



CHILDREN'S IMPACT ANALYSIS FISCAL YEAR 2006 EXECUTIVE BUDGET FOR NEW YORK CITY

June 2005

Total number of children in New York City =
1.956 million

CHILDREN'S HEALTH AND MENTAL HEALTH

RESTORE

\$1.2 MILLION FOR MENTAL HEALTH TREATMENT FOR CHILDREN UNDER FIVE that supports 10 community-based outpatient mental health clinics to maintain programs that commenced July 2004.

\$2.8 MILLION FOR INFANT MORTALITY PROGRAMS that support 31 community-based organizations that provide outreach, education, and referral services in communities with high infant mortality rates.

\$445,000 FOR THE ASTHMA CONTROL INITIATIVE to continue case management programs for 400 children that help reduce asthma in Harlem, the South Bronx and Central Brooklyn.

\$268,000 FOR 34 MOBILE DENTAL VANS to continue to meet the dental needs of underserved children citywide.

\$1.55 MILLION FOR TWO ADOLESCENT SUBSTANCE ABUSE OUTPATIENT TREATMENT CLINICS that serve 150 teens at Lincoln and Harlem Hospitals.

\$2.4 MILLION FOR HHC OUTPATIENT PHARMACIES AND MEDICATION WAIVERS to prevent a fee increase for medication to uninsured patients.

\$5.3 MILLION FOR 30 CHILD HEALTH CLINICS to continue to provide essential community-based primary and public health services for children and youth.

ADD

\$11 MILLION TO EXPAND THE NEWBORN HOME VISITING PROGRAM to reach 54,000 first time parents to promote child safety and wellness and link parents with medical providers, information on early care services and public benefits like the EITC and food programs.

\$5 MILLION TO EXPAND INTERPRETER SERVICES IN PUBLIC HOSPITALS.

\$3.8 MILLION TO EXPAND HIV RAPID TESTING AND COUNSELING IN HHC HOSPITAL EMERGENCY ROOMS AND CLINICS for adolescents and at-risk adults.

\$3 MILLION TO EXPAND THE COMMUNITY-BASED ASTHMA CONTROL INITIATIVE IN HIGH-NEED COMMUNITIES of Williamsburg/Bushwick, Bedford Stuyvesant/Crown Heights, East New York, Jamaica and Rockaway.

\$2.8 MILLION TO EXPAND INFANT MORTALITY PROGRAMS to reduce the city's infant mortality rate through outreach, education and referral services.

CULTURAL INSTITUTIONS AND LIBRARIES

RESTORE

\$35 MILLION TO KEEP PUBLIC LIBRARIES OPEN FIVE OR MORE DAYS A WEEK.

ADD

\$25 MILLION TO CREATE THE URBAN ADVENTURE INITIATIVE and provide New York City youth ages 11-14 with enrichment and learning opportunities in the arts and sciences by linking cultural institutions with after school and youth development programs.

CHILD CARE

RESTORE

\$10 MILLION FOR 1,400 CHILDREN TO BE SERVED IN REGULATED FAMILY CHILD CARE PROGRAMS.

DELAY IMPLEMENTATION OF OUT-OF-SCHOOL TIME (OST) PROGRAM UNTIL JULY 2006 and maintain all school-age child care contracts. Failing this, add \$20 million to preserve center-based child care services for young children age 0-5 years.

AFTER SCHOOL AND YOUTH DEVELOPMENT

RESTORE

\$5.2 MILLION FOR CITY COUNCIL DISCRETIONARY FUNDS that now support over 1,000 youth development, after school and summer programs citywide.

\$2.7 MILLION TO SUPPORT AFTER SCHOOL AND YOUTH DEVELOPMENT PROGRAMS now serving over 5,000 young people in community-based, after school sports and arts programs.

\$1.3 MILLION FOR STREET OUTREACH AND NEIGHBORHOOD YOUTH ALLIANCE PROGRAMS to continue to provide referrals, community service and leadership opportunities for at-risk youth.

\$761,000 FOR DRUG PREVENTION AND RUNAWAY AND HOMELESS YOUTH services to maintain support for 20 programs including crisis shelters, outreach and drop-in services, and transitional homes.

\$102,000 FOR YOUTHLINK to continue programs that partner youth counselors from community-based organizations with police precincts, to reduce substance abuse, delinquent activity and truancy through counseling, education and youth development opportunities.

DELAY IMPLEMENTATION OF THE OUT-OF-SCHOOL TIME (OST) PROGRAM UNTIL JULY 2006, maintain TASC and YDDP contracts and develop an OST transition plan that does not interrupt services for parents and children.

ADD

\$8.8 MILLION TO EXPAND THE SUMMER YOUTH EMPLOYMENT PROGRAM to serve 7,000 more youth and bring the total number of summer jobs back to 40,000.

\$12 MILLION TO ENHANCE AND STRENGTHEN 80 BEACON PROGRAMS including child abuse and neglect preventive services and programs to reduce youth gang involvement. \$4 million of this amount is to waive the \$50,000 school opening fee paid by each Beacon to the Department of Education.

\$2.5 MILLION TO DEVELOP EMERGENCY SHELTER BEDS FOR SPECIAL NEEDS HOMELESS YOUTH who are lesbian, gay, bisexual, transgender and questioning.

\$25 MILLION FOR CULTURAL INSTITUTIONS TO CREATE THE URBAN ADVENTURE INITIATIVE and provide New York City youth ages 11-14 with enrichment and learning opportunities in the arts and sciences by linking cultural institutions with after school and youth development programs.

JUVENILE JUSTICE

RESTORE \$500,000 AND ADD \$1 MILLION TO IMPROVE DISCHARGE PLANNING SERVICES and connect youth with community-based services prior to release from detention.

HOUSING AND HOMELESSNESS

RESTORE

\$350,000 FOR THE CITY-WIDE TASK FORCE ON HOUSING COURT to continue to provide legal information on tenants' rights in housing court and through the task force hotline.

\$402,000 FOR CIVIL LEGAL SERVICES FOR LOW-INCOME WORKING FAMILIES to continue services that prevent homelessness and avoid eviction or foreclosure.

\$5.25 MILLION FOR LEGAL SERVICES TO PREVENT EVICTIONS and continue services that help families avoid homelessness.

ADD

\$21.8 MILLION TO CREATE A HOUSING SUBSIDY PROGRAM FOR 2,500 WORKING FAMILIES with excessive rent burdens who do not qualify for the city's Housing Stability Plus Program.

EDUCATION

RESTORE

\$16 MILLION FOR THE TEACHER'S CHOICE program to continue to reimburse teachers for out-of-pocket purchases for classroom supplies and equipment.

ADD

\$10 MILLION TO ADD BOOKS FOR SCHOOL LIBRARIES to improve elementary, middle and high school students' access to resources and improve literacy skills.

ECONOMIC SECURITY

RESTORE

\$670,000 FOR 23 EMERGENCY FOOD PROGRAMS, including food pantries and soup kitchens, to continue serving low-income families and children.

ADD

\$55 MILLION TO INCREASE THE NEW YORK CITY EARNED INCOME TAX CREDIT (EITC) by raising it from 5% to 10% of the federal EITC. This will increase the maximum tax refund to \$301 annually. Together, the federal, state and city Earned Income Tax Credits can increase household income by as much as \$6,000 annually.

\$1 MILLION TO PROVIDE TAX CREDIT OUTREACH AND FILING ASSISTANCE to low-income working families who are eligible for city, state and federal credits that can augment their net earnings and support the city's economy.

\$2.5 MILLION TO PROVIDE LEGAL ASSISTANCE TO ENROLL YOUTH AND ADULTS WITH DISABILITIES IN SSI, reducing city expenditures by 25% and enhancing family budgets for 1,300 individuals currently receiving public assistance.

\$22 MILLION TO ESTABLISH A NEW YORK CITY CHILD AND DEPENDENT CARE CREDIT (CDCC) to reach 225,000 families who would receive a maximum tax refund of \$98 annually.



