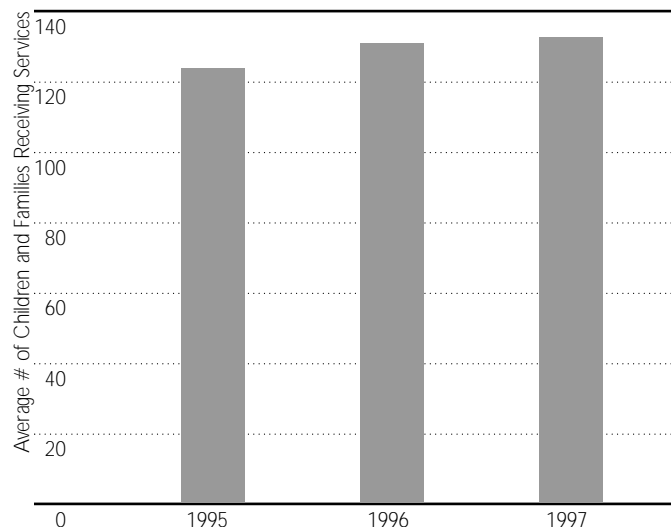
Source: Carrots and Sticks Survey. 40 providers responded to this question.

maltreatment have increased 12% since FY'95 and the number of children in New York City entering foster care has increased by 17% since FY'95 (ACS, 1997). Currently, over 41,000 children are in out-of-home placements in City-operated and contract agency programs—approximately 37,000 children, or 90%, reside in foster boarding homes and 4,000 children, or 10%, in congregate care facilities.

More than half of responding agencies have seen an increase in the number of children served in foster care¹⁰. Voluntary foster care providers also report that more children entering foster care suffer from more serious behavioral and emotional problems. To substantiate this perception, agencies reported increases in AWOL incidents, children with health and serious mental health problems, children who have experienced multiple placements, children who are violent, children who are truant and committing robberies and assaults, and more children suffering from substance abuse problems.

More than half of responding foster care providers have changed their admission criteria. Of responding foster care agencies, 59% reported changes in admission criteria since the Block Grant was implemented, which include broadening their admission policies to accept more troubled children who would not have been accepted previously¹¹.

Figure 9:
Preventive Services Caseloads Grew



Source: Carrots and Sticks Survey. 43 providers responded to this question.

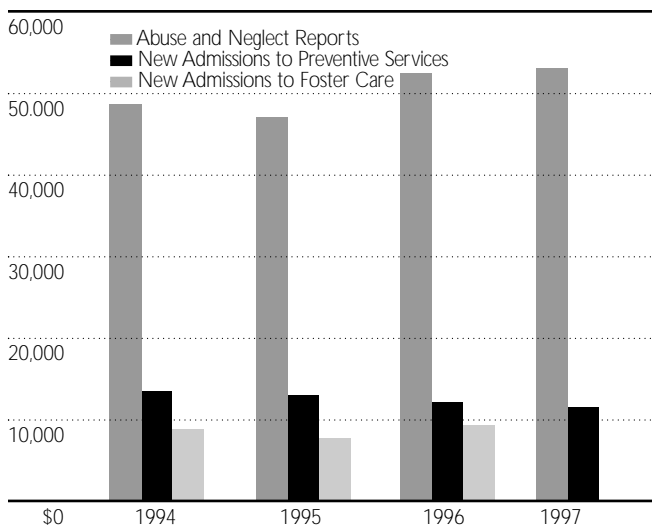
All responding foster care agencies reported maintaining or increasing adoption services since FY'95, while over one-third of responding agencies reported decreasing the level of services offered to reunify a child with his or her biological parents over the same period. Thirty-eight percent of responding agencies reported a decrease in reunification services provided to children and families in their care¹² however all responding foster care agencies reported that they have increased or maintained adoption services since FY'95¹³. Agencies' reported that higher caseloads and more staff turnover due to less government funding can account for a reduction in family reunification services. Some agencies report choosing to take budget cuts by reducing administrative costs and others report using private funds to pay the salaries of permanency

¹⁰ 14 agencies responded to this question: 64% reported an increase in the number of children served in foster care since FY'95, 14% reported a decrease in the number of children served, 7% reported no change in the number of children served, 14% reported both an increase and decrease in the number of children served over the past three years.

¹¹ 17 agencies responded to this question: 59% reported a change in their admission criteria, 41% did not change their admission criteria since FY'95.

¹² 16 agencies responded to this question: 38% decreased reunification services offered, 19% increased reunification services offered, 37% reported no change in the level of reunification services offered, 6% reported both an increase and decrease in the level of reunification services offered since FY'95.

Figure 10:
Child Welfare Trends FY 1994-1997



Source: ACS, Office of Management and Analysis, Selected Child Welfare Trends in New York City (F Y 1995 Charts) and Unpublished Data. Note: The 1997 data for the number of new admissions to foster care is not available.

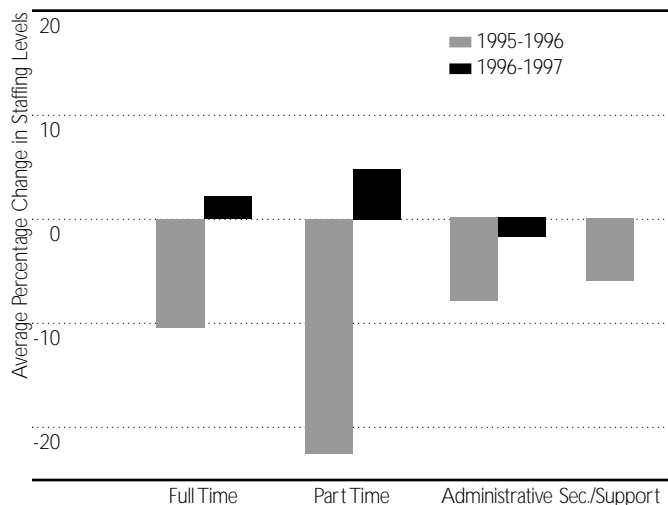
workers. One agency reported that it expects to use \$300,000 in private funds in 1997-1998 to maintain reunification services for children in care and their families.

Staffing Impacts

The number of staff has decreased in preventive programs, most significantly for administrative and part-time direct service staff, creating larger caseloads and reducing hours of service provided to children and families. Almost half of responding preventive service providers reported that full-time direct service staff decreased by 11%¹⁴ on average and part-time direct service staff were reduced by an average of 23%¹⁵, representing one-fifth of responding providers' part-time direct service staff in FY'96 due to state Block Grant cuts. Preventive service providers also reduced the number of preventive program administrators and secretarial/support staff in FY'96 to absorb state Block Grant cuts. In FY'96, on average administrative staff decreased 8%¹⁶ and secretarial/support staff decreased 6%¹⁷ in preventive service programs (Figure 11).

To deal with increasing caseloads in FY'97, preventive service providers who responded to the questionnaire reported increasing their full-time direct service staff by an

Figure 11:
Staffing Levels have Decreased in Preventive Service Programs



Source: Carrots and Sticks Survey. The response rate for this question was n=48 for full-time, n=18 for part-time, n=45 for administrative and n=45 for secretarial/support staff.

average of 2%¹⁸ and increased part-time direct service staff by an average of 5%¹⁹. Even considering the full-time and part-time direct service staff rehired in FY'97, the net result of state Block Grant cuts was a reduction in full-time direct service staff of 9% on average and a reduction in part-time direct service staff of 18% between FY'95-FY'97 in some programs. To afford the rehires in direct service staff in FY'97, some preventive providers reduced administrative staff even further to meet the needs of families entering their programs. Among responding preventive service providers, administrative staff were reduced another 2%²⁰ on average in FY'97, totaling a 10% average reduction in administrative staff between FY'95-FY'97.

Respondents report fewer staff and larger caseloads in preventive service programs serving more children and

¹³ 16 agencies responded to this question: 75% provide the same level of adoption services, 25% reported increasing the level of adoption services offered since FY'95.

¹⁴ 48 providers responded to this question.

¹⁵ 18 of 157 providers responded to this question.

¹⁶ 45 of 157 providers responded to this question.

¹⁷ 45 of 157 providers responded to this question.

¹⁸ 48 of 157 providers responded to this question.

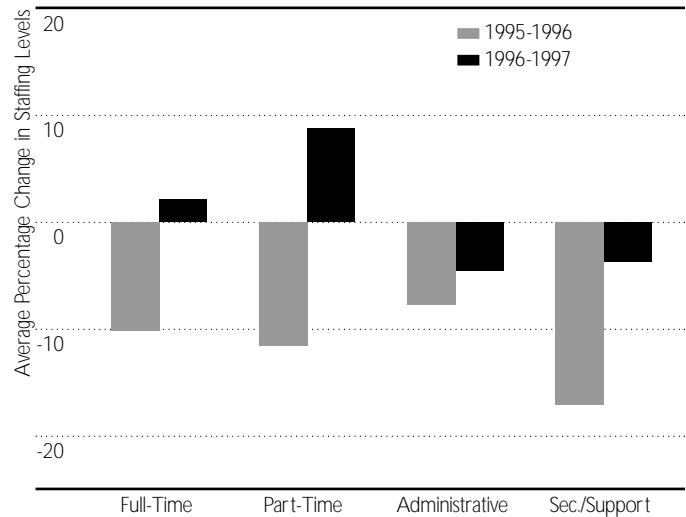
¹⁹ 18 of 157 providers responded to this question.

higher risk families. In FY'96, the City issued a directive to increase staff/client ratios in general preventive service programs to 15:1, adding to already large caseloads for preventive service staff. Due to reduced state and city government funding that resulted from the implementation of the Block Grant, preventive service providers have not given cost of living increases to staff since 1995. Without COLAs for staff, programs report that they are vulnerable to staff turnover, which severely hampers their ability to meet the needs of children and families and maintain quality services. With fewer staff, preventive service programs also report that staff are required to take on additional duties. In many instances, program directors and other administrators are now required to provide direct services to children and families in addition to the staff supervision and administrative work they are required to perform. Responding programs report that this practice affects an agency's ability to meet statutory and regulatory requirements, like the timely filing of progress reports.

Foster care agencies reduced full-time and part-time direct service staff, and administrative and secretarial/support staff. The number of full-time direct service staff decreased 8%²¹ and the number of part-time direct service staff decreased 12%²² in responding agencies during the first year of the Block Grant in FY'96. For administrators on average agencies reduced staffing by 8%²³ in FY'96 and cut secretarial/support staff by 17%²⁴ on average in FY'96 (Figure 12).

Responding agencies reported that the foster care census increased about 10%²⁵ on average for foster boarding homes in FY'97 in one-third of the agencies. To provide care for the increased number of children in foster boarding homes, agencies hired additional direct service staff to accommodate the growing number of children in care. To pay for these gains in the number of direct service staff in FY'97, foster care agencies reduced administrative and

Figure 12:
Staffing Levels have Decreased in Foster Care Programs



Source: Carrots and Sticks Survey. The response rate for this question was n=20 for foster boarding home providers and n=14 for congregational care providers.

support staff and shifted funds around to pay for an increase in direct service staff to meet the needs of the growing number of children. In FY'97, the responding agencies reduced administrative staff an additional 4%²⁶ on average, which totaled a 12% decrease in administrative staff during the first two years of the Block Grant. Responding agencies again reduced support staff in FY'97 by another 4%²⁷ on average, which totaled a 21% average reduction in support staff or one-fifth of agencies' support staff during the same period. These cutbacks left many foster care agencies without staff to answer phones, process paperwork, arrange meetings between foster parents, biological parents and children in care, manage and monitor programs, and coordinate care for children and families.

Foster care caseloads increased. Of the responding foster care agencies, 67%²⁸ reported increased caseloads since FY'95. Over this same period, approximately one-third (33%)²⁹ of respondents reported decreased supervision due to reductions in supervisory staff and another one-third (38%)³⁰ of responding foster care agencies reported increased supervision because they chose to hire less experienced staff when faced with reduced funding who required closer monitoring, among other reasons. Foster care agencies reported a marked difference in their ability to meet child, family and

²⁰ 45 of 157 providers responded to this question.

²¹ 18 of 63 agencies responded to this question.

²² 14 of 63 agencies responded to this question.

²³ 18 of 63 agencies responded to this question.

²⁴ 18 of 63 agencies responded to this question.

²⁵ 20 of 63 agencies responded to this question.

²⁶ 18 of 63 agencies responded to this question.

²⁷ 18 of 63 agencies responded to this question.

caregiver needs with 52%³¹ of responding agencies reporting a decrease in direct service hours provided since the state Block Grant was implemented.

All responding foster care agencies reported staff lay-offs, some eliminating whole levels of administration, which forced agencies to close programs and consolidate services for children and families in their care. Nineteen agencies reported staff lay-offs³². To deal with the state Block Grant, ACS froze reimbursement rates for foster care two years at 85% of the FY'95 MSAR level for all foster care providers, which meant that agencies received substantially fewer dollars for the daily room and board costs of children in care and to provide services to rehabilitate and support children and families. Agencies reported that one result of less funding was that they reevaluated programs and management to prioritize services and identify areas where spending could be reduced while attempting to minimize the effects of the budget cuts on direct services to children, families and caregivers. Foster care agencies also report that they have reduced their staff and have been unable to give cost of living increases to remaining staff since FY'95, which contributes to high staff turnover and reduced program quality.

Program Impacts

Most preventive service providers closed programs.

Eighty percent of responding preventive service providers have closed programs since FY'95 due to the Block Grant budget cuts³³. Remaining providers reported a decrease in the intensity and array of preventive services offered. Some programs were closed because the City decided to eliminate particular preventive services, such as: the substance abuse treatment component of the Family Rehabilitation Programs (FRP), thirteen FRP contracts, and on-site social services in child care programs. Other programs were closed because preventive service program budgets were reduced and providers did not have enough money to keep them open including: homemaking services and general preventive service programs.

Some responding foster care agencies have closed or are considering closing group homes. Of responding foster care agencies, 29%³⁴ have closed group homes since FY'95 and another 19%³⁵ are considering closing

group homes because they cannot afford a sufficient number of staff to safely and properly care for children. Congregate care facilities serve 10% of the foster care population, approximately 4,000 children in New York City. Some agencies affected by Block Grant cuts reported closing group homes because of inadequate staffing levels, especially those forced to operate with inadequate coverage at night to monitor and serve children and youth in their care. To illustrate, a group home serving 8-12 children has only one staff person on at night, the consequences of which could compromise the health and safety of children in care. If a child gets sick or has an emergency during the night and requires immediate medical attention, the sole staff member on duty must care for the child as well as the remaining children in care. In this case, it means that the staff person has the option to take all of the children to an emergency room in the middle of the night, leave the sleeping children unattended, or wait with the sick child while emergency coverage is arranged. Any one of a series of typical crises can occur during the night such as a fire, AWOLs, altercations between children, or other violent behavior that severely compromises the safety of children and staff when too few staff are available to provide care and supervision.

²⁸ 21 agencies responded to this question: 67% reported increased caseloads, 14% reported decreased caseloads, 10% reported no change in caseloads, 9% reported both an increase and decrease in caseloads over the past three years.