CITIZENS' COMMITTEE for CHILDREN
OF NEW YORK INC

CHILDREN'S IMPACT ANALYSIS

FISCAL YEAR 2006 EXECUTIVE BUDGET FOR NEW YORK CITY

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June 2005

CHILD HEALTH AND MENTAL HEALTH

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Health and Mental Hygiene (DOHMH)	<u>\$1.5 billion</u> \$566 million city \$432 million state \$721.6 million federal \$235 million grants/categorical \$4 million IC	<u>\$10.4 million</u> (\$13 million) city (\$8 million) state (\$6 million) federal \$19 million grants/categorical (\$2.4 million) IC	DOHMH protects and promotes the health and mental health of all New Yorkers, engaging in prevention activities, providing treatment and public health services, conducting health and safety inspections, and responding to public health and safety threats.	The proposed FY'06 Executive Budget for DOHMH is level at \$1.5 billion when compared with the current FY'05 Modified Budget. Proposed additions and reductions included in the FY'06 Executive Budget are outlined below.		
School Health Program	<u>\$65 million</u> \$41.6 million city \$23 million state		The School Health Program provides a range of education, preventive and primary care services in New York City schools.	The FY'06 Executive Budget includes \$65 million in total funds to support the school health program, of this sum \$41 million are city funds.		
Revenue Maximization School Health Program		<u>\$7.3 million</u> \$4.7 million city \$2.6 million state \$0 federal		The FY'06 Executive Budget proposes to add \$4.7 million in city funds in the school health program of which \$2 million will allow for the restoration of funding to FY'03 levels when the Department eliminated vacant nursing positions. Approximately \$2.5 million will be allocated to hire additional nurses in existing schools and \$195,000 will be allocated to hire for 4 registered nurses, 3 public health aids and one supervisor for placement in seven newly opened elementary and intermediary schools. Notably the FY'06 budget assumes that \$2.5 million needed for nurses for general population students during the summer session will be self-funded by the agency.	The FY '05 Adopted budget restored \$2.5 million for nurses for general population students during the summer session.	Support the Executive Budget proposal to add \$4.7 million and self fund \$2.5 million needed for summer school nurses.
		<u>\$1.8 million</u> \$1.17 million city \$658,000 state \$0 federal		The FY'06 Executive Budget proposes to transfer \$1.17 million in city funds from DOE to DOHMH in effort to maximize Article VI funding and in doing so enhance support for school health program and initiatives related to obesity, asthma, vision screening, and nutrition.	Previously this funding was in the Department of Education's budget and therefore could not be used to draw down state Article VI reimbursement.	Support the Executive Budget proposal to maximize resources for the school health program.

CHILD HEALTH AND MENTAL HEALTH

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
School Based Health Clinics	\$0	(\$838,000) (\$536,000) city (\$302,000) state \$0 federal	School-based health clinics provide primary and preventive care to adolescents, a population of students who otherwise do not have access to school nursing services. The clinics maintain an enrollment of nearly 90% of the student body in each school served, and there is one located in a high school in each of the five boroughs.	The FY'06 Executive Budget proposes to baseline \$536,000 in city funds for 5 privately run clinics. The restoration will ensure that school health clinics at the following high schools remain in operation: Franklin K. Lane in Queens, Wingate in Brooklyn, New Drop in Staten Island, Theodore Roosevelt in the Bronx, Thurgood Marshall in Manhattan.	In 1990, the Council invested \$1.2 million in five school-based health clinics. In FY'02, the City Council added \$500,000 to fund operation of School Based Health Clinics. In FY '03, the Mayor's contingency plan targeted these clinics for cuts, which was ultimately not implemented. In FY'04, the Council restored \$268,000 in city tax levy funds to maintain funding for 5 school-based health clinics, enabling them to remain open. In the FY'05 Adopted Budget the City Council restored \$536,000 in city funds to support subsidies for 5 privately run clinics. City subsidies comprise between 20-50% of the clinics' operating budgets.	Support the Executive Budget proposal to baseline \$536,000 for school based health clinics.
Preventable Disease Initiatives		<u>\$1.9 million</u> \$1.2 million city \$686,000 state \$0 federal	The Department supports many small disease prevention initiatives.	The FY'06 Executive Budget proposes to add \$1.2 million in city funds to baseline funding for these initiatives. Approximately \$480,000 will support personal service costs associated with maternal and infant health programs.	Within DOHMH disease prevention initiatives include, but are not limited to: maternal and infant health programs, as well as tobacco cessation, colonoscopy screening etc. Historically the agency has used one time grants and accruals to support these small targeted preventative initiatives.	Support the Executive Budget proposal to add \$1.2 million for various preventable disease initiatives.
Lead Poisoning Prevention		<u>\$3.0 million</u> \$2.4 million city \$628,000 state \$0 federal	Founded in 1970, the Lead Poisoning Prevention Program conducts outreach and education to promote lead screening of children and safe lead abatement practices by landlords. While the number of childhood lead poisoning cases has decreased over the last decade, only 27% of children are tested in accordance with state law. In addition, children of color and low-income communities have disproportionately high levels of childhood lead poisoning.	The FY'06 Executive Budget proposes to add \$2.4 million to address lead inspections, outreach and education in day care centers licensed by DOHMH, as well as assessment and referrals for lead abatement. DOHMH figures show that 7,657 children ages 6 months to less than 6 years had elevated levels of lead in their blood, and 817 children were newly identified as being lead poisoned. These numbers may be under reported because State Law only requires a small number of children be tested for lead poisoning levels each year.	In FY'01, the Council restored \$1 million for increased public education about lead testing. In FY'02, no action was taken. In the FY'03 adopted budget, a \$250,000 cut in city funds (which triggered a loss of \$141,000 in state funds) led to the closure of a lead safe house, a place for families to go while lead hazards in their homes are being abated. In February 2004, City Council passed Local Law #1 of 2004, the New York City Childhood Lead Poisoning Prevention Act over the Mayor's veto. This legislation adopts stricter standards for detection and removal of lead hazards. In FY'04, the Mayor restored \$500,000, rescinding the FY'04 Executive Budget proposal to reduce lead poisoning prevention and outreach staff. The FY '05 Adopted Budget includes the addition of \$7 million (\$1.58 and \$5.4 million city) to fund the implementation of the city's new Lead paint Law. Services supported by this funding will include: outreach and education, lead inspections, in day care centers licensed by DOHMH, assessments and referrals for abatement. Of the \$7 million (city), \$5.4 million (city) will fund lead inspections of approximately 2,700 day care centers licensed by DOHMH.	Support the Executive Budget proposal to add \$2.4 million for lead inspection, assessment and referrals in city licensed day care centers.
Asthma Initiative	\$0	(\$695,000) (\$445,000) city (\$250,000) state \$0 federal	Established in 1997, the Asthma Initiative collaborates with city agencies and community-based organizations and conducts public education as well as professional continuing education to train parents, health providers, and others about the detection and treatment of childhood asthma.	The FY'06 Executive Budget proposes to cut \$445,000 in city funds that support screening, education, and case management activities designed to address the disproportionately high rate of asthma in targeted neighborhoods in the Bronx, Central Brooklyn and Harlem.	According to DOHMH, approximately 300,000 NYC children are afflicted with asthma. In study released in 2003 and conducted by Harlem Hospital found that 25.5% of children in Central Harlem have asthma. In FY'98, FY'99 and FY '01, the City Council consistently expanded funding for children's asthma programs. These investments ranged from \$1.5 million to \$2.3 million. No action was taken in FY'02 or FY'03. In FY'04, the Mayor restored \$200,000, rescinding his Executive Budget proposal to allow asthma case management contracts to expire and address the disproportionately high rates of Asthma in East Harlem. In FY'05 the City Council restored \$445,000 in city funds to support the asthma initiative - this funding has historically supported programs providing screening, referrals, and case management services to approximately 400 children.	Restore \$445,000 and add \$3 million to support asthma screening, education, and services in high need communities of Williamsburg/Bushwick, Bedford/Stuyvesant, Crown Heights, East New York Jamaica and Rockaway.