²⁹ 21 agencies responded to this question: 33% reported decreased supervision, 38% reported increased supervision, 24% reported no change in supervision, 5% reported both an increase and decrease in supervision since FY'95.

³⁰ Id.

³¹ 21 agencies responded to this question: 52% reported a decrease in available direct service hours, 9.5% reported an increase in available direct service hours, 27% reported no change, 9.5% reported both an increase and decrease in available direct services hours over the past three years.

³² 19 of 63 agencies responded to this question: 100% reported staff layoffs among full-time and part-time direct service staff, and administrative and secretarial/support staff.

³³ 49 providers responded to this question: 80% have closed programs, 20% have not closed programs since FY'95.

³⁴ 17 agencies responded: 29% have closed group homes, 71% have not closed group homes since FY'95.

³⁵ 16 agencies responded to this question: 19% reported considering closing group homes, 81% have not considered closing group homes since FY'95.

Case Example:

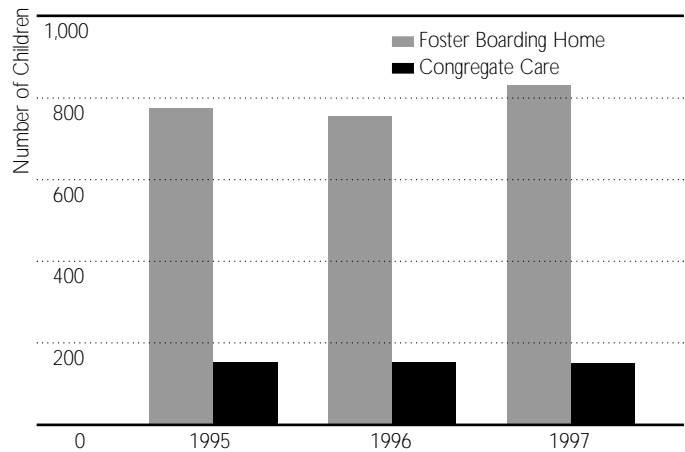
Scott is an eleven and a half year old boy who entered a Residential Treatment Center (RTC) with a history of severe behavior disorders, including dangerous aggression, serious depression, parental neglect, family violence and substance abuse which contributed to his placement in foster care. While in the RTC, he experienced periods which were productive and positive and times when it was nearly impossible to maintain him in a cottage environment. In either case, Scott always required individualized attention and supervision as he became easily enraged at peers and adults and because his serious depression put him at risk of suicide. He regularly threatened to kill child care staff in his cottage, threatened his social worker and other children and often went into physical rages during which he would destroy property and often had to be physically removed from his cottage and classroom because of his explosive behavior.

Scott showed signs of improvement when staff were able to give him one-on-one supervision and attention. He was less depressed, stopped making overt suicidal gestures and had fewer and less violent episodes. But with state Block Grant funding cuts, the RTC could not continue to provide this intensive level of care on a consistent basis. Following these cutbacks, Scott walked off the RTC campus, jumped on a moving train and locked himself in a bathroom, requiring forcible removal by the police. The next day he attempted to leave the campus again and after catching him, bringing him back to the campus and checking his backpack, staff found a stolen butcher knife. At that point Scott was taken to a psychiatric hospital emergency for evaluation and he was admitted for several days of observation. Scott returned to the RTC shortly thereafter but the agency could not provide the one-to-one attention and supervision he needed to remain safe and calm. (The Children’s Village, 1997)

Many children like Scott may require a higher level of supervision while in foster care than originally anticipated. In order for this child to receive the required 1:1 supervision, the City must invest an additional \$50,000 with no state and federal match because the Block Grant does not allow for flexible spending that is required to meet the changing needs of children in care.

Census in congregate care facilities decreased (Figure 13). Of responding foster care agencies, the average monthly census in congregate care facilities decreased by 8% between FY’95-FY’97. Many of the children who would have been served in congregate care were instead served through an expansion in foster boarding home beds. One consequence of this shift is that foster boarding home settings may not be able to provide the intensive monitoring and comprehensive services needed by children with serious emotional and/or behavioral difficulties. Many children with serious emotional or behavioral disorders coming into foster care are being placed in a family foster care living situation or are staying too long in the ACS Emergency Service Office until suitable placements are found because too few beds are available in congregate care. In FY’98, the City recognized the crisis in congregate care and appropriated \$6.4 million necessary to restore the MSAR for congregate care providers to 100% of their FY’98 rates. The state identified matching funds of \$6.4 million necessary to restore reimbursement to congregate providers and set aside \$6.4 million in the Block Grant allocation, and the combined city and state funds drew down \$8.9 million from the federal government, totaling \$22.7 million to reimburse congregate care providers at 100% of their FY’98 MSAR.

Figure 13:
More Children in Foster Boarding Homes and Fewer Children in Congregate Care



Source: Carrots and Sticks Survey. The response rate for this question was n=20 for foster boarding home providers and n=14 for congregate care providers.

Community Impacts

Preventive service providers are developing networks of services with other community providers.

Forty-three percent of responding preventive service providers have increased community outreach activities to address the growing need for additional services³⁶. To mitigate the effects of budget cuts, preventive service providers reported the development of informal referral systems with other community-based organizations in local neighborhoods to piece together a continuum of services for children and families. These outreach activities include networking with other community providers that can assist children and families with housing, employment, child care, domestic violence services, youth development programs, and substance abuse treatment programs, among others. Despite these efforts, providers report a serious shortage of support services available to children and families in the community. They also report that maintaining these relationships with other community providers is strained because reduced resources and growing demands to serve more children and families means that staff who have taken on increased responsibilities have less time to network with other community providers.

Children are at greater risk of foster care placement.

90% of foster care providers responding report that children are at greater risk of foster care placement and cite reduced availability of preventive services due to state Block Grant cuts and reduced City funding for other child and family support programs in the community³⁷. The quality and availability of community support service programs has deteriorated since 1995 and foster care agencies report that children are at a greater risk of foster care placement.

Impacts on the Child Welfare System as a Whole

Providers report a deterioration of the child welfare system. Since the inception of the Block Grant in 1995, child welfare providers report a worsening of the child welfare system as a whole. Of responding foster care agencies, 95%³⁸ believe that reduced funding has made things worse, 60%³⁹ see a decrease in program quality, 44%⁴⁰ cited lax City and State monitoring and oversight, 50%⁴¹ report more restrictive child welfare policies, 73%⁴²

report a decrease in program effectiveness and 60%⁴³ perceive a decrease in consumer satisfaction.

Similarly, of responding preventive service providers, 76%⁴⁴ report that funding for child welfare services is worse, while 40%⁴⁵ cite reduced program quality and 82%⁴⁶ report lax City and State monitoring and oversight. 44%⁴⁷ report that child welfare policies and administration have worsened, 30%⁴⁸ see reduced program effectiveness and 32%⁴⁹ report reduced consumer satisfaction with services provided and available.

³⁶ 49 providers responded to this question: 43% have increased community outreach activities, 8% have decreased community outreach activities, 49% reported no change in community outreach activities since FY'95.

³⁷ 19 agencies responded to this question: 90% reported that children are at greater risk of foster care placement, 10% do not believe that children are greater risk of foster care placement since FY'95.

³⁸ 21 agencies responded to this question: 95% believe funding is worse, 5% believe funding is better since FY'95.

³⁹ 15 agencies responded to this question: 60% reported a decrease in program quality, 7% reported improved program quality, and 33% reported no change in program quality since FY'95.

⁴⁰ 16 agencies responded to this question: 44% reported worse City/State oversight and monitoring, 19% reported improved City/State oversight and monitoring, 37% reported no change in City/State oversight and monitoring since FY'95.

⁴¹ 16 agencies responded to this question: 50% reported worse child welfare policies, 38% reported improved child welfare policies, 12% reported no change in child welfare policies since FY'95.

⁴² 15 agencies responded to this question: 73% reported worse program effectiveness, 7% reported improved program effectiveness, 20% reported no change in program effectiveness since FY'95.

⁴³ 15 agencies responded to this question: 60% reported worse consumer satisfaction, 7% reported improved consumer satisfaction, 33% reported no change in consumer satisfaction since FY'95.

⁴⁴ 46 providers responded: 76% reported a worsening in child welfare funding, 7% reported improved child welfare funding, 17% reported no change in child welfare funding since FY'95.

⁴⁵ 43 providers responded to this question: 40% reported a worsening in program quality, 14% reported improved program quality, 47% reported no change in program quality since FY'95.

⁴⁶ 45 providers responded to this question: 44% reported lax City/State monitoring, 18% reported improved City/State monitoring, 38% reported no change in City/State monitoring since FY'95.

⁴⁷ 45 providers responded: 36% reported worse child welfare policies, 11% reported improved child welfare policies, 53% reported no change in child welfare policies since FY'95.

⁴⁸ 44 providers responded to this question: 30% reported reduced program effectiveness, 16% reported improved program effectiveness, 54% reported no change in program effectiveness since FY'95.

⁴⁹ 44 providers responded to this question: 32% reported less consumer satisfaction, 14% reported improved consumer satisfaction, 54% reported no change in consumer satisfaction since FY'95.

LESSONS LEARNED*

As demonstrated by the report's findings, the greatest failure of the state Block Grant is a lack of funds sufficient to meet the competing and equally compelling needs of a growing number of vulnerable children and their families. Cost shifts from the State created extreme fiscal pressure on the City, which in turn shifted responsibility to meet the growing demands for care with substantially less money to its voluntary contract agencies. The Block Grant promised to create enhanced spending flexibility for the counties by combining funding streams for protective, preventive, foster care and adoption services, but instead drastically reduced the state dollars available for these services leaving the counties facing severely restrained choices, while it did not provide regulatory relief or program or fiscal flexibility. To manage state Block Grant cuts and the fixed costs of providing care to more abused and neglected children and their families, preventive service programs and foster care agencies streamlined operations, reduced administrative, support and secretarial staff, laid off full and part-time direct service staff, and consolidated or closed programs. The state Block Grant forced some voluntary contract agencies to broaden program eligibility criteria and serve more seriously disturbed children and more families in serious crisis, and to use agency endowments and reserve funds in an attempt to offset some lost State and City funding for basic services.

After three years of advocacy about the detrimental effects of the state Block Grant on vulnerable children and their families, the programs and staff which serve them and counties around the State, and in the wake of tragic and highly publicized deaths of abused and neglected children, the Governor and the Legislature have themselves begun to recognize the limitations of a state Block Grant for child welfare services. There is a growing sense that state policymakers are aware of the extreme hardship and fiscal constraints that the Block Grant imposes on counties, providers and children and families. One hopeful sign of change is an acknowledgment in the FY'98 State budget of the problems created by the Block Grant. While the Governor and the Legislature failed to increase funding for child welfare services in the state Block Grant in the FY'98 State Budget, they did designate \$6.4 million in the Block

Grant for use by New York City to correct the crisis in congregate care. This set-aside in the state Block Grant will allow congregate care providers to maintain safe facilities and sufficient staff for very troubled children in care. However, by identifying and mandating the use of specific funds within the fiscal limits set by the state Block Grant, counties will have even less flexibility in the use of limited funds.

In another telling move, the Governor and Legislature increased funding for child welfare services in the FY'98 State budget, but did this outside the Block Grant. State policymakers allocated \$78.4 million in Federal Temporary Assistance to Needy Families (welfare) dollars to counties to fund child welfare services separately from the Block Grant and essentially created another state funding stream for child welfare services in the FY'98 State Budget. While these dollars represent a one-shot infusion of funds for child welfare services from a one-time surplus in federal welfare dollars and do not obligate the State to continue funding after this year, this move does reflect an acknowledgment of the limitations of the Block Grant.

In the FY'99 Executive Budget just released in January 1998, the same pattern holds. The Governor has proposed to redefine the Block Grant by removing child protective services out of the Block Grant and consolidating foster care services previously in the Division For Youth for juvenile delinquents and persons in need of supervision (PINS) with the former Department of Social Services foster care and preventive service program spending in the Block Grant. As was the case in FY'98, this move confirms the limitations of the Block Grant. This move also seems to prepare the state's child welfare system for implementation of the federal IV-E waiver managed care plan.

What Can be Done

- The Block Grant should be eliminated this year rather than being allowed to sunset in 1999, as originally planned, because it has failed to provide sufficient funds to meet the competing and equally compelling needs of a growing number of vulnerable children and families, and has merely shifted costs to counties without providing increased flexibility in spending, administration or service delivery design. Base funding for the Block Grant is set too low and fails to account for growth in

** The data analysis and policy recommendations expressed in this report are not necessarily those of the United Way of New York City.*

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- the child welfare population or the changing needs of children and families.
- To replace the Block Grant, we recommend a funding arrangement that promotes high quality services at the county and neighborhood level, increases spending and program flexibility and provides an adequate funding base for all components of the child welfare system—foster care, preventive services, protective services, independent living and adoption services—and which does not force competition between types of services for resources. This new funding formula would promote and protect preventive services and create incentives for counties to develop neighborhood networks of support services in local communities.
 - The formula used to determine the Maximum State Aid Rate (MSAR) should be redesigned to reflect a more elastic rate structure which would allow for growth and contraction of the child welfare system, depending on children and families' needs. The MSAR formula should incorporate an intensity adjuster to account for current need instead of being based solely on historical costs and historical utilization.
 - New York City should negotiate with the State to write off the rolling cap debt that resulted from reduced funding under the Block Grant.
 - The State should work with the counties and child welfare providers to design a new way to finance child welfare services to better meet the needs of abused and neglected children and families at risk of having their children placed in foster care. This could be achieved through New York State's federal IV-E waiver proposal, which unlike the Block Grant will allow increased spending flexibility to achieve a better balance between protective, preventive and foster care services.

- An appeal evaluation process should be built into the new State funding arrangement to promote accountability and measure the impact of spending plans on quality, access and availability of child welfare services. When the Governor and the Legislature approve dramatic policy shifts such as the Block Grant, counties should be required to report on the impact that these shifts have on children, families and programs. The Assembly and Senate Committees on Children and Families should hold regional hearings with county commissioners to gauge the effects of the Block Grant and to develop a plan with the Governor to replace or adequately fund the Block Grant.

The pendulum of child welfare reform continues to swing back and forth as trends in social policy, community preferences, public awareness and new program developments affect decisions about how to meet the needs of abused and neglected children and their families. As social problems like poverty, homelessness, unemployment, domestic violence and substance abuse instigate and exacerbate family stress and child abuse and neglect, and as state and federal funding for child welfare services remain targets for budget cutting proposals, the city, ACS and the voluntary contract agencies providing services to abused and neglected children are caught in a continuous struggle to find more effective and less expensive ways to provide services to more and more children and families. Changes in the child welfare system—the delivery system, method of payment, or program design must be made which would allow counties and agencies to better meet the needs of abused and neglected children and families at risk of having their children placed in foster care. The New York State Family and Children's Services Block Grant is not the way out of this dilemma.

PART II



CITIZENS' COMMITTEE FOR CHILDREN
OF NEW YORK INC

CREATING BASELINE INDICATORS

The second phase of the project included an initial review of the key indicators, which measure the functioning of the child welfare system suggested by the foster care and preventive service providers surveyed. We reviewed other child welfare data reports and relevant documents including: *The Foster Care Outcomes and Performance Standards* by the City of New York, Office of the Comptroller and the Office of Policy Management which outlined indicators to measure foster care outcomes; *Protecting the Children of New York: A Plan of Action for the Administration for Children's Services*, which listed the indicators that ACS intends to track through the use of the CONNECTIONS computer system; the Administration for Children's Services *Scope of Services* as outlined in their November 1997 Request For Information; and the "Matrices of Indicators" prepared for the Fourth Annual Roundtable on Outcome Measures in Child Welfare Services, Co-sponsored by the American Humane Association and the National Association of Public Child Welfare Administrators among others, collecting data on the child welfare system. These documents outlined in detail what government officials and child welfare experts believe are key outcome and performance measures which should be tracked over time to measure the functioning of the child welfare system.

Finally, we reviewed indicators that are currently tracked by City, State and Federal government agencies, child advocacy organizations and national professional organizations. The government publications provided a variety of data on preventive, protective, foster care and adoption services, as well as insights into the functioning of ACS, its contract agencies and the New York Family Courts.

The government publications reviewed included:

- Administration for Children's Services, *Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts)*;
- City of New York, *MMR Preliminary Fiscal 1997*;
- New York State Department of Social Services Division of Services, *Monitoring and Analysis Profiles with Selected Trend Data: 1991-1995*;
- State of New York, *Sixteenth Annual Report of the Chief Administrator of the Courts*, 1994-1995.

The publications produced by child advocacy and pro-

fessional organizations provide local, state and national information on the child welfare system. For example, the Child Welfare League of America's (CWLA) publication *Child Abuse and Neglect: A Look at the States* provides national indicators which can be used for comparison purposes and its Standards of Excellence can be used as goals which child welfare service providers can work to attain. Other sources included Citizens' Committee for Children's *Keeping Track of New York City's Children* which profiles child well-being in each of the City's fifty-nine community districts and Child Welfare Watch which provides annual data about the child welfare services provided by ACS.

The publications reviewed included:

- Citizens' Committee for Children, *Keeping Track of New York City's Children 1997*;
- Children's Defense Fund, *The State of America's Children Yearbook 1997*;
- CWLA, *Child Abuse and Neglect: A Look at the States CWLA Stat Book, 1995*;
- Child Welfare Watch, *"Keeping Track: Child Welfare Statistics," 1997*.

After reviewing these reports, key indicators identified by the voluntary agencies, and various agency and program reporting forms required by the City and State, we developed a comprehensive list of all indicators collected. From these, we selected those indicators that would best measure the overall functioning of the child welfare system to increase our understanding of how a family progresses through the system and to examine the system as a whole, which were reviewed by the Project Advisory Committee and our colleagues. To this end, we selected indicators that track how families enter the child welfare system, whether through self-referrals to preventive service programs, through the State Central Register (SCR), or through the police department. Once a child enters foster care, we selected indicators which attempt to track service goals, efforts to work with biological families, and the health and well-being of children in care. Other indicators try to measure the functioning of the Family Court system as well as the functioning of ACS and the voluntary agencies. To this end, we categorize the indicators in five categories: Children, Youth and Family; ACS and Contract Agency Operations; Child Welfare Service Capacity; Family Court; and the Police Department.

Our data matrix includes indicators not typically tracked for the child welfare system, including indicators for Family Court, the Police Department and ACS and voluntary agency operations, but are related to the overall functioning of the system. We have included indicators from these systems because they drive demand for child welfare services and shape outcomes for children and families. The indicators chosen include common data elements identified by researchers and others working on similar projects, incorporates data already collected in CCC's Keeping Track of New York City's Children, include administrative and service data already collected and reported by the agencies to the City and State, and identified other indicators in conjunction with our Advisory Committee. To ensure the availability of this information on a regular on-going basis, this data will be added to CCC's existing database of information on child well-being and children's services which is reported in Keeping Track of New York City's Children. The third edition of Keeping Track, which was released in January 1997, uses charts, graphs, and maps to provide easy to understand and use data for parents, professionals, providers, policymakers, funders, advocates, and others working to understand and improve conditions for children, youth and families. The fourth edition of Keeping Track will be released in Fall 1998 with the data organized in easy-to-understand chart and graph form.

Collecting the Data

Once we had selected the indicators to be tracked, we collected all data available from city and state sources. Various pieces of data were published in the New York State Chief Administrator of the Courts' Annual Reports, the New York State's Monitoring and Analysis Profiles, the Mayor's Management Reports, and the Administration for Children's Services Reports on Selected Trends in New York City's Child Welfare System. To obtain previously unpublished data we submitted a Freedom of Information Act request to the New York Police Department with a detailed description of the indicators to be collected as well as a written request for data to the New York City Administration for Children's Services (ACS). These requests can take up to ninety days to process. We also worked with the research and data staff at ACS, the Office of Children and Family Services, and the New York State

Office of Court Administration to obtain updated data and clarification of data measures and interpretations.

We created the data matrix using 1994 as our base-line year and added data for each year through 1997, when available. We chose 1994 as our base year because we wanted to measure the system prior to implementation of the Block Grant and because other new federal initiatives like the Personal Responsibility Act of 1996 and the expansion of New York State's Child Health Insurance Plan are based on 1994 as the starting point. With 1994 as our starting point, we are able to keep a running tally of the demand and supply of child welfare services as new policies, and program and fiscal initiatives are implemented, recognizing that new indicators will have to be added and others deleted as the system changes and these initiatives take hold.

In addition to creating a data matrix, we created graphs to demonstrate how children and families move through the child welfare system. We have sought to integrate data from ACS, the Family Court and the NYPD because of the key role these entities play in the overall functioning of the child welfare system. We did not group the graphs by agency as is often done because a broader view is necessary to assess the functioning of the child welfare system.

Data Constraints

Every year, city and state agencies collect a vast amount of data on New York City's child welfare system, however there still exists a lack of data in certain areas due to the inadequacy of the computer systems employed to collect, tabulate and produce this data, the inability to track certain kinds of data because information is not readily obtainable, and the inability of distinct service systems to coordinate and share data tracked on children and families served. Several initiatives will alleviate these problems, including the implementation of the CONNECTIONS system, attempts by ACS to solicit data from other child serving systems to better serve children and families, and the creation of the State Office of Children and Family Services which coordinates several child serving systems and should be a precursor to a better data tracking system as well. Even though data for some of the key indicators of child well-being are not currently available, we have

included them because they are necessary to measure the functioning of the child welfare system and stated that the data is not currently available.

Another major limitation is the lack of data available which tracks service utilization patterns, including the duration and frequency of services delivered, and enrollment and attendance patterns of children and families. Additionally, the system needs to track outcomes for children and families served in the child welfare system, which need to be developed more fully to measure the effectiveness and appropriateness of programs as well as to identify gaps in the service system. Also unavailable are data on program operations—waiting lists for services, waiting time for appointments, etc... It is important to note that we did not include demographic data about children and families, which would break down the indicators selected by age, race, ethnicity and community district. These data are essential to plan and implement managed care and a neighborhood-based system of child welfare services delivery especially since there will be pressure on the system to contain costs and risks associated with decentralizing services to the neighborhoods, which means that the system needs better data on what is happening to children and families specifically.

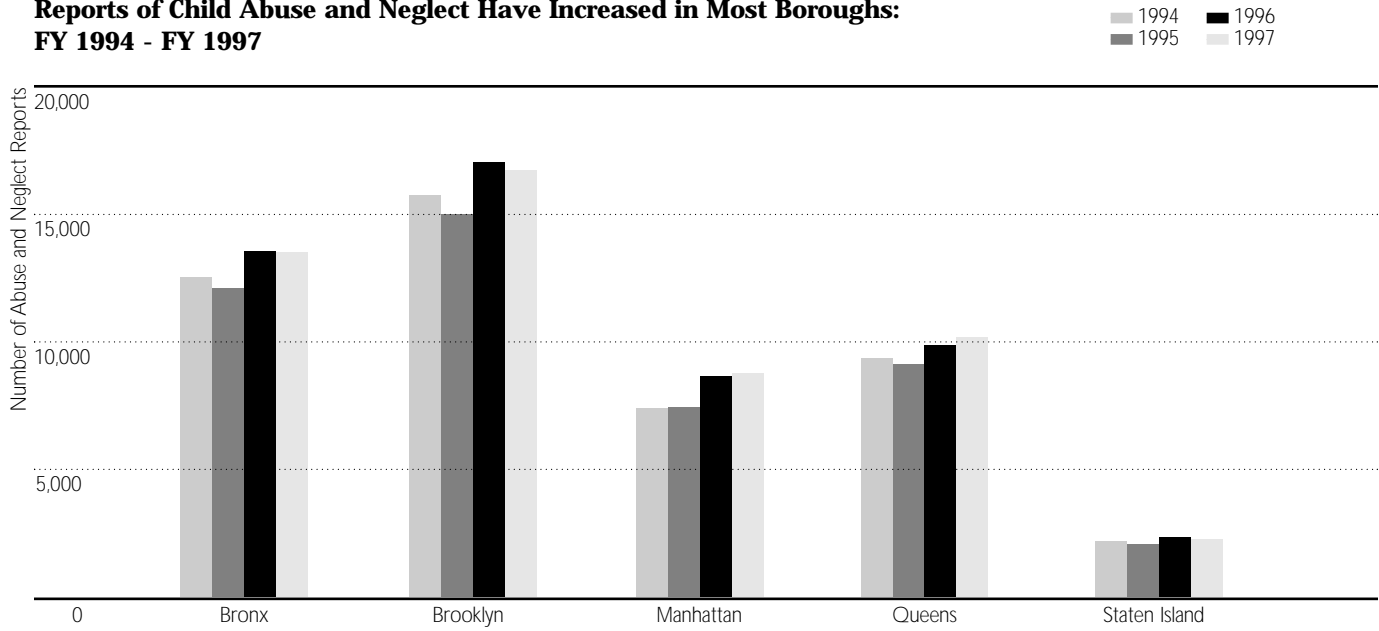
Of the data collected, one of the greatest challenges has been to reconcile the periods of time measured by each reporting source. For example, ACS tracks data based on the City's fiscal year and the State collects data based on a calendar year, which we have footnoted accordingly. Using one data source would be ideal and probably more

accurate, however due to the otherwise limited availability of data, we track the indicators using both city and state sources. There are also issues with the reliability and validity of available data because of duplicated counts and the time lags that are associated with tabulating data, which can alter the counts as often as every few months. In some cases, agencies have multiple data collection systems, some automated and some manual. To illustrate, the automated filing system employed by the Family Court accurately reflects the number of abuse and neglect petitions filed. However, case dispositions data are kept manually. To address the problem, we list the actual number of petitions filed and use percentages to reflect the duration of child protective proceedings and dispositions to give the closest representation of what transpires in Family Court. The data is not without its limitations.

Tracking Changes Over Time

In tracking changes in the functioning of the child welfare system over time, it is essential to compare shifts in the supply of and demand for child welfare services against major policy, program and social changes, program implementations, legislative changes, and funding initiatives, which may have affected children and families' need for particular services. To begin to create a context, we have begun a timeline that presents the major events occurring over the past decade, which may contribute to the expansion, contraction or condition of the child welfare system. This timeline is not exhaustive and we encourage the reader to add relevant events.

Figure 1:
Reports of Child Abuse and Neglect Have Increased in Most Boroughs:
FY 1994 - FY 1997



Source: See endnote 5.

Figure 2:
The Ten Community Districts with the
Highest Number of Child Abuse and Neglect Reports: 1996