CHILD HEALTH AND MENTAL HEALTH

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
NYU Mobile Dental Van	\$0	(\$268,000) (\$268,000 city) \$0 state \$0 federal	The NYU dental vans provides dental care to medically underserved children citywide.	The FY'06 Executive Budget proposes to cut \$268,000 in city funds eliminating support for the operation of 34 mobile dental vans.	In the FY'05 Adopted Budget the City Council restored \$268,000 for mobile dental vans.	Restore \$268,000 for mobile dental vans that provide services to underserved communities.
Community Based Mental Health Services for 0-5 year olds	\$0	<u>\$1.18 million</u> \$1.18 million city \$0 state \$0 federal	This is a City Council created initiative that is intended to respond to a shortage of outpatient mental health treatment services for children ages 0 to 5 years.	The FY'06 Executive Budget proposes to eliminate \$1.2 million in funds that support services to young children in 10 community based outpatient mental health treatment clinics.	The FY'05 Adopted Budget added \$1.2 million to enable community-based mental health clinics in Brooklyn and the Bronx to expand service delivery to this population. Current state Medicaid financing restrictions severely constrain the ability of community-based and hospital-based mental health clinics to expand children's outpatient treatment services to meet demand.	Restore \$1.2 million for mental health services for 0-5 year olds.
Healthy Women/Healthy Babies Initiative	<u>\$2.9 million</u> \$1.9 million city \$1.08 million state \$0 federal	<u>\$2.9 million</u> \$1.9 million city \$1.08 state \$0 federal		The Executive Budget proposes to add \$1.9 million to support the Healthy Women Health Babies Initiative. This initiative is designed to reduce the incidence of unwanted pregnancies through increased awareness and access to family planning and emergency contraception.	This is a new initiative.	Support the Executive Budget proposal to invest \$1.9 million for a Health Women Health Babies Initiative.
Family Planning and Outreach		<u>\$828,000</u> \$530,000 city \$298,000 state \$0 federal	The Community Healthcare Network Provides comprehensive family planning and outreach to targeted communities.	The Executive Budget proposes to baseline \$530,000 in city funds to support Community Healthcare Network Family Planning and Outreach programs. These funds will allow targeted efforts reduce the rate of unintended pregnancies and STDs among uninsured women in Mott Haven and Washington heights to continue.	In FY05 the Adopted Budget added \$530,000 to support family planning and outreach in Mott Haven and Washington Heights.	Support the Executive Budget proposal to add \$530,000 for family planning and outreach activities.
Infant Mortality		(\$4.4 million) (\$2.8 million) city (\$1.6 million) state \$0 federal	The Infant Mortality Initiative funds community based organizations (CBOs) to provide outreach, education, and referral services in communities with high rates of infant mortality - specifically targeting communities that demonstrate racial and ethnic disparities.	The FY'06 Executive Budget proposes to cut \$2.8 million in city funding that support outreach, education, and referral services provided by 31 community based organizations in communities with high infant mortality rates.	In 2000, the citywide infant mortality rate was 6.7 per 1,000 live births, but the rates in 24 communities ranged from 10.3 to 16.4 per 1,000 live births. In FY'02, the City Council created the Infant Mortality Initiative with an investment of \$3.2 million in city tax levy funds, which had a state match of \$1.8 million and brought the total original allocation for the Initiative to \$5 million in FY'02. In each year since its inception, the Mayor has targeted the Infant Mortality Initiative for cuts, and City Council has made restorations that to enable the Initiative to continue. In the FY'03, the Council restored \$2.5 million (preserving \$1.4 million in state funding) and the Mayor added \$1.1 million to bring the program up to the original funding levels. In the November FY'03 Budget Modification, the Council restored \$287,000 in city funds for the Initiative, preserving \$161,000 in state funding. In FY'04, \$5 million in total funds was restored to maintain funding for the Initiative. In FY05 \$2.8 million in city funds were restored at adoption.	Restore \$2.8 million for infant mortality programs in high need communities and add an additional \$2.8 million to expand the program in effort to reduce infant mortality throughout the city.

CHILD HEALTH AND MENTAL HEALTH

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Newborn Home Visit Program	\$476,000 \$304,654 city \$171,468 state \$0 federal	\$0	The Newborn Home Visit Program provides a single visit to first-time mothers in selected DPHO communities within the first four weeks of a child's birth to educate parents about child health and safety and health insurance and to assess the home for lead hazards, window safety guards, and smoke detectors.	The FY'06 Executive Budget proposes to maintain \$304,654 in city funds for DOHMH's targeted newborn home visit program.	The Newborn Home Visit Program was initiated by the Department in FY '05 and supported with \$476,000 in gross funds of which \$304,000 are city funds.	Add \$11 million to make the Newborn Home Visit program universal, reaching all 54,000 first time NYC parents to promote child safety, linkages with medical providers, information on early care opportunities and public benefits like the EITC and Food Stamps.
Early Intervention Program	\$487 million \$134 million city \$138 million state \$225 million federal		A network of approximately 150 contract agencies currently provide services, evaluation, and service coordination to 40,000 children and families annually. The Early Intervention program is a system of early identification and treatment for infants and toddlers with developmental disabilities or delays or at-risk of a developmental delay. These services include speech, physical and occupational therapy, as well as vision nursing and psychological services.	The FY'06 Executive Budget proposes total funding of \$487 million for the EI program of which \$134 million are city funds.	Broad consensus exists about the limited availability of Early Intervention services in neighborhoods in the Bronx, Brooklyn and Queens, whereas services are more readily available in Manhattan. As the agency monitors the EI caseload, increased effort must be made to remove barriers to access and availability of EI services in high need communities to ensure that infant and toddlers with developmental delays are identified and receive the necessary services, regardless of where they live. Further, federal law now requires that all children in foster care be screened for Early Intervention which may have implications for the number of children served.	
Revenue Maximization		(\$2.6 million) (\$9.7 million) city (\$283,000) state \$7.34 million federal \$1.28 million \$1.2 million \$80,000 state \$0 federal		The FY'06 Executive Budget proposes several revenue maximization initiatives including: (1) saving \$9.7 million in city funds through the recovery of lost Medicaid revenue due to previously rejected claims. (2) Committing an increase of \$1.2 million in city funds to support staffing in the new revenue maximization unit supporting the baselining of funds for facilitated enrollers of EI and 4 new positions for revenue maximization staff.		

CHILD HEALTH AND MENTAL HEALTH

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Early Intervention Caseload Reestimate		<u>(\$99.8 million)</u> (\$34.5 million) city (\$59.5 million) state (\$5.8 million) federal		The FY'06 Executive Budget projects \$34 million in city savings as a result of EI program caseload re-estimate. The projected rate of growth in EI services is reduced from 7.5% to 2% in 2005 and 3% in FY'06 and the out years. Savings are attributed to the anticipated decline in the growth of the number of participants in the EI program. Referrals which has been previously projected to grow, are down 2 percent from FY'03 to FY'04 and are now projected to level off at 23,000 for the foreseeable future. Savings are also attributed to increase Medicaid reimbursement for EI services, as the overall EI budget for FY'06 will reflect MA reimbursement of 45 % up from 38 % in the current year.		
Health and Hospitals Corporation (HHC)	<u>\$4.8 billion expense</u> <u>\$4.2 billion revenue</u> \$3.69 thirdparty payers \$400 million grants \$118.3 million city services (supported by city and state funds)	<u>(\$213 million)</u> (\$213 million) city \$0 state \$0 federal	HHC is the largest public hospital system in the country, operating 11 acute care hospitals, community clinics, diagnostic and treatment centers, long-term care facilities and a home health agency. In 2003, HHC served more than 1.2 million people.	The FY'06 Executive Budget includes a gap between HHC revenue and expense of \$578 million. In FY'06 HHC proposes cost containment and revenue enhancement initiatives totaling \$450 million that will substantially reduce this projected gap. Overall the city's contribution to HHC's FY'06 budget is projected to be \$213 million lower than the current FY'05 modified budget. This proposed reduction results from the following: (1) a decrease in hidden costs related to programs that are funded as a pass through to HHC from DOHMH i.e. Child Health Clinics, Adolescent Substance Abuse Programs, and Medication Waivers (detail on these reductions are described below); (2) Prepayment of \$172 million in debt in '05 and a swap of debt service payments from HHC's budget to the city's miscellaneous budget. (3) Prepayment of a \$200 million HHC subsidy in '04 with the allocation in '05 of \$159 million). (4) \$11.4 million in mid year (November) budget modifications.	NYC HHC provides medical, mental health, and substance abuse services to NYC residents, regardless of their ability to pay. HHC operates 11 acute care hospitals, 4 long term care facilities, 6 diagnostic treatment centers, a certified home health program, and more than 100 community based primary care, dental, child health clinics throughout the 5 boroughs.	
Interpreter Services	<u>\$336,286</u>	<u>\$0</u>	Interpreter services are currently available in select HHC hospitals participating in a demonstration: Bellevue, Gouverneur. In addition to hiring staff from the community, HHC has also employed Temis (a electronic interpreting system).	The FY'06 Executive Budget proposes to maintain funding to support the demonstration project to provide interpreter services in select HHC hospitals. Over 1.5 million city residents, 22% of the population speak little or no English.	Interpreter service demonstration projects began in 1999 at Gouverneur and expanded to Bellevue in 2004. A centerpiece of the demonstration project is TEMIS "Team Technology Enhanced Medical Interpreting Services. TEMIS provides remote medical interpretation in Spanish, Cantonese, Mandarin, Fukinese, Bengali to all outpatient clinics and 21 bed nursing facility at Gouverneur and Bellevue emergency services, ambulatory clinics, inpatient and procedure areas.	Add \$5 million to expand interpreter services in public hospitals of which \$1.7 million is for capital funding.