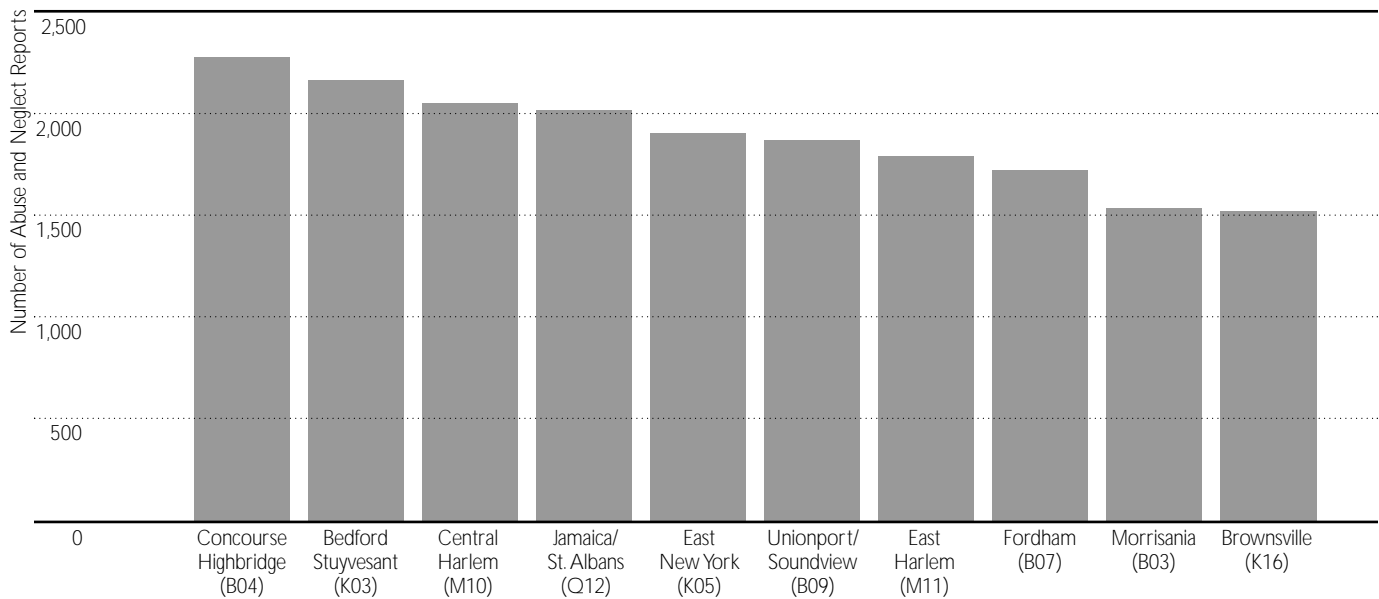
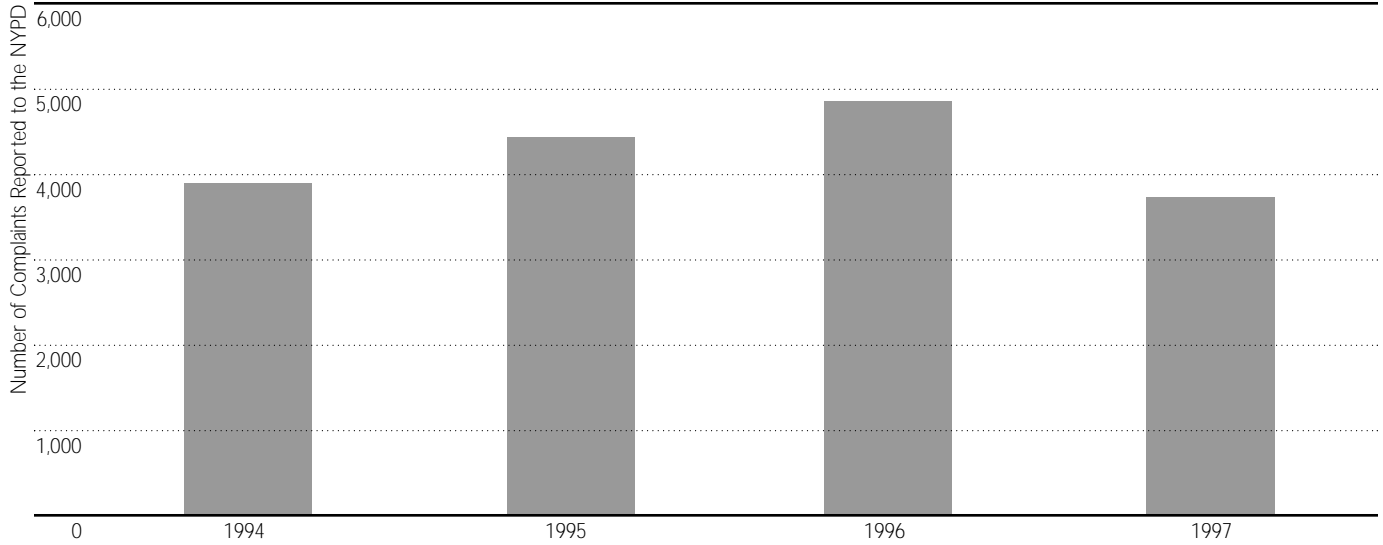
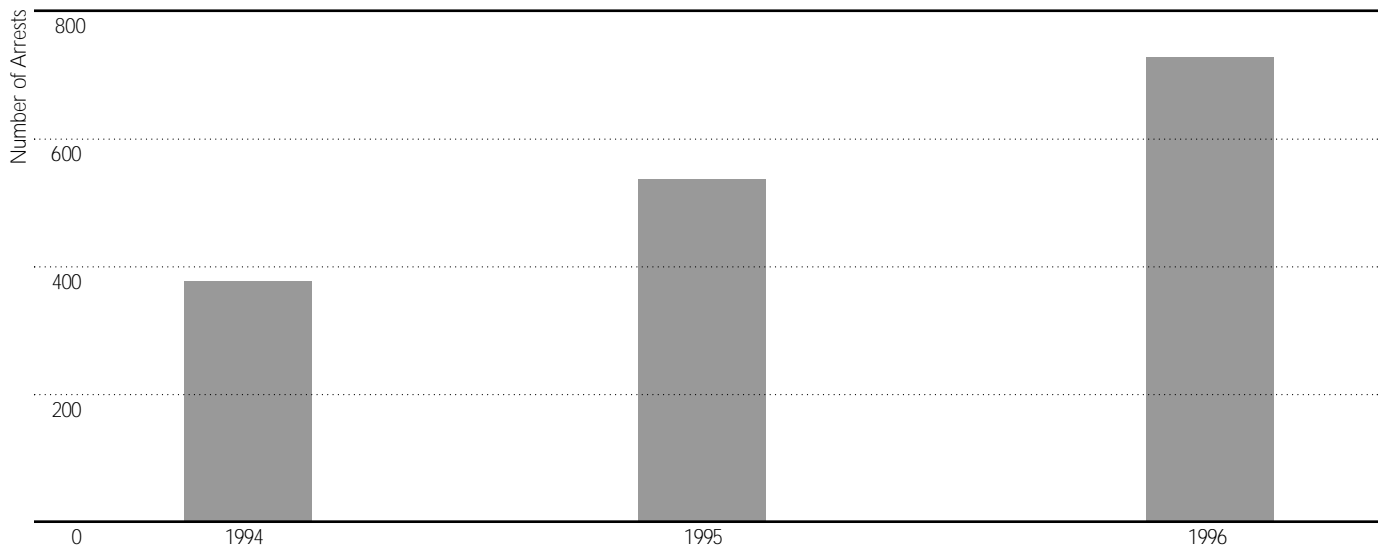


Figure 3:
**Reports of Suspected Child Abuse or Maltreatment Made to the
Police Department Have Increased Between 1994 - 1996**



Source: See endnote 28. Note: 1997 figure includes reports for January to November only.

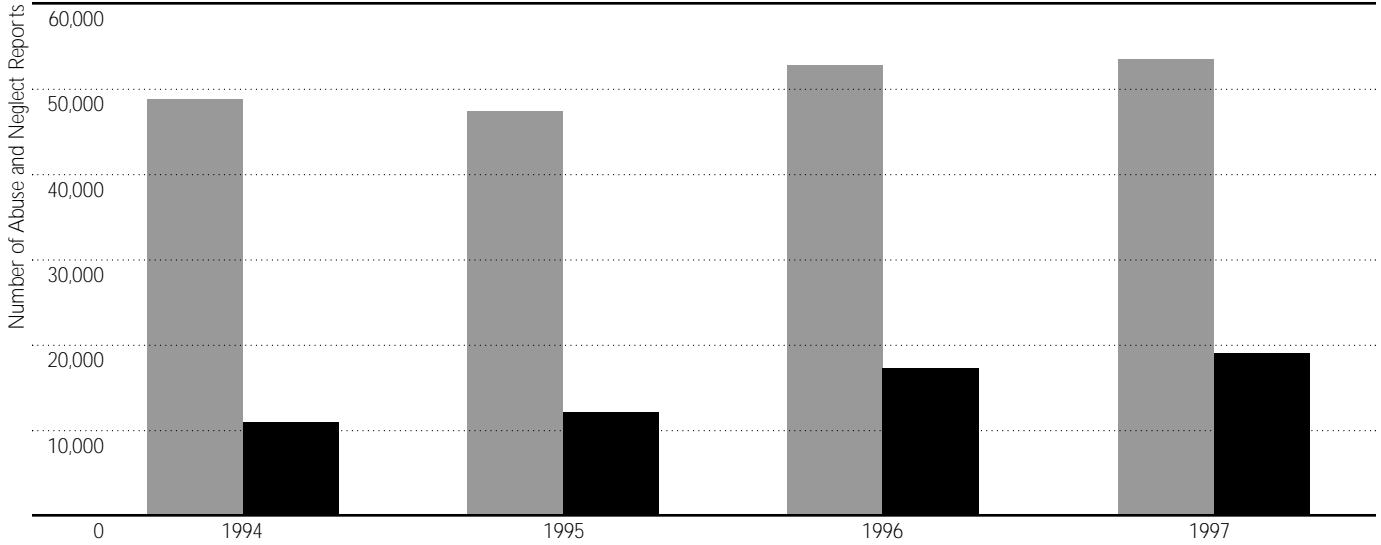
Figure 4:
**Arrests for Endangering the Welfare of a Child Increased Dramatically
Between 1994 - 1996**



Source: See endnote 29.

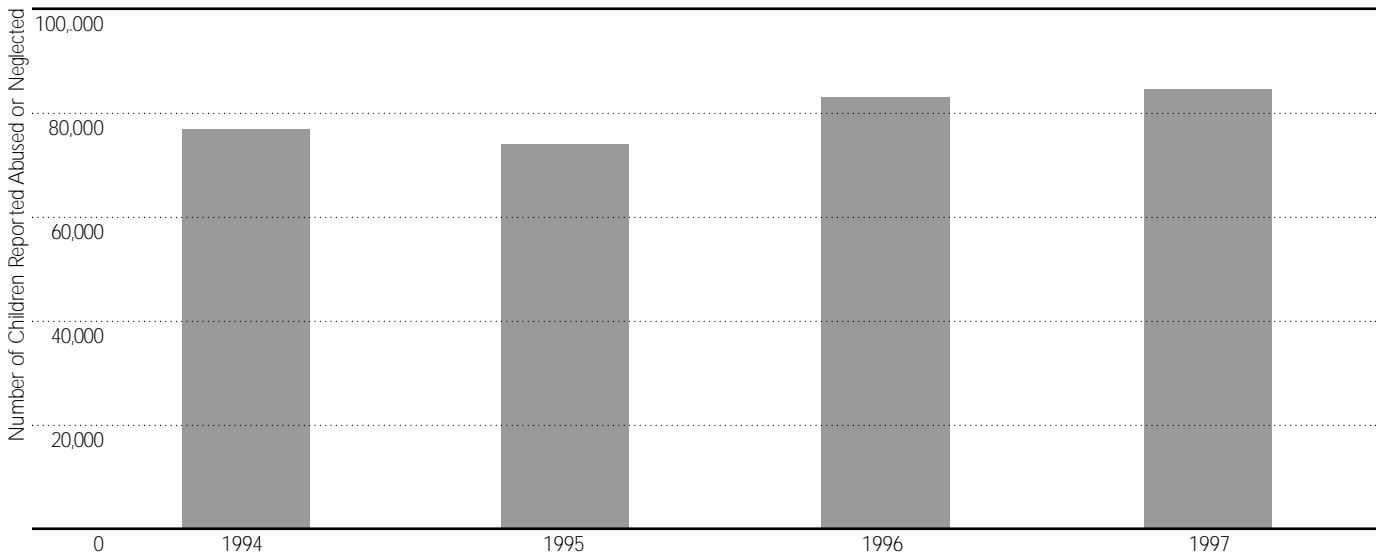
Figure 5:
More Children are Reported Abused or Neglected:
FY 1994 - FY 1997

■ Total Reports
 ■ Indicated Reported



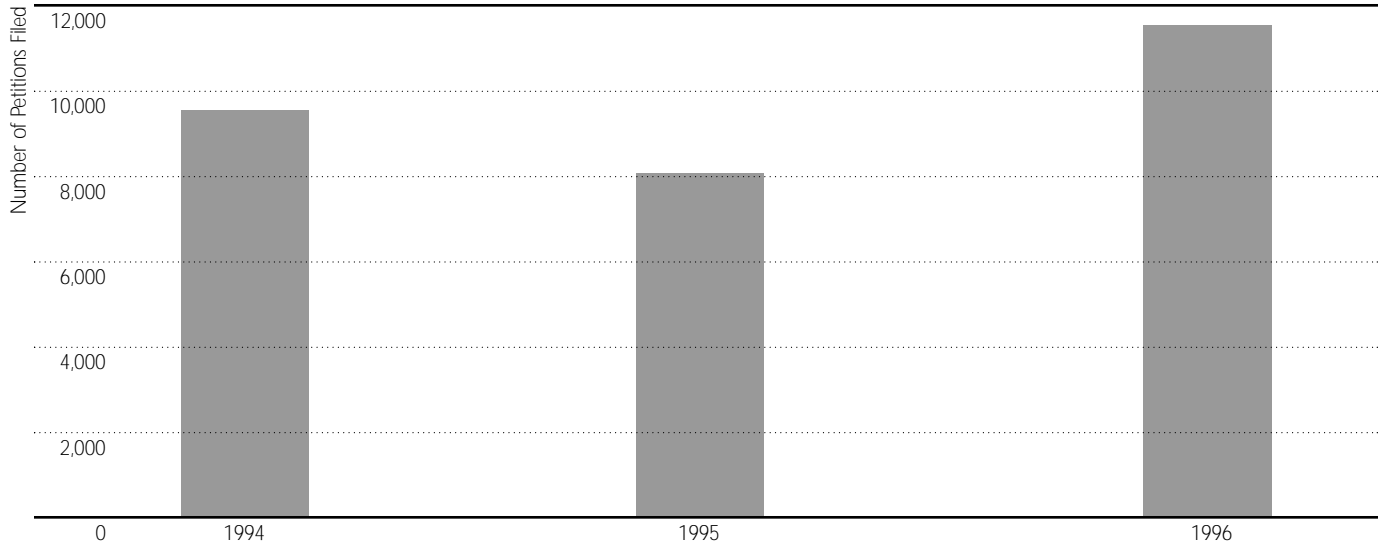
Source: See endnotes 5 and 6.

Figure 6:
More Children are Found to be Abused or Neglected:
FY 1994 - FY 1997



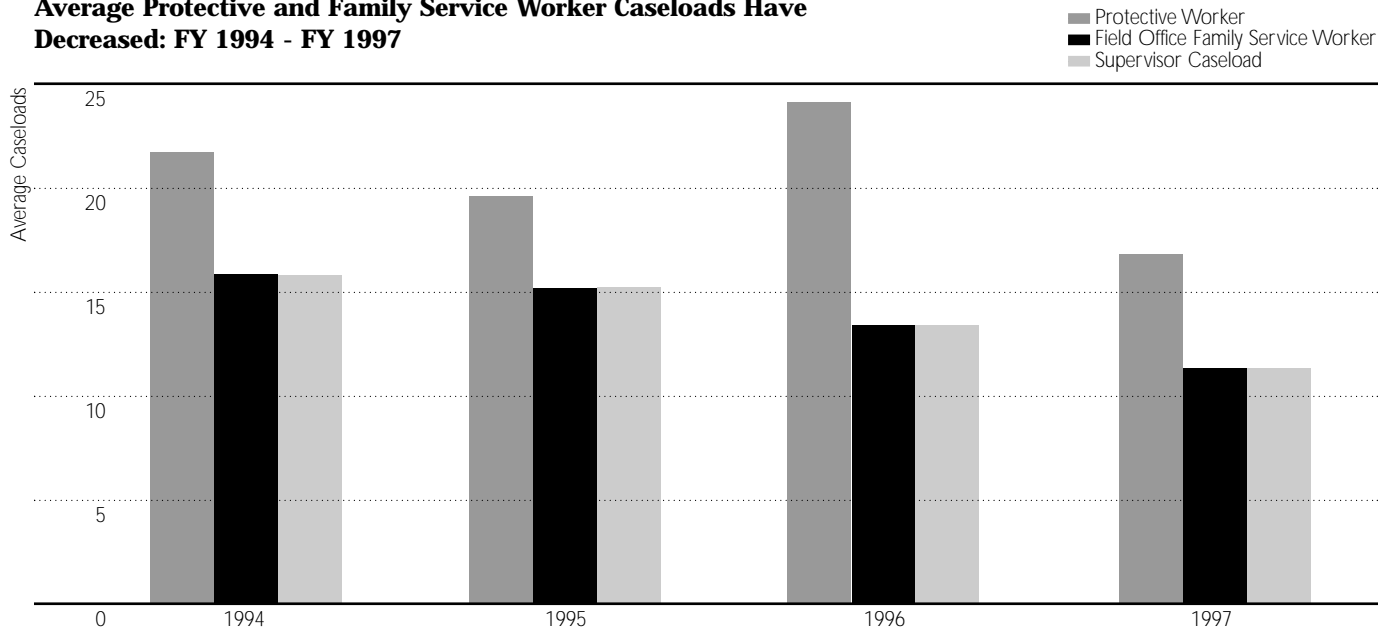
Source: See endnote 9.

Figure 7:
Family Court Abuse and Neglect Petition Filings Have Increased:
1994 - 1996



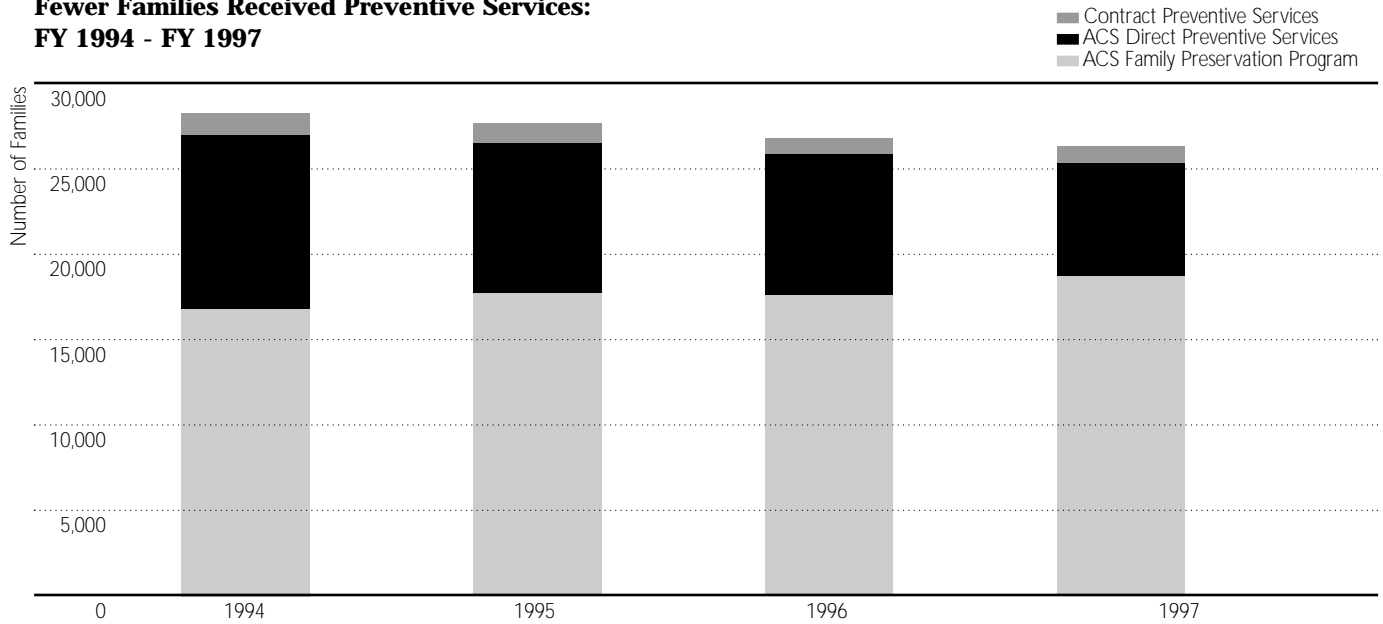
Source: See endnote 24.

Figure 8:
Average Protective and Family Service Worker Caseloads Have
Decreased: FY 1994 - FY 1997



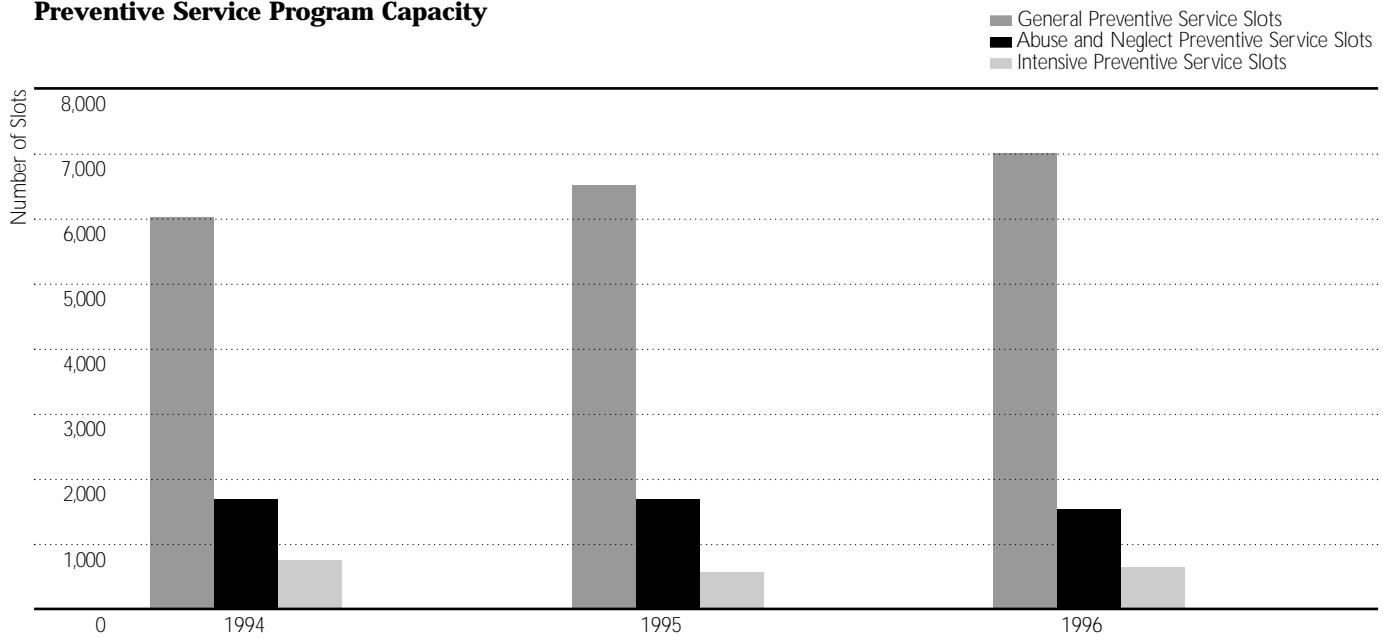
Source: See endnote 21 and 22.

Figure 9:
Fewer Families Received Preventive Services:
FY 1994 - FY 1997



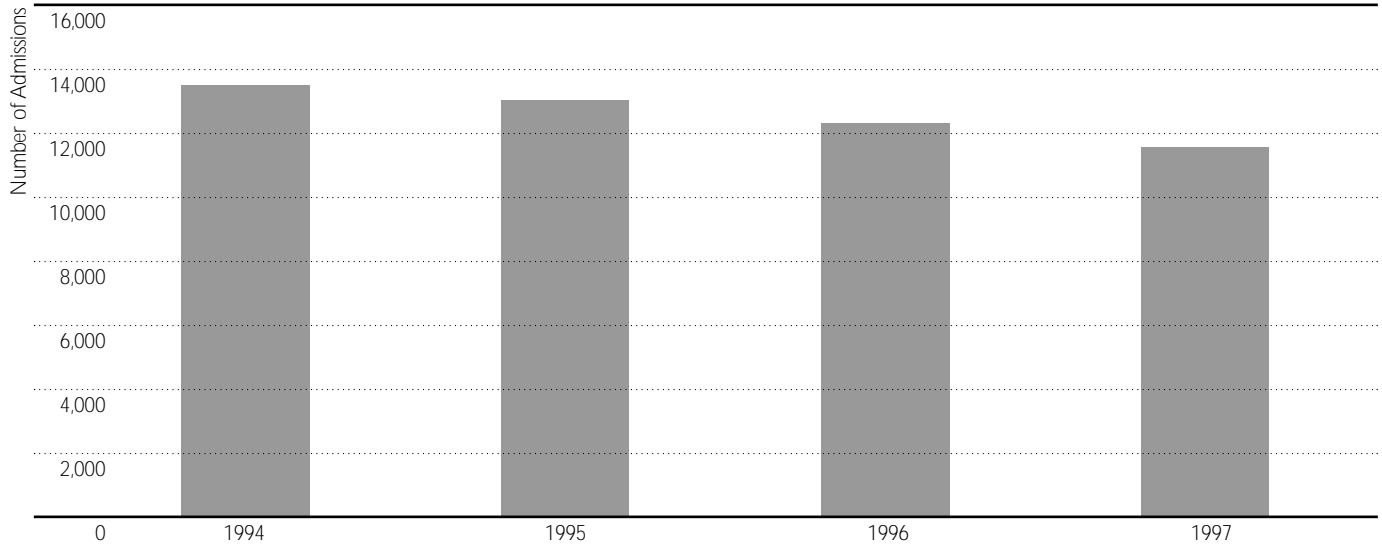
Source: See endnote 24.

Figure 10:
Preventive Service Program Capacity



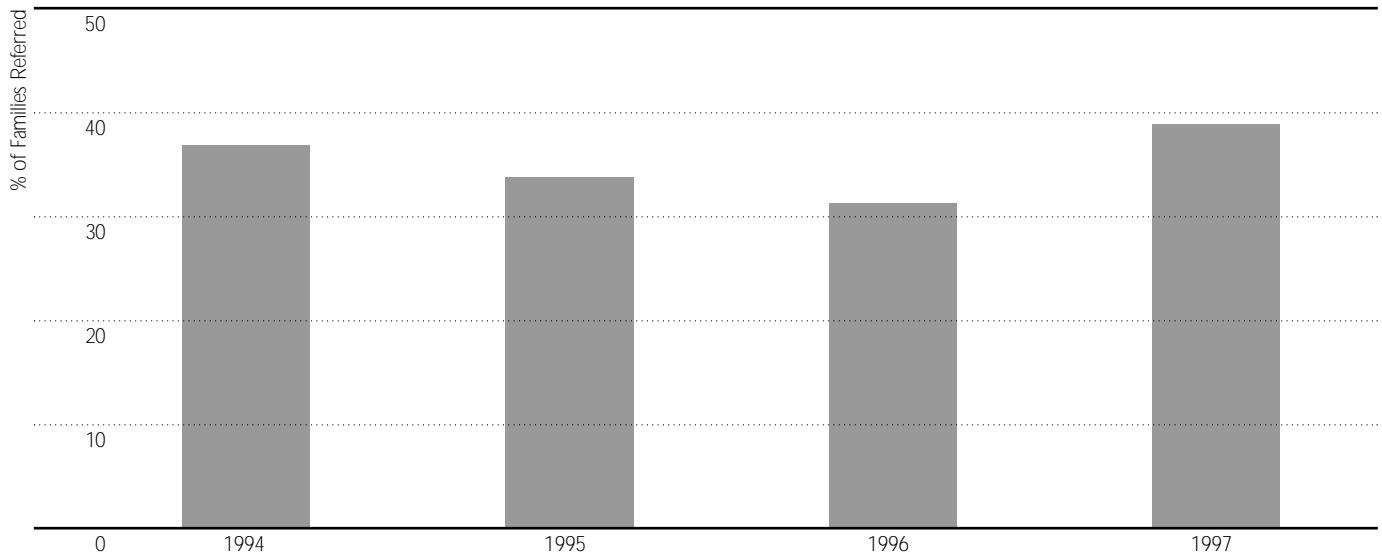
Source: See endnote 21 and 22.

Figure 11:
Admissions to Preventive Service Programs Have Decreased:
FY 1994 - FY 1997



Source: See endnote 3.

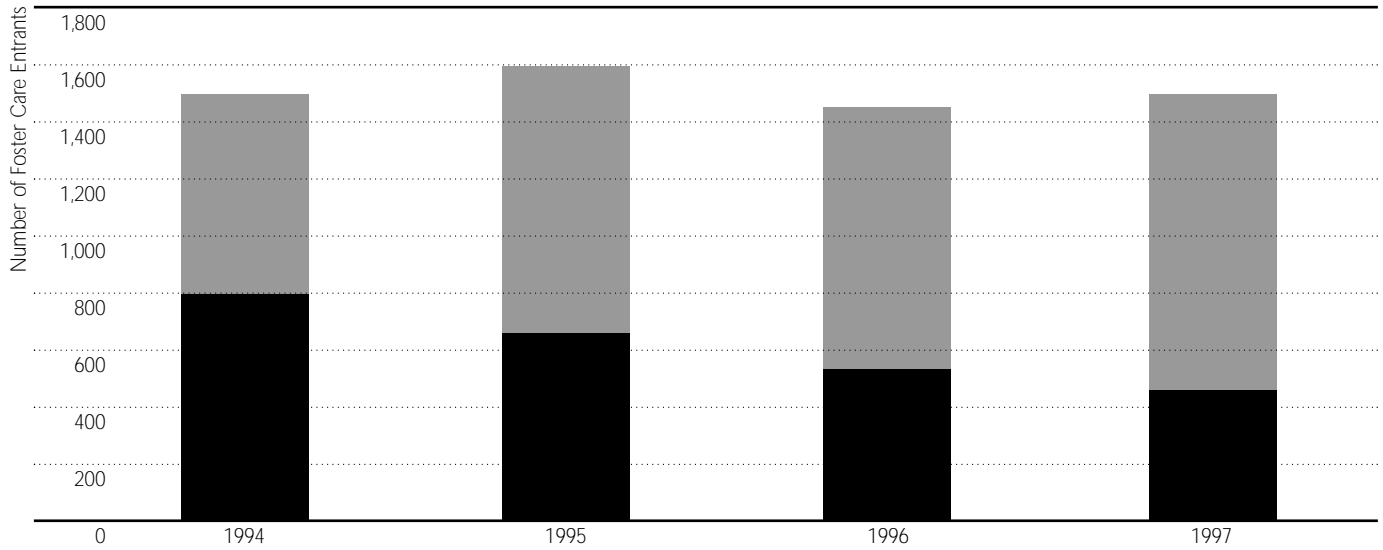
Figure 12:
ACS Referrals to Purchased Preventive Service Programs:
FY 1994 - FY 1997



Source: See endnote 20.