CHILD HEALTH AND MENTAL HEALTH

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Child Health Clinics	<u>\$5.08 million</u> \$3.2 million city \$1.8 million state	<u>(\$7.8 million)</u> (\$5.3 million) city (\$2.5 million) state \$0 federal	Child Health Clinics (now operated by HHC) are ambulatory care sites that have for decades provided preventive and primary care to children and adolescents from low-income, immigrant, and working families. In FY'04, there were 30 Child Health Clinics.	The FY'06 Executive Budget proposes to cut Child Health Clinics (CHC) by \$5.3 million in city funds. It is important to note that this funding appears in the DOHMH budget and is passed through to HHC for operation of the Child Health Clinics.	Every year since FY '99, the Council has restored resources for the CHCs and protected them from cuts and closures proposed by the Mayor. In FY '01, the Council restored \$2.1 million for the CHCs. In 2001, a Mayoral proposal to close 9 CHCs was defeated. In FY'02, the City Council restored \$2.1 million to offset the deficit incurred by the CHCs and added a one time \$1.5 million enhancement to address the needs of the clinics targeted for closure. HHC subsequently convened an advisory group comprised of agency officials and parent and public health advocates and developed a plan to invest enhancement funds in selected clinics. In the FY '03, the Council restored \$5.5 million for Child Health Clinics. In the FY '04, the City Council restored \$2.9 million in city funds to save 12 of the city's 30 Child Health Clinics operated by the Health and Hospitals Corporation, with state matching funds of \$1.6 million a total of \$4.5 million was restored for the Child Health Clinics (\$1 million lower than CFY03 funding levels). The FY'04 Budget cut \$3.1 million in city funds (triggering the loss of \$1.6 million in state funds) eliminating the DOHMH pass through to HHC to Communicare Clinics. Finally, in March 2004, the Mayor restored \$200,000 in funding for the Child Health Clinics in the existing city fiscal year. In FY'05 HHC plans to begin charging fees based on a sliding scale at Child Health Clinics. In FY'05 an agreement was reached between the City Council and the Administration to maintain services at child health clinics. Although the FY'05 Adopted Budget cut \$5.3 million in city tax levy, HHC protected and maintained services at the Child Health Clinics by drawing on a \$200 million enhancement added to HHC's overall budget.	Restore \$5.3 million for Child Health Clinics.
Adolescent Substance Abuse Treatment Clinics	\$0	<u>(\$1.55 million)</u> (\$1.55 million) city \$0 state \$0 federal	These clinics provide outreach, assessment, counseling, and after-school services to approximately 150 teenagers.	The FY'06 Executive Budget proposes to eliminate \$1.5 million in city funding for adolescent substance abuse clinics at Harlem and Lincoln Hospitals, which upon closure will result in a loss of services to approximately 150 teenagers.	The Adolescent Substance Abuse Clinic at Harlem Hospital was originally funded in FY'99 and opened in FY'00. The Adolescent Substance Abuse Clinic at Lincoln Hospital was originally funded in FY'00. In the FY'05 Adopted Budget the City Council restored \$1.5 million to ensure that these programs could continue to serve adolescents in need of treatment.	Restore \$1.55 million for substance abuse treatment services for adolescents.
HHC Pharmacies and Medication Waivers	\$0	<u>(\$2.4 million)</u> (\$2.4 million) city \$0 state \$0 federal	In 2001, HHC began to require families to pay a \$10 administrative pharmacy fee for each new prescription or refill, with a maximum of \$40 for four or more medications. This fee left many families who were unable to pay without medication.	The FY'06 Executive Budget proposes to reduce availability of administrative fee waivers for prescriptions needed by uninsured patients by cutting \$2.4 million. Without these resources, HHC will not be able to waive the administrative fee for families that are unable to pay, potentially jeopardizing the ability of children and families to receive the medication that they need.	In FY '02, the Council restored \$1.8 million cut by the Mayor and added \$1.2 million to enable HHC to waiver fees for more families. In the FY '03 adopted budget, the Council restored \$250,000 to this program. In FY'04, the Council restored \$713,000 to continue to provide uninsured families with administrative fee waivers for outpatient medication. In FY'05 the City Council restored in its entirety the proposed \$1.3 million in cuts to the program.	Restore \$2.4 million to waive the administrative fee for prescriptions for children and families.

CHILD CARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Administration for Children's Services (ACS)	\$2.15 billion \$623.1 million city \$516 million state \$1.015 billion fed	(\$65 million) (\$23 million) city \$36 million state (\$90.1 million) federal \$13 million IC	ACS provides Head Start services and child care subsidies to eligible children and families. ACS also investigates reports of abuse and neglect and responds to the immediate needs of children and at-risk families providing preventive services, protective services, foster care and adoption services. This section of the impact analysis discusses only child care program areas	The total FY'06 Executive Budget for ACS is \$65 million lower than the current modified budget for FY'05. Detail on all additions and reductions related to child care and Head Start services included in the Executive Budget for FY06 are provided below.		
Child Care Services:	Total: ACD and HRA Child Care	Total: ACD and HRA Child Care	ACD provides child care services to promote child development and school readiness and assist families achieve and maintain employment. Services are funded through vouchers and contracts with not-for-profit agencies, which are monitored to ensure program quality, fiscal integrity and environmental safety.	The proposed FY' 06 Executive Budget for child care services is \$38.4 million lower than the current modified budget for FY' 05 due primarily to significant reductions in federal child care resources. To make up for a shortfall of \$61 million that resulted from the State's FY'06 Adopted Budget, the FY'06 Executive Budget proposes utilizing \$20 million in previously unanticipated federal Community Development Block Grant funds and \$41 million from a federal Title IV-E settlement.	The FY'04 Budget for ACD reduced city funds for child care services by \$35 million (\$15 million of the cut was tied to restructuring and \$20 million to subsidy reductions and increased parent fees). The FY'04 Budget also targeted for transfer to DYCD, \$44 million in city funds for school age child care. In FY'04 only \$6 million of the \$44 million transferred to DYCD and \$30 million remained at ACD - due to implementation delays. The FY'05 Adopted Budget decreased child care funds at both ACD and HRA by \$86 million, through a combination of slot reductions, parent fees and the transfer of resources for school-age child care to DYCD as a part of the Mayor's Out-of-School-Time (OST) Initiative.	
ACS-Agency for Child Development (ACD)	ACD \$428.6 million \$149.7 million city \$6.9 million state \$272 million federal	ACD (\$43.7 million) (\$4.7 million) city \$3.6 million state (\$42.6 million) federal				
Human Resources Administration (HRA)	HRA \$254.8 million \$65.7 million city \$167.9 million state \$21.2 million federal	HRA \$5.3 million \$2.2 million city (\$.2 million) state \$3.4 million federal	HRA also provides child care subsidies to families receiving public assistance and those transitioning to work from welfare.			
Child Care Slots (Priority 7)		\$9 million \$9 million city \$0 state \$0 federal	Priority 7 slots represent two parent low-income working households.	The FY '06 Executive Budget proposes to baseline \$9 million in city funds for 2,500 Priority 7 slots.	In FY '04 and FY '05 the City Council restored \$9 million to maintain 2,500 Priority 7 child care slots.	Support the Executive Budget proposal to baseline \$9 million for Priority 7 slots.

CHILD CARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Parent Child Care Fees		<u>\$1.9 million</u> \$1.9 million city \$0 state \$0 federal		The FY '06 Executive Budget proposes to baseline \$1.9 million in city funds to ensure that parents with two or more children in subsidized child care do not face a fee increase.	In FY '04 and FY '05, the City Council restored a proposed \$1.9 million cut in city spending that would have resulted in an increase in parental fees for child care. The Council's restoration eliminated the proposed surcharge of up to 33% for parents with two or more children in subsidized child care.	Support the Executive Budget proposal to baseline \$1.9 million to avoid child care fee increases for parents.
Family Child Care Expansion		<u>(\$10 million)</u> (\$10 million) city \$0 state \$0 federal	These funds have been utilized to support a 1,400 expansion of family child care	The FY '06 Executive Budget proposes to eliminate \$10 million in city funds allocated by the City Council in FY '05 to support an expansion of child care slots for low-income children and families.	In FY '05, the City Council allocated \$10 million for a badly needed expansion of child care slots.	Restore \$10 million to maintain 1,400 child care slots established in FY '05.
School-Age Child Care: Delay in Out-of-School-Time (OST) implementation efforts		<u>\$40 million</u> \$25 million city \$0 state \$15 million federal		The FY '06 Executive Budget proposes to maintain \$25 million in city funds at ACS for school-age child care and to restore a \$15 million cut in city tax levy, (projected cost savings associated with the transfer of school age child care to DYCD and the OST initiative) with federal resources. The first phase of the OST initiative and the transfer of school-age child care classrooms is scheduled to commence July 2005.	In FY '04, the Out-of-School-Time initiative cut \$59 million in funds for school age child care from the ACS budget. \$44 million was to transfer to DYCD for afterschool programs as part of Mayor Bloomberg's Out-of-School-Time initiative. However, only \$6 million was actually transferred in FY '04. At the time the administration anticipated that this initiative would both serve additional children and reap a savings of \$15 million. The FY '05 Budget maintained in ACD, \$19 million of the proposed FY '04 transfer of \$44 million school age child care dollars to DYCD. The FY '05 Budget also added back \$15 in state and federal funding to address the \$15 million city tax levy cut to child care services, due to the delay in implementation of the OST Initiative. Originally scheduled to take place in September 2004, OST has a new start date of September 2005.	Delay the OST Initiative by one program year, to begin in July 2006 to allow for adequate planning and implementation that will not disrupt services for children and families.
Collective Bargaining for Child Care Employees	<u>\$20.54 million</u> \$20.54 million city \$0 state \$0 federal	<u>\$20.54 million city</u>		The FY '06 Executive Budget proposes to invest \$20.5 million in city funds to increase the salaries of employees in contracted child care programs.	These funds resolve a four-year labor dispute and provide a 14% salary increase for staff of the city's center-based subsidized child care programs over the term of the contract. More specifically, the contract provided a 9% general raise increase effective January 1, 2005, a one-time \$1,000 lump sum cash payment, a 3% general raise increase effective January 1, 2005, and a 2% general wage increase effective April 1, 2005 to be funded with productivity improvements to include an 11% reduction to the starting salary, a 3-day per year reduction in sick leave, and a 2-day per day reduction per year in annual leave for new hires.	Support the collective bargaining increase for child care employees.

CHILD CARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Head Start	<u>\$147.6 million</u> \$0 city \$0 state \$147.6 federal		Head Start is a federally funded program that provides early care and education to low-income children age 3 to 5 based on a model of developmentally appropriate care, prepares children for school by providing them with educational and social skills and works with the entire family to support children's development.	The FY'06 Executive Budget proposes to allocate \$147.6 million in federal funds for the Head Start program.	Head Start served approximately 18,500 children in 189 Head Start centers in 2003, and 19,000 children in 2005.	

EDUCATION

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Education (NYCDOE)	<u>\$13 billion</u> \$5.4 billion city \$5.9 billion state \$1.8 billion fed	<u>\$348.3 billion</u> \$277 million city \$118.5 million state (\$47.2 million) federal	There are over 1.04 million children in grades Pre-K through 12 in over 1,300 New York City public schools. The New York City Department of Education is currently divided into ten regions containing the 32 Community School Districts that oversee elementary, intermediate and junior high schools, and the seven High School Districts that encompass the five boroughs of New York City and specialized districts such as Alternative High Schools, the Chancellor's District and Citywide Special Education Programs.	The FY'06 Executive Budget increases the Department of Education's Budget by \$348.3 million in gross funds. Enrollment for the 2005 - 2006 school year is projected to be 1,085,584, a decrease of 9,825 from 2004 - 2005. Funding increases will be used to increase support to charter schools, and open additional small schools, expand gifted and talented education and provide support to English Language Learners.		
Universal Pre-Kindergarten	<u>\$ 165 million</u> \$18 million city \$147 million state \$0 federal	\$0	The Universal Pre-Kindergarten program provides a half-day of educational programming to four-year-olds regardless of income.	The FY '06 Executive Budget allocates \$18 million in city funds for Universal Pre-K. The SFY'06 Budget holds spending levels for Universal Pre-Kindergarten constant, rather than making funding available to serve all four-year-olds.	Universal Pre-Kindergarten was established by New York State law in 1997, entitling all four-year-olds whose families wish to enroll them to a slot in a Pre-K program by the 2001-2002 school year. In FY'01 and FY'02, the Governor and the Legislature underfunded this program, making universal access to this program impossible. In FY'01, the New York City Department of Education began supplementing state funds to increase the per pupil funding to meet local costs.	
New, Charter and Restructured Schools		<u>\$18.3 million</u> \$0 city \$18.3 state \$0 federal	These funds will support 10 new school openings and provide one-time funds for new charter schools.	The FY '06 Executive Budget allocates state funds of \$10.6 million for new school leases \$1.5 million and \$1.6 million for custodial needs and staff funding for 10 new schools, \$4.6 million in one-time funds for charter school start-up funds.	New initiative.	
New Small Schools, Young Adult Borough Centers (YABC) and the Learning to Work initiative		<u>\$49.5 million</u> \$0 city \$49.5 million state \$0 federal	Learning-to-Work Centers and YABCs are part of an initiative designed to provide under-credited students and over age students with alternative pathways to graduation, post-secondary education and careers. The program will include academic and youth development support services, work preparation, skills development and 2,000 subsidized internships. YABCs will serve the needs of students 17 years or older who have been in high school for at least 4 years, but are behind in credits.	The FY '06 Executive Budget allocates \$49.5 million in state funds for New and Restructured Schools (including Learning-to-Work Centers)	New Initiative.	

EDUCATION

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Early Grade Class Size Reduction and 3rd Grade Intervention	<u>\$ 35 million</u> \$35 million city \$0 state \$0 federal	<u>\$10 million</u> \$10 million city \$0 state \$0 federal	Early Grade Class Size Reduction seeks to reduce class sizes in grades K - 3. The 3rd grade intervention program provides specialized small group literacy, and math instruction during school hours. Out-of-school time math and literacy instruction, and books, materials and professional development are also provided to reinforce vocabulary development.D2	The FY '06 Executive Budget proposes to add \$10 million in city funds to the Early Grade Class Size Reduction program to support the increase in 3rd grade students resulting from the 3rd grade retention policy.	In FY '05, the City Council added \$10 in city funds to the Adopted Budget to lower class size in the early grades. In combination with \$25 million in city funds allocated by the Administration's third grade program, these funds were intended to allow the school system to maintain current 3rd grade class size while accommodating 11,000 held-back students and to reduce class size in grades K - 3 by forming the equivalent of 225 kindergarten to third grade classes and to provide interventions to third graders at risk of being held back. The state contributes \$89 million for a similar initiative aimed at reducing class size in grades k - 3, as part of the LADDER initiative that also funds Universal Pre-Kindergarten.	Support the Executive Budget proposal to provide \$10 million to reduced class size for retained third graders.
Middle School Interventions		<u>\$10 million</u> \$10 million city \$0 state \$0 federal	This program will provide intervention programs for eighth graders in danger of not being promoted.	The FY'06 Executive Budget proposes to add \$10 million in city funds to provide intervention programs for eighth graders.	New initiative.	Support the Executive Budget proposal to provide \$10 million for interventions for 8th graders at-risk of academic failure.
Resources for English Language Learners		<u>\$4.6 million</u> \$4.6 million city \$0 state \$0 federal	This initiative will provide resources for English Language Learner classroom libraries and interim assessments.	The FY '06 Executive Budget proposes to add \$4.6 million in city funds to support English Language Learners.	New initiative.	Support the Executive Budget proposal to provide \$4.6 million in resources for English Language Learners.
Additional Guidance Counselors and guidance counselor professional development		<u>\$6.0 million</u> \$6.0 million city		The FY '06 Executive Budget proposes to add \$2.7 million in city funds for additional guidance counselors and \$3.3 million for guidance counselor professional development. During the 2004 - 2005 school year the city had approximately 2,600 guidance counselors.		Support the Executive Budget proposal to provide \$6 million for additional guidance counselors and to provide guidance counselor professional development.
School Safety Agents	<u>\$157.8 million</u>	<u>\$13.4 million</u> \$13.4 million city \$0 state \$0 federal	The use of school safety agents is part of the DOE's plan to reduce school violence and ensure that schools are safe learning environments.	The FY '06 Executive Budget proposes to increase funds for school safety agents by \$13.4 million to pay for an additional 327 agents including 27 which will staff a random scanning unit and an additional 126 agents which will staff school facilities.	During the 2004 - 2005 school year the Police Department employed approximately 4,100 school safety agents.	Support the Executive Budget proposal to increase by \$13.4 million funds for school safety agents.
Special Education		<u>\$95.9 million</u> \$0 city \$95.9 million state \$0 federal	The DOE Special Education program is intended to provide specialized services to children with cognitive or physical disabilities in the Least Restrictive Environment.	The FY '06 Executive Budget allocates \$95.9 million in state resources for special education to more equitably provide services to school classrooms with students whose Individual Education Programs require paraprofessionals as well as to provide special education resources based on the number of special education classes rather than the number of students in a school.		