Figure 13:
More Children Entered Foster Care After Receiving Preventive Services:
FY 1994 - FY 1997

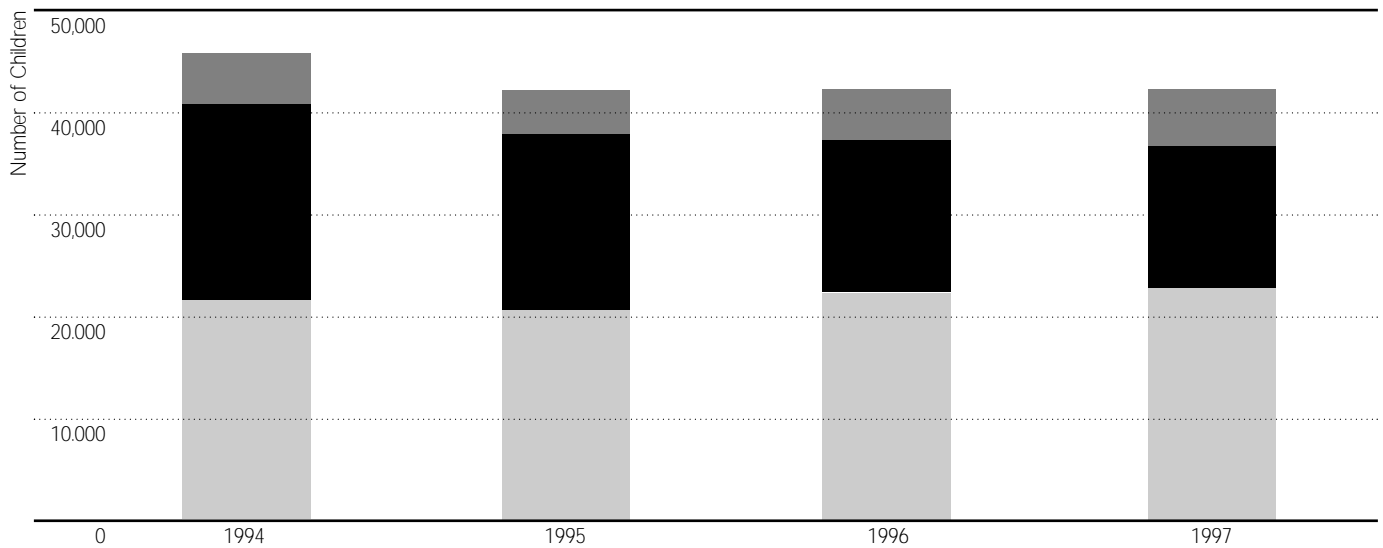
■ ACS Direct Preventive Services
 ■ Contract Preventive Services



Source: See endnote 4.

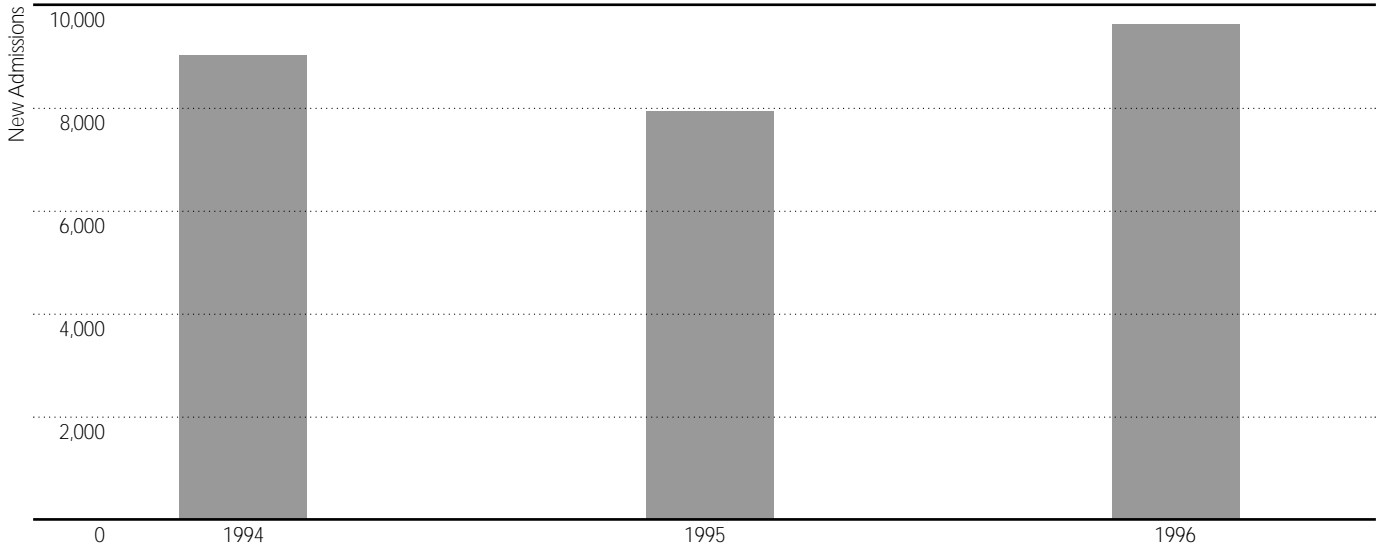
Figure 14:
The Number of Children in Foster Care is Slowly Decreasing

■ Congregate Care
 ■ Kinship Home
 ■ Foster Boarding Home



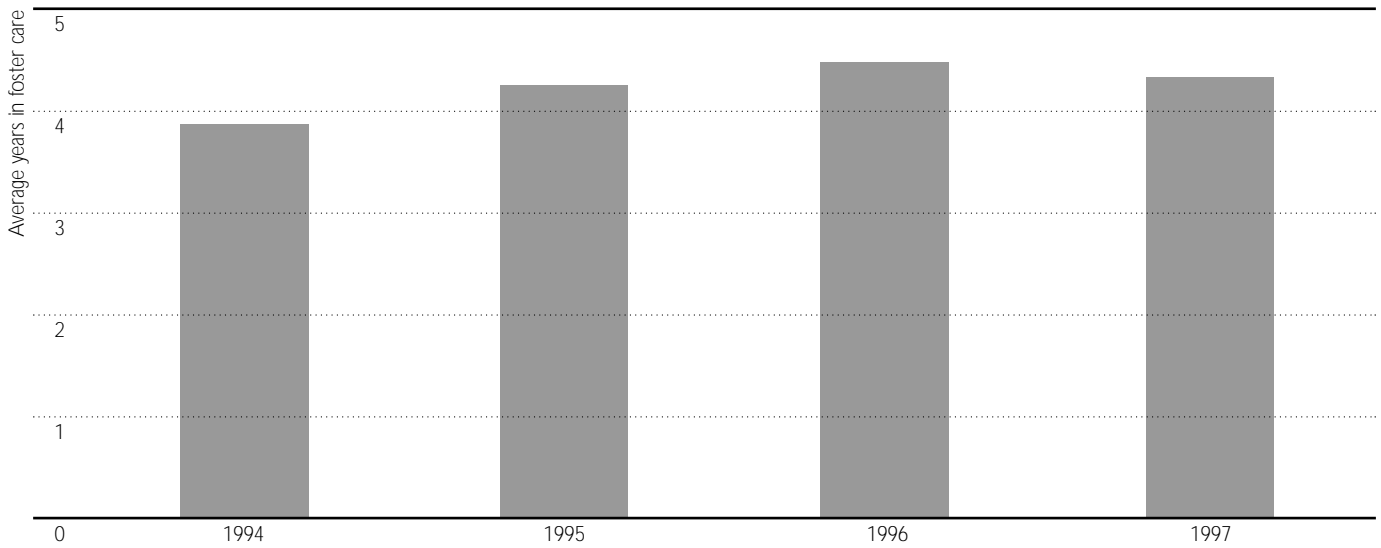
Source: See endnote 12.

Figure 15:
More Children Entered Foster Care



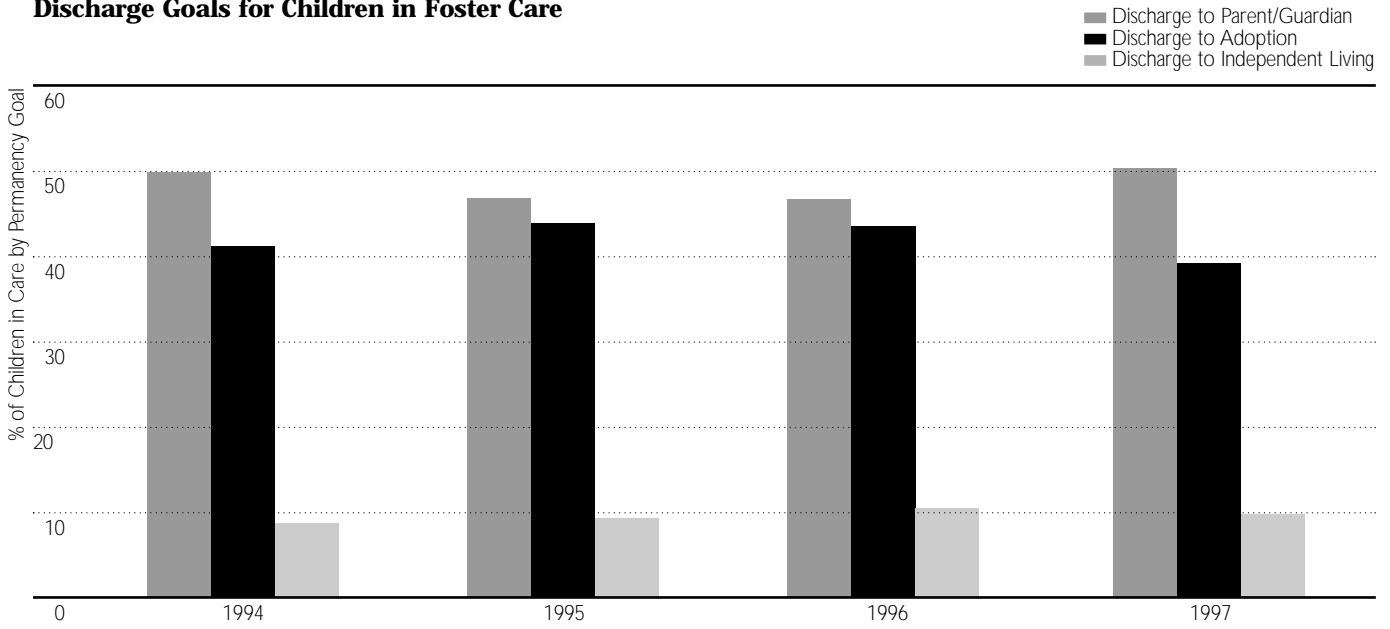
Source: See endnote 10.

Figure 16:
Average Length of Stay in Foster Care is Over Four Years



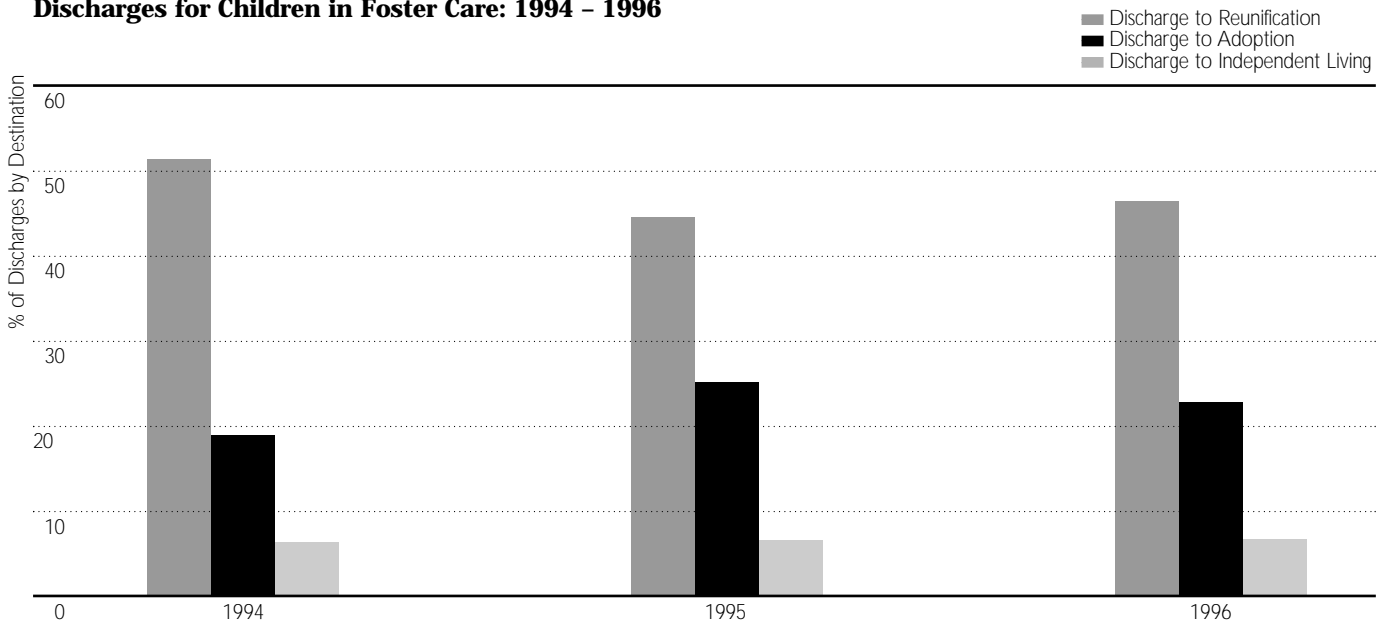
Source: See endnote 13.

Figure 17:
Discharge Goals for Children in Foster Care



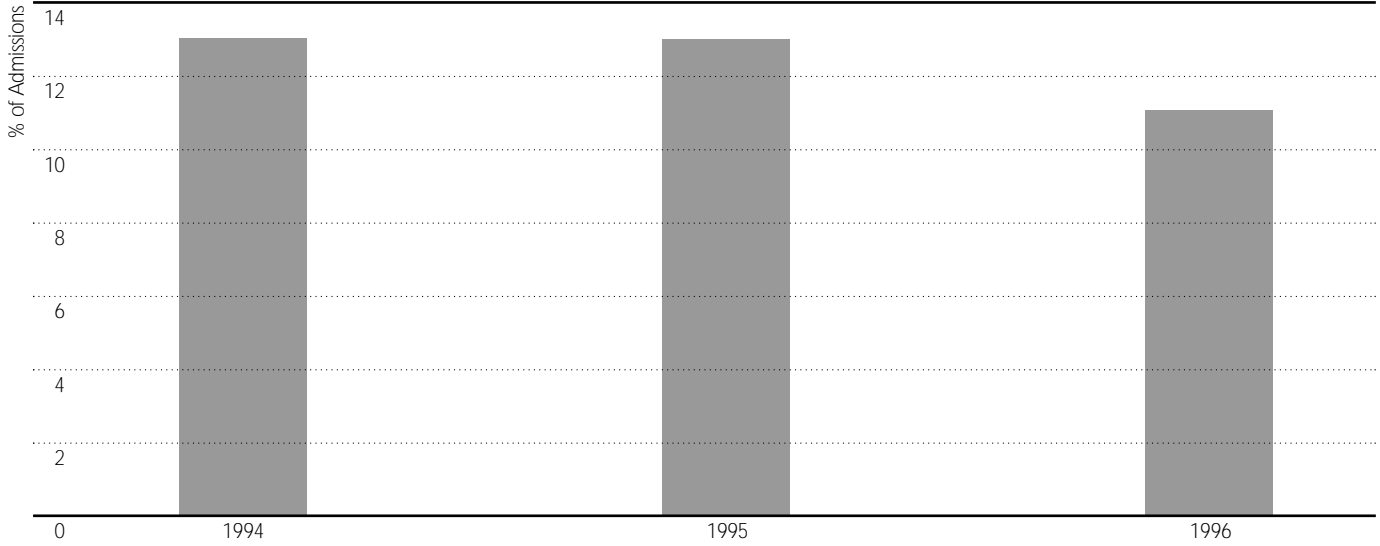
Source: See endnote 11.

Figure 18:
Discharges for Children in Foster Care: 1994 - 1996



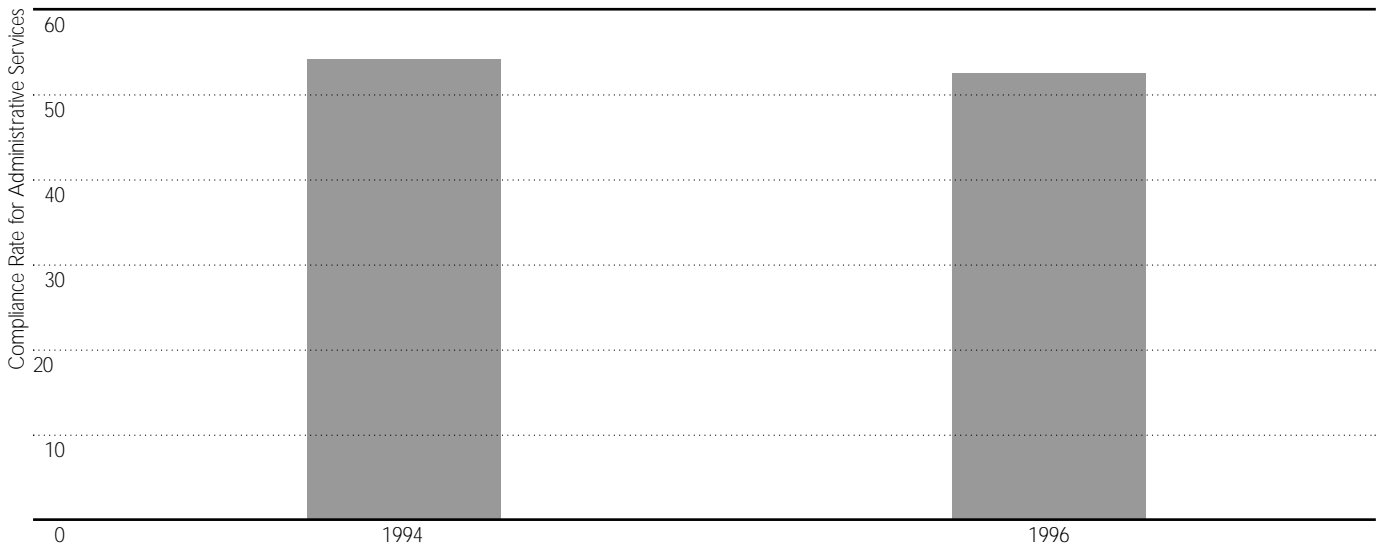
Source: See endnote 14.

Figure 19:
The Percentage of Children Re-entering Foster Care Within Two Years of Discharge Has Decreased: 1994 - 1996



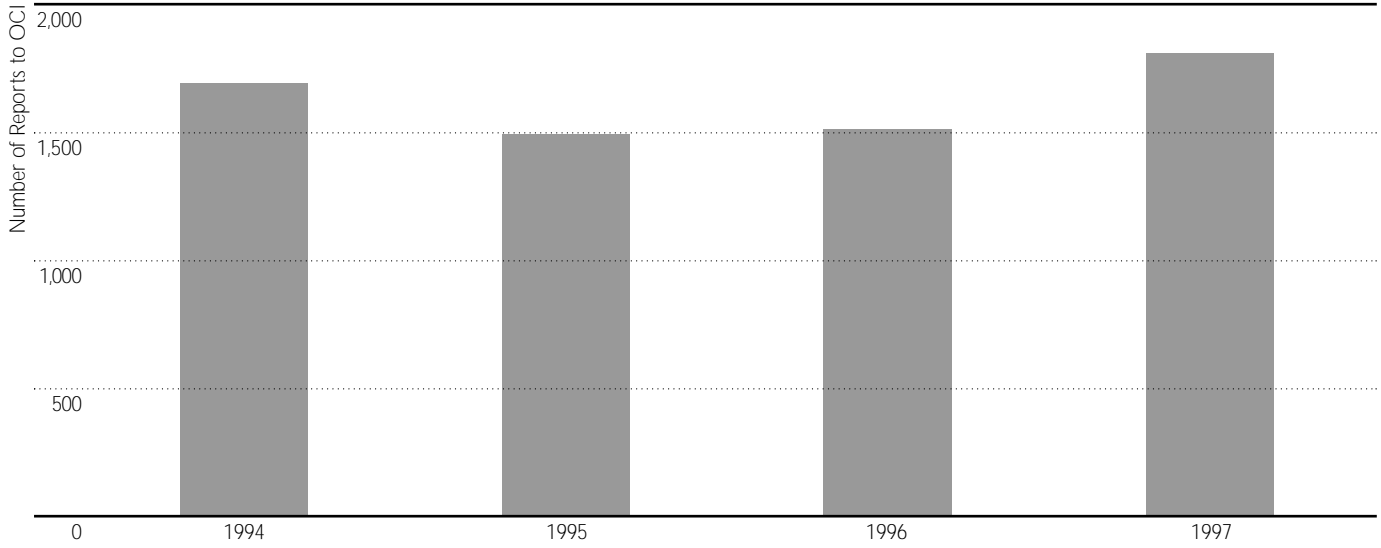
Source: See endnote 15.

Figure 20:
Fewer Assessments, Family Service Plan Reviews and Foster Care Reviews are Completed on Time



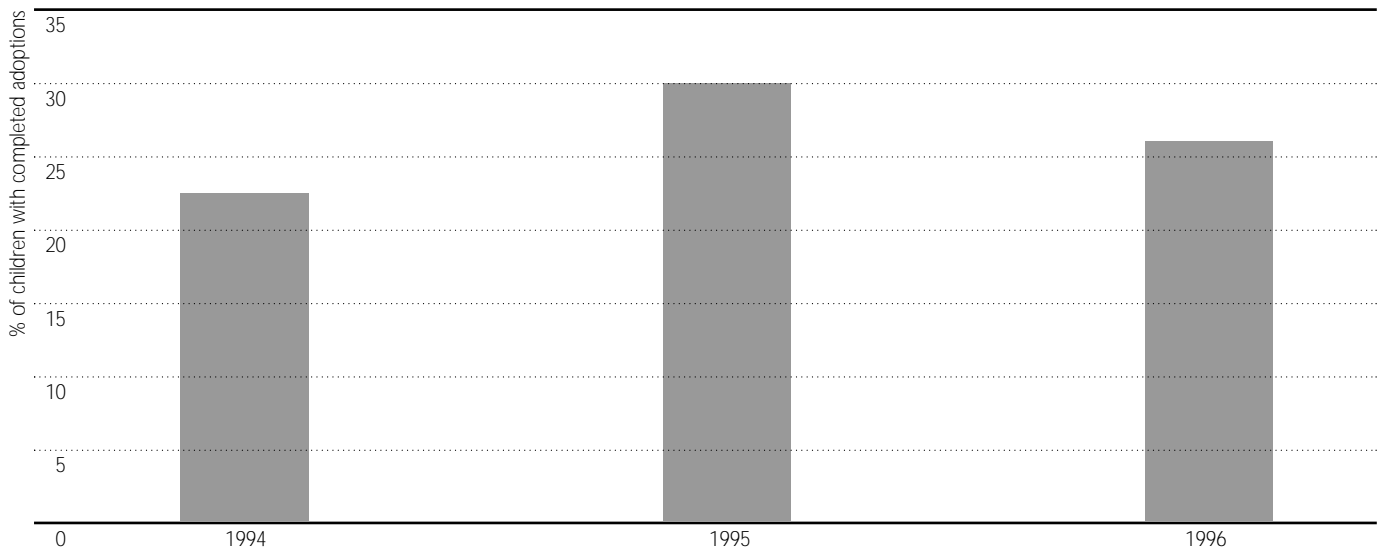
Source: See endnote 18.

Figure 21:
More Foster Children Are Reported Abused and Neglected:
FY 1994 - FY 1997



Source: See endnote 6.

Figure 22:
Percentage of Children in Foster Care Who Are Adopted: 1994 - 1996



Source: See endnote 17.

Keeping Track of Child Welfare Services

	1994	1995	1996	1997
I. Children, Youth and Family Indicators				
Preventive				
Total number of families receiving preventive services: ¹	28,383	27,726	27,043	26,491
ACS direct preventive services	10,351	9,067	8,192	6,613
Contract preventive services	16,897	17,618	17,743	18,912
ACS Family Preservation Program	1,135	1,041	1,108	966
Average length of time a family is enrolled in a preventive service program ²	DNA	DNA	DNA	DNA
New admissions to preventive service programs ³	13,675	13,156	12,407	11,744
Number of children who enter foster care who were previously enrolled in a preventive service program: ⁴	1,484	1,576	1,441	1,479
ACS direct preventive services	781	660	533	444
Contract preventive services	703	916	908	1,035
Protective				
Number of abuse and neglect reports by Borough ⁵	49,129	47,571	52,994	53,567
Bronx	12,510	12,132	13,481	13,486
Brooklyn	15,766	15,069	17,107	16,772
Manhattan	7,569	7,672	8,651	8,949
Queens	9,432	9,163	9,899	10,190
Staten Island	2,171	2,054	2,360	2,378
Office of Confidential Investigations ⁶	1,681	1,481	1,496	1,792
Number of reports of abuse and neglect against congregate care providers ⁷	DNA	DNA	DNA	DNA
% of abuse and neglect reports founded ⁸	22.9%	25.1%	33.0%	35.6%
Number of children reported abused or neglected ⁹	77,238	75,017	85,432	86,852
Foster care				
Admissions to foster care ¹⁰	9,022	7,949	9,595	DNA
Number and % of children in care by permanency goal: ¹¹				
Discharge to Parent/Guardian	23,381 (49.9%)	20,351 (46.8%)	19,300 (46.4%)	21,116 (50.3%)
Discharge to Independent Living	4,076 (8.7%)	4,174 (9.6%)	4,284 (10.3%)	4,282 (10.2%)
Discharge to Adoption	19,393 (41.4%)	18,959 (43.6%)	18,010 (43.3%)	16,582 (39.5%)
Number and % of children in care by type of placement: ¹²				
Non-relative foster boarding home	21,775 (47.8%)	20,649 (49.2%)	22,251 (53.4%)	22,706 (54.8%)
Kinship home	19,224 (42.2%)	17,039 (40.6%)	15,084 (36.2%)	14,022 (33.9%)
Congregate care	4,555 (10.0%)	4,281 (10.2%)	4,334 (10.4%)	4,690 (11.3%)

	1994	1995	1996	1997
Average years in foster care ¹³	3.86	4.20	4.42	4.28
Average length of stay in each type of placement:				
Congregate care	DNA	DNA	DNA	DNA
Non-relative foster boarding home	DNA	DNA	DNA	DNA
Kinship home	DNA	DNA	DNA	DNA
Average number of service plan reviews that include biological parents and foster children ten years old and older	DNA	DNA	DNA	DNA
Average number of sibling visits per month	DNA	DNA	DNA	DNA
Total number of children discharged by destination: ¹⁴	12,701	13,455	11,485	DNA
% to Reunification	60.1%	52.2%	54.0%	DNA
% to Adoption	22.4%	29.5%	26.5%	DNA
% to Independent Living	7.3%	7.9%	8.0%	DNA
Number and % of children who re-enter foster care within 2 years ¹⁵	1,241 (13.2%)	1,043 (13.3%)	1,244 (11.3%)	DNA
Number and % of children in care with mental or physical health problems	DNA	DNA	DNA	DNA
Number and % of children in foster care that receive developmentally appropriate health and mental health screenings, including immunizations and well-baby visits (EPSDT visits)	DNA	DNA	DNA	DNA
School performance of children in foster care:				
Reading and math scores at grade level	DNA	DNA	DNA	DNA
Four year graduation rates	DNA	DNA	DNA	DNA
School attendance rates	DNA	DNA	DNA	DNA
Number and % of children in care who are juvenile delinquents or juvenile offenders	DNA	DNA	DNA	DNA
Number and % of children in foster care whose parents have substance abuse problems	DNA	DNA	DNA	DNA
Adoption				
Children in foster care with a goal of adoption ¹⁶	18,922	17,398	16,259	DNA
Number and % of children discharged to adoption ¹⁷	2,732 (22.7%)	3,886 (30.1%)	3,043 (26.3%)	DNA
Number and % of adopted children who re-enter foster care	DNA	DNA	DNA	DNA
<i>II. ACS and Contract Agency Operations Indicators</i>				
Number of lawsuits pending against New York City's child welfare system	DNA	DNA	DNA	DNA
% of Assessments, Uniform Case Record (UCR) Family Service Plans and foster care reviews completed on time ¹⁸	90.3%	DNA	87.0%	DNA
Average number ACS caseworker visits made to each child in foster care per year	DNA	DNA	DNA	DNA

	1994	1995	1996	1997
III. Child Welfare Service Capacity Indicators				
Number of Purchased Preventive Service Program slots by type of program: ¹⁹				
a. Total General Preventive Service Slots	9,428	9,664	10,008	DNA
Bronx	6,039	6,506	6,969	DNA
Brooklyn	1,174	1,351	1,393	DNA
Manhattan	1,829	1,935	2,267	DNA
Queens	2,194	2,391	2,395	DNA
Staten Island	663	663	743	DNA
	179	166	171	DNA
b. Total Intensive Prevention Service Slots	850	593	665	DNA
Bronx	282	190	205	DNA
Brooklyn	150	120	155	DNA
Manhattan	305	200	210	DNA
Queens	90	60	70	DNA
Staten Island	23	23	25	DNA
c. Total Child Abuse and Neglect Slots	1,721	1,747	1,546	DNA
Bronx	436	447	447	DNA
Brooklyn	516	516	450	DNA
Manhattan	402	417	297	DNA
Queens	326	326	303	DNA
Staten Island	41	41	49	DNA
d. Total Long Term PINS Slots	273	273	275	DNA
Bronx	21	21	15	DNA
Brooklyn	129	129	136	DNA
Manhattan	27	27	15	DNA
Queens	53	53	60	DNA
Staten Island	43	43	49	DNA
e. Total PINS Delinquent Slots	545	545	553	DNA
Bronx	171	171	173	DNA
Brooklyn	185	185	188	DNA
Manhattan	125	125	128	DNA
Queens	64	64	64	DNA
Staten Island	0	0	0	DNA
ACS cases referred to Purchased Preventive Service Programs ²⁰	37%	34%	32%	39%
Number of available foster care beds by type of placement:				
Non-relative foster boarding home	DNA	DNA	DNA	DNA
Congregate care	DNA	DNA	DNA	DNA
Caseloads for caseworkers: ²¹				
Average protective worker caseload	21.7	19.6	24.1	16.8
Average field office family service worker caseload	15.8	15.3	13.5	11.4
Court ordered supervision caseload ²²	15.8	15.3	13.5	11.4
Percentage of time case workers spend on administrative vs. direct service work with children and families	DNA	DNA	DNA	DNA