EDUCATION

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Teacher Mentoring Expansion	<u>\$7.1 million</u> \$7.1 million city \$0 state \$0 federal	<u>\$7.1 million</u> \$7.1 million city \$0 state \$0 federal	The teacher mentoring program provides professional development to newly hired or uncertified teachers. As intended, mentors have a network of 17 beginning teachers and meet once every five to six school days, visit in classrooms, conference and model quality lessons for new teachers as well as work with groups of new teachers.	The FY '06 Budget proposes to increase funds for Teacher Mentoring by \$7.1 million. The increase in spending will allow the Department of Education to provide teacher mentors to newly hired teachers during the 2005 – 2006 school year.		Support the Executive Budget proposal to allocate of \$7.1 million for Teacher Mentoring.
Gifted and Talented and Advanced Placement Expansion	<u>\$1.8 million</u> \$1.8 million city \$0 state \$0 federal	<u>\$1.8 million</u> \$1.8 million city \$0 state \$0 federal	These funds will be utilized to implement a citywide approach to gifted and talented education in elementary schools, and to expand Advance Placement offerings with emphasis on under-served communities and to maintain support for existing gifted and talented programs.	The FY '06 Executive Budget proposes to add \$1.8 million for gifted and talented programs and \$1.0 million for Advanced Placement to offer programs in under served districts. This will include opening at least 12 new self-contained programs and 30 new school-wide enrichment programs for elementary school students including Harlem, Washington Heights and City Island. These resources will also provide professional development for teachers in gifted and talented programs.		Support the Executive Budget proposal to expand gifted and talented and Advanced Placement programs by \$1.8 million.
Translation Unit Expansion	<u>\$5.3 million</u>	<u>\$2.8 million</u> \$2.8 million city \$0 state \$0 federal	This unit provides information to non-English speaking families, coordinates distribution of information and provides face-to-face interpretation at large DOE events.	The FY '06 Executive Budget proposes to add \$2.8 million to the DOE Translation Unit.	Created in September 2004. This unit replaced DOE's historical reliance on individual vendors for translation. In 43% of New York City homes the primary language spoken is not English.	Support the Executive Budget proposal to expand the DOE Translation Unit by \$2.8 million.

YOUTH DEVELOPMENT AND YOUTH EMPLOYMENT

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Youth and Community Development (DYCD)	<u>\$228 million</u> \$114 million city \$15.1 million state \$104.7 federal \$8 million intra city sales	<u>(\$26.5 million)</u> (\$11.8 million) city (\$162,833) other categorical (\$793,052) state (\$13.3 million) federal (\$324,395) intra-city sales	The Department of Youth and Community Development provides youth and adult programs through 2,106 contracts with community based organizations throughout NYC. This includes 458 youth programs city-wide.	The FY'06 Executive Budget proposes to reduce DYCD's total agency funding by \$26.5 million. Detail on cuts or additions included in the FY'06 Executive Budget for DYCD is provided below.	In FY'04 the city undertook an initiative to restructure Out-of-School Time (OST) Services. This included a shift of \$44 million in school age child care from ACS to DYCD (of which only \$6 million was transferred in FY'04). Additionally, in FY'04, the Department of Employment was eliminated and the Summer Youth Employment Program was transferred to DYCD.	
Out-of-School Time (OST) Services	<u>\$51.5 million</u> \$22 million city (YDDP) \$10.5 million city (After-Three TASC) \$19 million city (ACS school-aged child care)	(\$25 million) city is transferred back to ACS school-age child care, due to delay in OST implementation.	OST programs include after school, recreational and enrichment programs that provided academic assistance, sports, arts and cultural activities for youth between the ages of 6-21.	The FY'06 Executive Budget proposes to provide a total of \$51.5 million in city funds to support OST programs. In early 2005, DYCD released an RFP with a total of \$64 million which was approximately \$12.5 million lower than the initial proposal advanced in the FY'04 Adopted Budget. Additionally, the FY'06 Executive Budget shifts \$25 million back to ACS due to implementation delays. As of May 2005, awards have not been granted however, DYCD continues to anticipate a Sept. 2005 start date despite the following concerns: 1) lack of adequate funding to meet the demand for OST programs, 2) lack of transition planning and prep time between release of the awards and start date and 3) negative impact and destabilization of child care system.	In FY'04, the city initiated an effort to restructure the delivery of after school and youth services with a total of \$76.5 million (\$44 million ACS school age child, \$22 million YDDP and \$10.5 After-Three program). This included a \$15 million cut to ACS school age child care. Additionally, only \$6 million of the \$44 million in ACS funds was transferred in FY'04. The FY'05 Adopted Budget included \$45 million to support OST restructuring, approximately \$31 million lower than the initial proposal advanced in the FY'04 Adopted Budget. With \$6 million of the \$44 million already in DYCD, the city also shifted an additional \$19 million (for a total of \$25 million) to DYCD from ACS and held the remaining \$19 million at ACS due to a delay in the OST planning process.	Delay implementation of New York City's Out of School Time (OST) program for one year, maintaining current funding for YDDP and The After-Three program.
Youth Development and Delinquency Prevention Program (YDDP)	<u>\$22 million</u> \$11.6 million city \$10.4 million state \$0 federal	<u>\$10 million</u> \$10 million city \$0 state \$0 federal	YDDP funds have been incorporated into the OST Initiative to fund after school and youth programs. Previously, YDDP programs provided after school, summer and weekend youth development programs to children and youth at 252 sites throughout New York City, and offered 292,000 opportunities for youth.	The FY'06 Executive Budget proposes to baseline \$10 million in city funds for YDDP. These program funds were included in DYCD's request for proposal (RFP) for OST programs in early 2005. While the program is scheduled to begin Sept. 2005, awards are still pending as of April.	FY'01 was the first year that the Mayor proposed to maintain funding levels for YDDP. In FY'02 an additional \$2 million was allocated to support approximately 40 additional programs. Unfortunately these funds were cut in the November FY'02 budget modification. This cut stalled plans for the expansion of after school, weekend and summer programs. The FY'03 Budget maintained funding at FY'02 levels through a Council restoration of funding. In November, the FY'03 budget modification achieved \$749,000 in savings from surplus funds and accruals in the YDDP program. The FY'04 Budget reduced funding for YDDP by \$10 million. Subsequently, the Mayor restored \$10 million post budget adoption in the fall of 2003. In FY'05, the Council restored a \$10 million cut to YDDP which was incorporated into the OST initiative.	Support the Executive Budget proposal to baseline \$10 million for YDDP.