	1994	1995	1996	1997
IV. Family Court Indicators²³				
Number of child abuse and neglect petitions filed ²⁴	9,495	8,038	11,496	DNA
Allegations established: ²⁵				
% of abuse	5.1%	5.5%	4.1%	DNA
% of neglect	82.2%	79.0%	83.6%	DNA
% of abuse and neglect	2.3%	3.4%	2.9%	DNA
% No finding	10.5%	12.1%	9.4%	DNA
Percentage of original dispositions of child protective petitions involving abuse with more than 6 months from filing petition to completion of fact-finding hearing ²⁶	47.5%	45.7%	47.9%	DNA
Percentage of original dispositions of child protective petitions involving abuse with 4 or more adjournments from filing petition to completion of fact-finding hearing ²⁷	71.7%	68.1%	71.7%	DNA
Number and % of court ordered preventive services for child protective petitions	DNA	DNA	DNA	DNA
Number of child abuse and neglect petitions re-filed for children with previous abuse or neglect petitions in Family Court	DNA	DNA	DNA	DNA
V. Police Department Indicators				
Total number of suspected child abuse or maltreatment reports made to the NYPD ²⁸	3,934	4,439	4,884	3,759
Arrests for endangering the welfare of a child ²⁹	384	538	729	DNA
Number and % of domestic incident reports of child abuse and neglect	DNA	DNA	DNA	DNA
Number and % of child abuse and neglect complaints that result in the removal of children	DNA	DNA	DNA	DNA
Number and % of arrests for abuse and neglect	DNA	DNA	DNA	DNA

Endnotes

- ¹ Note: These figures measure the number of families served in the fiscal year noted and does not reflect family size or the number of children or adults served. These figures represent a cumulative count of the families served and may be duplicative. Sources: ACS, Office of Management Analysis, Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts) and Unpublished Data.
- ² Note: DNA indicates that this data is not currently available.
- ³ Note: These figures measure the number of new families served in preventive services in the fiscal year noted. Source: ACS, Office of Management and Analysis, Selected Child Welfare Trends In New York City (Fiscal Year 1995 Charts) and Unpublished Data.
- ⁴ Note: These figures are for the fiscal year noted. Source: The City of New York, Mayor's Management Report, Fiscal Years 1994-1997.
- ⁵ Note: These figures reflect the number of unduplicated abuse and neglect reports for the fiscal year noted and can include more than one child and more than one allegation. Source: ACS, Office of Management Analysis, Unpublished Data.
- ⁶ Note: The Office of Confidential Investigations (OCI) investigates reports of abuse and neglect against foster parents. These reports are made primarily by voluntary agencies and also include calls made to the State Central Register (SCR).
- ⁷ Complaints against congregate care providers are monitored by the Metropolitan Regional Organization (MRO) which investigates reports of abuse and neglect against any state institution including congregate care facilities, former Division for Youth facilities and state hospitals.
- ⁸ Note: These figures represent the percentage of abuse and neglect reports that are indicated in the fiscal year noted. Source: The City of New York, Mayor's Management Report, Fiscal Years 1994-1997.
- ⁹ Note: These figures represent the number of children reported abused and neglected for the fiscal year noted. Source: The City of New York, Mayor's Management Report, Fiscal Years 1994-1997.
- ¹⁰ Note: These figures represent the number of new children entering foster care in the fiscal year noted. Source: ACS, Office of Management Analysis, Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts) and Unpublished Data.
- ¹¹ Note: These figures represent the number and percentage of children in care by permanency goal in June for each year noted. Source: ACS, Office of Management Analysis, Selected Child Welfare Trends In New York City (Fiscal Year 1995 Charts) and Unpublished Data.
- ¹² Note: The figures for 1994 to 1996 represent the number of children in foster care in December of each year noted. The figures for 1997 represent a point in time as of November 1997. Please note that the kinship numbers are dramatically lower due to a new counting method which eliminates duplicative counts made in earlier years. Source: ACS, Office of Management Analysis, Unpublished Data.
- ¹³ Note: These figures are for the fiscal year noted. Source: The City of New York, Mayor's Management Report, Fiscal Years 1994-1997.
- ¹⁴ Note: These figures are for the calendar year. The 1994 and 1995 figures for the total number of children discharged from foster care are from the 1996 Department of Social Services Monitoring and Analysis Profiles (DSSMAPS), while the percentage figures are from the 1994 and 1995 editions of DSSMAPS and are not as current. Source: New York State Department of Social Services (NYSDDS), Office of Family and Children Services, Monitoring and Analysis Profiles with Selected Trend Data, 1994-1996.
- ¹⁵ Note: These figures are for the calendar year. These figures represent the number of children re-admitted to foster care in each year noted who had been discharged within 24 months prior to their last admission as a percentage of all children admitted to foster care. Source: NYSDSS, Office of Family and Children Services, Monitoring and Analysis Profiles with Selected Trend Data, 1994-1996.
- ¹⁶ Note: These figures are for the calendar year. These figures represent the number of children eligible for adoption and include both children in foster care with a goal of adoption and children freed for adoption during the year noted. Source: NYSDSS, Office of Family and Children Services, Monitoring and Analysis Profiles with Selected Trend Data, 1994-1996.
- ¹⁷ Note: These figures are for the calendar year. These figures represent the number of children with completed adoptions as a percentage of all children in foster care at any time during the calendar year noted. Source: NYSDSS, Office of Family and Children Services, Monitoring and Analysis Profiles with Selected Trend Data, 1994-1996.
- ¹⁸ Note: These figures reflect data for the year to date as of June of the year noted. The figures represent the percentage of Assessments, Uniform Case Record (UCR) Family Service Plans and foster care reviews for all children in foster care completed on time. Source: ACS FOIL Request, 1997.
- ¹⁹ Note: These figures represent a point in time for the following months, June 1994, May 1995 and July 1996. The Purchased Preventive Service (PPRS) slots represent the number of families and does not reflect family size or the number of children or adults served. Note that there are no PINS Delinquent PPRS slots on Staten Island. Source: ACS FOIL Request, 1997.
- ²⁰ Note: These figures represent the total ACS referrals to PPRS as a percentage of all new PPRS cases for the fiscal years 1994-1996. For fiscal year 1997, the figure does not cover the entire year and represents an average percentage. Source: ACS FOIL Request, 1997
- ²¹ Note: These figures are for the fiscal year noted. Source: ACS, Office of Management Analysis, Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts) and Unpublished Data.
- ²² Note: These figures are for the fiscal year noted. Source: ACS, Office of Management Analysis, Selected Child Welfare Trends in New York City (Fiscal Year 1995 Charts) and Unpublished Data.
- ²³ The data produced by the Office of the Chief Administrator of the Courts is representative of what happens in Family Court but may not be an accurate count of number of children and families served. Therefore in the majority of this section we use percentages rather than total numbers.
- ²⁴ Note: These figures are for the calendar year and reflect one child per petition. Source: State of New York, "Table 9 Filing and Dispositions in Family Courts Statewide By Type of Petition," in The Chief Administrator of the Courts, Seventeenth, Eighteenth and Nineteenth Annual Report, 1995, 1996 and 1997.
- ²⁵ Note: These figures are a percentage of dispositions for the calendar year noted. Allegations do not reflect the number of children involved. Source: State of New York, "Table A-23 Family Court Original Dispositions of Child Protective Petitions: Allegations Established," in The Chief Administrator of the Courts, Seventeenth, Eighteenth and Nineteenth Annual Report, 1995, 1996 and 1997.
- ²⁶ Note: These figures are for the calendar year. Source: State of New York, "Table A-8 Family Court Original Dispositions of Child Protective Petitions Involving Abuse: Days From Filing Petition to Completion of Fact-Finding Hearing," The Chief Administrator of the Courts, Seventeenth, Eighteenth and Nineteenth Annual Report, 1995, 1996 and 1997.
- ²⁷ Note: These figures are for the calendar year. Source: State of New York, "Table A-32 Family Court Original Dispositions of Child Protective Petitions Involving Abuse: Adjournments From Filing Petition to Completion of Fact-Finding Hearing," The Chief Administrator of the Courts, Seventeenth, Eighteenth and Nineteenth Annual Report, 1995, 1996 and 1997.
- ²⁸ Note: These figures are for the calendar year. These figures represent the reports made to the NYPD and do not reflect the number of children abused or maltreated. The figure for 1997 includes reports made in the months of January to November 1997. Source: NYPD FOIL Request, 1997.
- ²⁹ Note: These figures are for the calendar year. These figures represent misdemeanor charges as per New York State Penal Law, and include all adult perpetrators, not limited to parents. Source: NYPD FOIL Request, 1997.
- ³⁰ Note: These figures are for the calendar year. Source: ACS, Office of Management Analysis, Unpublished Data, 1997.

Keeping Track of Policy Changes Over Time

	7/95	11/95	12/95	1/96	8/96	12/96	4/97	11/97	12/97	Winter 98	9/98
Crack epidemic	State Block Grant created	Elisa Izquierdo tragedy	Marisol case filed	ACS created	Federal PRA passed	ACS plan of action published	State WRA implemented	Draft Scope of services published	IV-E waiver approved	RFP to be published	IV-E waiver implemented
									• Federal adoption law passed		

APPENDICES

- A. New York State Family and Children's Services Block Grant Legislation
- B. Mail Survey for Preventive Service Programs
- C. Mail Survey for Foster Care Agencies
- D. Interview Questionnaire for Preventive Service Programs
- E. Interview Questionnaire for Foster Care Agencies
- F. Glossary
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GLOSSARY OF TERMS

Administration for Children's Services (ACS): New York City agency for child welfare, child support enforcement, Head Start and low income child care created on January 11, 1996, and amended on December 6, 1996, by the Mayor's Executive Order. ACS replaces the Child Welfare Administration (CWA), which was formerly part of the New York City Human Resources Administration (HRA).

Agency Operated Boarding Home (AOBH): A congregate care facility that serves up to six children ranging in age from 0-21 years old.

Article VII: A provision of the New York State Constitution that authorizes the Governor to introduce new legislation.

Congregate Care: Types of foster care placements for children and youth who require more structured programming and intensive supervision than is available in a foster boarding home. Facilities can serve between 6 to 25 children and youth, depending on the type of facility.

Department of Social Services (DSS): New York State's agency that oversees the child welfare system. As of this writing, the Governor has proposed the creation of the New York State Department of Children and Family Services (DCFS) which would combine a range of services for children and families from the Department of Social Services (DSS), which includes child welfare programs, the child abuse hotline, child care, and pregnancy prevention programs, among others, and programming for youth development, delinquency prevention and services for youth in the juvenile justice system currently under the Division For Youth (DFY).

Diagnostic Reception Centers: A congregate care facility that serves 12 to 24 children between the ages of 10-21 years who manifest problematic behaviors and who require a comprehensive evaluation due to lack of available information to safely determine the appropriate level of care and type of program for the child. These children and youth require 24-hour supervision, crisis intervention, short-term therapeutic services, and psychological and psychiatric evaluations, among others.

Family and Children's Services Block Grant: New York State's funding stream for child welfare services that combines reimbursement for preventive, protective and most foster care services. The Block Grant enacted by the New York State Legislature on April 1, 1995.

Family Rehabilitation Program: A preventive service program that worked intensively with families to stabilize and strengthen those at risk of having their children placed in foster care due to a positive toxicology at birth. The FRPs provided home visits at least three times a week, drug treatment referrals and support to families with drug-exposed infants.

Fiscal Year: A yearly budget period of 12 months. The State fiscal year begins on April 1st and the City fiscal year begins on July 1st.

Foster Boarding Home: Out-of-home care provided by non-relative families for children who have been abused or maltreated and who are under the custody of the State Department of Social Services.

Foster Care: Out-of-home care due for abused and maltreated children who are placed in foster boarding homes or congregate care facilities for temporary care under the custody of the State Department of Social Services.

Group Home: A congregate care facility that serves eight to twelve children between ages 10-21 years of age.

Group Residence: A congregate care facility that serves thirteen to twenty-four children between 10-21 years of age.

Kinship Foster Care: Out-of-home placement due to child abuse and maltreatment who are placed with relatives under the custody of the State Department of Social Services.

Maintenance of Effort (MOE): A provision in the State budget which mandates counties to maintain a fixed level of spending on particular services. The Block Grant MOE which was implemented in 1995 for preventive services allowed counties to spend a minimum of 80% of dollars previously spent on preventive services in FY'94.

Mandated Preventive Services: Preventive service programs that are reimbursed by the State and require a uniform case record (UCR) to be filed with the State that details a family's progress. These services include general preventive services, homemaking, court-ordered supervision, and family rehabilitation programs (FRP).

Maximum State Aid Rate (MSAR): The State determines this maximum daily rate for the cost of room and board, services, and administration for services for children and youth in foster boarding homes and congregate care facilities. The MSAR is generally based on each agency's costs for each child in each placement type in the two years prior.

Non-Mandated Preventive Services: Preventive service programs that do not require a uniform case record (UCR) be filed on a family to report their progress. These services include crisis nurseries, option centers, juvenile prostitution diversion programs and on-site social services at day care centers.

Permanency Goal: Upon entering the foster care system, each child is given a permanency goal of either reunification, adoption or discharge to independent living, which is periodically reviewed and can be adjusted to reflect any changes in the child or family's circumstances.

Preventive Services: Preventive services are provided to families that are at risk of having their children placed in foster care. Types of preventive services include counseling, parenting skills training, respite care, crisis nurseries, intensive preventive services, homemaking and juvenile prostitution diversion programs, among others. Preventive services are provided by 87 non-profit community-based organizations that contract with the City.

Protective Services: Child welfare services which investigate reports of suspected abuse and neglect to determine the validity of the allegation. In New York City protective services are provided by the Administration for Children's Services.

Residential Treatment Centers: A congregate care facility for thirteen or more children between 12-21 years who

are severely emotionally disturbed and who have a psychotic condition that has been diagnosed within the past twelve months. These children require awake, on-duty staff 24 hours a day, intensive individual and group therapy, and intensive and frequent crisis management and intervention services.

Title IV-B: A section of the Federal Social Security Act that provides funding for family support and family preservation services to prevent out-of-home placements and rehabilitate families who are at risk of having their children placed in foster care and children who require removal from their families to maintain their health and safety. IV-B funding is capped, which means that the Federal government provides a limited amount of these funds each year to each state. IV-B provides funding to the State for preventive services, and the State generally reimburses localities for 75% of the costs for preventive services. Title IV-B provides local reimbursement for family preservation and family support services, and family rehabilitation services, which includes funding to prevent foster care placements, help reunite children with their families, provide parenting skills and provide follow-up services after reunification.

Title IV-E: A section of the Federal Social Security Act that provides funding for the room and board, services and administrative costs of children in foster care. IV-E funding is an entitlement, which means that the Federal government provides unlimited funding for these services. To be eligible for IV-E funding, the child's family must have been AFDC eligible in June 1995. If the child is IV-E eligible, the Federal government reimburses localities for 50% of the costs associated with out-of-home care. The remaining costs are borne by the localities and some share of their yearly Block Grant allocation. For those that were not AFDC eligible on June 1995, families are expected to contribute towards to costs associated with foster care placement.

Title XX: A section of the Federal Social Security Act called the Social Services Block Grant. Title XX funds are capped and may be used to reimburse states for an array of social services that include child welfare, housing, homelessness, child care and services for the elderly.

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