YOUTH DEVELOPMENT AND YOUTH EMPLOYMENT

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Total Miscellaneous Program cuts		(\$4 million) (\$4 million) city	The description of specific programs funded under this category, is provided below.	The FY'06 Executive Budget proposes to cut city funding for Miscellaneous Programs by a total of \$4 million. Detail on specific program cuts provided below.	Detail on historic cuts are provided below.	Restore a total of \$4 million for miscellaneous youth programs detailed below:
Youth programs such as Virtual Y, Sports and Arts, Institute For Student Achievement and Others		(\$2.7 million) (\$2.7 million) city \$0 state \$0 federal	The Virtual Y, is a literacy-based after school program that primarily serves second through fourth graders from 3:00 - 6:00 p.m. The Sports and Arts foundation programs combine academic assistance with sports and arts programming for youth city-wide. The Institute for Student Achievement (ISA) provides school based academic support and services for students at-risk of dropping out, working in partnership with 21 schools and serving over 3,000 students.	The FY'06 Executive Budget proposes to cut city funds by a total of \$2.7 million to 15 programs and community-based organizations that provide a range of after school, sports, and arts programming for youth city-wide. Over 5,000 youth rely on these out-of-school time programs each year.	In 1997 the Virtual Y was created through a partnership with the YMCA and the NYC Board of Education. \$3.7 million was restored by the Council in FY'02 for Virtual Y and Institute for Student Achievement (ISA) programs. The FY'03 November Budget Modification restored \$1.9 million to baseline youth programs, \$50,000 of which was restored for Virtual Y programs. The FY'03 Budget maintained funding for the Virtual Y which will result in the support of 19 programs serving 2,280 students. In FY'04, the Council restored \$130,000 for Virtual Y, \$130,000 for ISA programs, and \$692,000 for other programs including Sports and Arts. The FY'05 Adopted Budget restored \$2 million in funding for these programs. The FY'05 Adopted Budget restored \$2 million and added \$267,000 to these programs.	Restore \$2.7 million for the Virtual Y, Sports and Arts, and Institute for Student Achievement.
Street Outreach and Neighborhood Youth Alliance		(\$1.3 million) (\$1.3 million) city \$0 state \$0 federal	Street Outreach provides referrals for youth at risk for homelessness and Neighborhood Youth Alliance provides youth leadership opportunities for youth in local communities.	The FY'06 Executive Budget proposes to cut city funding by a total of \$1.3 million to Street Outreach and Neighborhood Youth Alliance.	Funding was maintained for this program in FY'01. In FY'02, the Mayor proposed to eliminate this program and the City Council fully restored funding. The FY'03 Adopted Budget maintained funding for Street Outreach and Neighborhood Youth Alliance. The Council restored \$968,000 in the FY'04 and FY'05 Adopted Budget.	Restore \$1.3 million for Street Outreach and Neighborhood Youth Alliance.
City Council Discretionary Funds		(\$5.2 million) (\$5.2 million) city \$0 state \$0 federal	These funds are used by Councilmembers to support over 1,000 youth programs city-wide. (\$102,714 per council district in CFY 05)	The FY'06 Executive Budget proposes to eliminate \$5.2 million in city funds for City Council discretionary resources that are used to fund youth development and after school programs.	These funds have been cut by the Mayor for the past five years and the City Council restores this funding each year. In FY'01, the Council restored \$4.7 million for Council and Borough President discretionary funding. In FY'02, FY'03 and FY'04, the Executive Budget proposed a cut of \$3.2 million which the City Council restored in full. The FY'05 Adopted Budget restored \$3.2 million and provided an enhancement of \$2 million or an additional \$40,000 per district for a total of \$5.2 million in City Council discretionary funds.	Restore \$5.2 million for discretionary youth programs.
Helping Involve Parents in Schools Project (HIP Schools)		(\$700,000) (\$700,000) city \$0 state \$0 federal	HIP Schools is a web-based system to enable parents, teachers, and principals to interact in order to improve student performance.	The FY'06 Executive Budget proposes to cut \$700,000 in city funds for HIP Schools.	The Council added \$700,000 in the FY'05 Adopted Budget for HIP which allowed for both the maintenance and expansion of this program.	Restore \$700,000 for HIP schools.

YOUTH DEVELOPMENT AND YOUTH EMPLOYMENT

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
After-Three Program (TASC)	<u>\$10.5 million</u> \$10.5 million city \$0 state \$0 federal	<u>\$2.5 million</u> \$2.5 million city \$0 state \$0 federal	The After-Three program is an after school program administered by The After School Corporation (TASC) that provides school-based after school programs in 135 schools for 35,000 youth. The After-Three program administered by TASC, began in 1998 as an effort to leverage private dollars to fund after school programs with a 3 to 1 match of city tax levy to TASC funding.	The FY'06 Executive Budget proposes to baseline \$2.5 million in city funds for the After-Three program. These funds have been included in DYCD's RFP for OST programs which was released in early 2005.	TASC, began in 1998 an effort to leverage private dollars to fund after school programs with a 3 to 1 match of city tax levy to TASC funding. In FY'01, the Council restored \$7.5 million to the After Three program and added \$3 million to expand services. In FY'02, the Council fully restored \$10.5 million preventing the elimination of the program. The FY'03 Adopted Budget maintained the After-Three program at FY'02 funding levels. The Council again restored \$1.5 million in the FY'03 November Budget Modification. In FY'04, the Mayor restored \$2.5 million for the After-Three program prior to the budget adoption thereby rescinding the proposal to eliminate 20-25 programs. The FY'05 Adopted Budget restored \$2.5 million to After-Three programs city-wide.	Support the Executive Budget proposal to baseline \$2.5 million for the After-Three program.
Youthlink		<u>(\$102,000)</u> (\$102,000) city \$0 state \$0 federal	Youthlink is a drug and truancy prevention program with 10 sites city-wide.	The FY'06 Executive Budget proposes to cut city funds by \$102,000 for the Youthlink program. Youthlink serves young people between the ages of 10 and 21 who have dropped out of school or are at-risk for dropping out and for substance abuse. Youthlink creates a unique collaboration between the NYPD and community-based organizations by placing a youth worker in partnering precincts. Youth are offered a broad range of services including: counseling, substance abuse education workshops, recreational and cultural activities, educational/vocational and career counseling in addition to health education programs and services.	In FY'04, the Council restored \$341,000 for Youthlink and in FY'05, the Council restored \$102,000.	Restore \$761,000 for Youthlink.
Drug Prevention, Runaway and Homeless Youth Programs		<u>(\$761,000)</u> (\$761,000) city \$0 state \$0 federal	Runaway and Homeless Youth Programs consist of a network of over 19 programs throughout New York City including crisis shelters, outreach and drop-in centers, and transitional and family homes. Youthlink is a drug prevention program.	The FY'06 Executive Budget proposes to cut city funds by \$761,000 for 13 drug prevention and 3 street outreach programs. This represents a 10% cut to these programs.	The City Council restored \$863,000 in FY'04 for Runaway and Homeless Youth programs.	Restore \$761,000 for all runaway and homeless youth programs and add \$2.5 million to support the City Council initiative to provide emergency shelter beds for homeless youth who are lesbian, gay, bisexual, transgender and questioning.

YOUTH DEVELOPMENT AND YOUTH EMPLOYMENT

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Beacon Schools	<u>\$41.2 million</u> \$27.1 million city \$653,000 state \$1.3 million federal	<u>\$10.5 million</u> \$8.1 million city \$653,000 state \$1.3 million federal	The Beacons were established in 1991 to develop schools as a community resource before and after school, on weekends, and during school vacations. 80 Beacons serve over 159,000 youth city-wide.	The FY'06 Executive Budget proposes to baseline \$8.1 million in city funds for Beacon programs. Additionally, DYCD will achieve a savings of \$1.9 million in FY'06 and the outyears through the identification of children who are participating in the Beacon School program and who are also receiving Public Assistance and are receiving Temporary Assistance to Needy Families (TANF) funds as a result of this enrollment. DYCD expects to identify 6,800 eligible youth in FY'06 and as a result claim \$653,000 in state and \$1.3 million in federal funding.	Originally funded at \$450,000 annually, each of the 80 Beacon programs now receive \$400,000, while the number of youth that each Beacon must serve has increased to 1,700 per year, an increase of 100% in the decade since they were founded. Funding for individual Beacons has declined by more than 10% since '91, even as overall costs have risen and contract requirements have increased. In FY '01, 02 and 03 the Adopted Budget maintained funding for the Beacon Schools Program. In the FY'03 November Budget Modification the Council restored \$2.7 million for Beacons. In FY'04, the Council restored \$8.1 million which prevented a cut of \$100,000 to each of the city's 80 Beacons. The FY'05 Adopted Budget also restored \$8.1 million to the Beacon program.	Support the Executive Budget proposal to baseline \$8.1 million and ADD \$12 million to enhance and strengthen 80 Beacon School programs including: \$3 million to expand preventive services; \$5 million to expand program hours and reduce youth gang involvement; and \$4 million to waive the \$50,000 school opening fee currently paid by each Beacon to the Department of Education.
Summer Youth Employment (SYEP)	<u>\$41.9 million</u> \$17.6 million city \$15 million state \$9 million federal (WIA and other Public Assistance funds)	<u>\$17.4 million</u> \$11.4 million city \$6 million state	SYEP provided 39,000 young people with summer jobs in FY'04. SYEP provides teens with real on-the-job experience and helps prepare them for their future careers. SYEP brings greatly needed influx of funds to low-income communities. Many city services rely on young people participating in the summer employment program to enhance staffing - youth work in community centers, centers for the aging, and summer camp programs.	The FY'06 Executive Budget proposes to baseline a total of \$11.4 million in city funds for SYEP to again serve 33,000 youth which takes into account the increase in the minimum wage from \$5.15 to \$6.00 per hour. Without these funds, the number of slots funded by city tax levy would have decreased by 6,000 (from 16,000 to 10,000) this summer. With approximately 70,000 applications received last year, the city has not been able to support the full demand for summer jobs.	In FY'01, the city funded 50,000 jobs with \$7.2 million in city funding plus federal Workforce Investment Act (WIA) funds and \$22 million in state funding. In FY'02, the Mayor allocated \$10 million in city funding for summer jobs for youth which supported approximately 20,000 summer jobs in the summer of 2002. The FY'03 November Budget Modification replaced \$2 million in city funding with state and federal TANF funds. The FY'03 Budget restored \$2.1 million to the Summer Jobs for Youth Program (SYEP) and enhanced city funding by an additional \$8 million. This allocation was on top of the \$7.9 million in the agency's budget which historically supported the LEAP/JOY program. The FY'04 Budget eliminated the Department of Employment (DOE) and transferred funds for youth employment services from the DOE to DYCD. In FY'04, the City Council restored a \$10 million reduction which enabled the city to serve 39,000 youth for a total of \$42.2 million- \$16.2 in city funding, \$15 million state and \$11 million WIA. The FY'05 Adopted Budget restored \$10 million and added \$1.4 million in city funds which (when combined with state and federal funds and a reduction of the work week from 30 to 26 hours) served approximately 34,000 youth.	Support the Executive Budget proposal to baseline \$11.4 million for SYEP and ADD \$8.8 million to expand the summer youth employment program to serve 7,000 more youth and bring the total number of summer jobs back to 40,000.
Department of Cultural Affairs Urban Adventure Initiative	<u>\$0</u>	<u>\$0</u>	This program would partner cultural institutions with community-based organizations to provide after school and youth development opportunities in the arts and sciences.	The Urban Adventure Initiative is new program proposed by the City Council in FY 06 that would create additional youth development opportunities for youth ages 11-14.		Add \$25 million to support the City Council's proposal to create the Urban Adventure Initiative and provide New York City youth ages 11-14 with enrichment and learning opportunities in the arts and sciences.

JUVENILE JUSTICE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Probation	<u>\$79.5 million</u> \$59.8 million city \$15.9 million state \$3.7 million federal	<u>\$193,177</u> (\$2.4 million) city (\$381,571) state (\$463,047) federal \$3.47 million intra city sales	The Department of Probation monitors and enforces conditions of probation. The Department is required to supply information and recommendations to the courts on both adult and juvenile cases. Pre-sentence investigations are prepared for the Family Court to aid in the decision making on delinquency, Persons in Need of Supervision, custody visitation and abuse and neglect cases. The Department provides intake services, investigation and or probation supervision for more than 21,000 juveniles each year.	The proposed FY '06 Executive Budget is \$193,177 higher than the FY'05 current modified budget for DOP. Detail on all cuts or additions included in the FY'06 Executive Budget for DOP is provided below.	The FY'03 adopted budget eliminated several programs for youth including the Juvenile Alternative to Court Program, Juvenile Community Service Unit, and the Juvenile Substance Abuse and Violence Deterrence Program, all of which worked to decrease recidivism. The '04 adopted budget proposed to merge the Department of Probation with the Department of Corrections.	
Alternative-to-Placement Initiative	<u>\$5.8 million</u> \$5.8 million city \$0 state \$0 federal	<u>\$2.8 million</u> \$2.8 million city \$0 state \$0 federal	Alternative to Placement programs provide an alternative to out-of-home placements in OCFS detention facilities. Youth are supervised in a home-based setting and are connected to services within their community.	The FY '06 Executive Budget proposes to increase city funding by \$2.8 million for Alternative to Placement (ATP) programs (Esperanza and Enhanced Supervision Program) beginning in CFY 06 and the outyears to continue expansion from 150 to 591 juveniles served beginning in FY 05 and the outyears. A corresponding savings is expected to occur in DJJ's budget because as more youth are accepted into the ATP programs, DJJ will be sending fewer youth to State facilities.	The programs which supervised 150 juveniles in FY 04, were targeted for expansion in FY 05 and the outyears, when capacity increased to 591 (375 in ESP and 216 Esperanza). In FY 05, funding was increased by \$1.9 million to support this increase.	Support the Executive Budget proposal to add \$2.8 million to expand Alternative-to-Placement programs.
Department of Juvenile Justice	<u>\$99.3 million</u> \$68.8 million city \$29.6 million state \$797,749 federal \$99.3 intra-city sales	<u>(\$19,559)</u> \$1.6 million city \$625,000 state (\$85,399) federal - c.d. (\$2.1 million) federal-other	The Department of Juvenile Justice provides detention, post detention and delinquency prevention services to juveniles ages 7 to 15 in New York City. The Department operates three secure detention and 14 non secure detention facilities located throughout the City.	The FY'06 Executive Budget proposes to reduce total agency funding for DJJ by \$19,559. Detail on all cuts or additions in DJJ is provided below.	In FY+Ar' 03, DJJ's total agency budget was \$107.8 million and in FY'02 \$103 million. DJJ's Adopted Budget for FY'04 was \$99.4 million.	
Non-secure Detention (NSD)	\$15 million \$7.5 million city \$7.5 million state \$0 federal	<u>\$1.35 million</u> \$679,000 city \$679,000 state \$0 million federal	Non-secure detention provides 24 hour supervision for youth awaiting hearings on delinquency charges and PINS petitions in a group home setting.	Details on increases to non-secure detention are outlined below:	As a result of a shortage of non-secure detention beds, DJJ began placing NSD eligible youth in secure detention in the late nineties. The Jamie B. lawsuit was brought against the city and state to challenge the practice. Subsequently a settlement required the city to increase the number of beds to 176.	Support the Executive Budget proposal to add \$1.3 million for non-secure detention programs.

JUVENILE JUSTICE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Increases in NSD contracts		\$1.04 million \$523,500 city \$523,500 state \$0 federal		In the FY'06 Executive Budget, DJJ anticipates a slight increase to the non-secure detention budget over the next few years due to changing operation costs.	<p>Between 1998 and 2001, DJJ opened an additional five group homes for a total of 152 non-secure detention beds. The FY'03 November Budget Modification achieved \$937,000 in savings from accruals related to the delay in implementing 2 new non-secure detention contracts and the elimination of 2 contracts for the remainder of the year. This action eliminated 25 non-secure detention beds. The FY'03 Adopted Budget created two new group homes capable of housing 24 juvenile detainees. The allocation was matched by \$1 million in state funds.</p> <p>The FY'04 Budget realizes \$1.16 million in total savings of which \$450,000 is tied to delays in non-secure detention contract renewals (each with 12 beds) and \$1.16 from the elimination of two non-secure detention (NSD) contracts (25 beds).</p> <p>In the FY'05 Adopted Budget increases the number of non-secure detention beds, to 176 from 153 with the following actions: the addition of 1 NSD contract for 12 beds and the implementation, of 2 previously delayed contracts for another 11 beds to comply with the Jamie B. settlement. The FY'05 Executive Budget also provides funding for an additional 10 DJJ</p>	
Houseparent title conversion and additional NSD staff		\$312,000 \$156,000 city \$156,000 state \$0 federal		Currently, staff who care for youth in non-secure detention are known as "houseparents" who work a 12 hour shift. The FY'06 Executive budget will eliminate this title and replace it with congregate care specialist. Because congregate care specialists only work an 8 hour shift, more staff are required. As a result, the Executive Budget adds 10 positions to DJJ's headcount with an associated cost of \$312,000 in FY 06. This expense will be covered by 50% in state funds, and 50% through an existing surplus in the agency's OTPS budget.		

JUVENILE JUSTICE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Secure Detention	<u>\$36.6 million</u> \$18.3 million city \$18.3 million state \$0 federal	<u>\$4.4 million</u> \$2.2 million city \$2.2 million state \$0 federal	DJJ runs three secure detention centers in the city for alleged juvenile delinquents awaiting their hearings in Family Court and alleged juvenile offenders awaiting trial in the Youth Part of Supreme Court. At present, there are three secure detention facilities in New York City, for a total of 400 beds. The facilities are called Bridges Juvenile Center (previously Spofford), Horizon Juvenile Center and Crossroads Juvenile Center.	The FY'06 Executive Budget proposes to add \$2.2 million in city funds to increase DJJ's juvenile counselor (JC) headcount by 200 bringing the total number of JCs to 522. This increase addresses persistent shortfalls in staffing that have led to low morale, high-turnover and high sick leave rates for the existing 322 juvenile counselors. Five data entry personnel will also be added. The cost is split evenly between DJJ and the State which shares juvenile detention costs 50-50. The city's share will be funded internally through a combination of an existing surplus in DJJ's Other Than Personal Services (OTPS) budget and overtime savings derived from an increase in the JC workforce.	Until 1998, Spofford Juvenile Center in the Bronx was New York City's sole secure detention facility for juveniles. It was located in an antiquated building ill suited to provide appropriate residential care to juveniles. After ten years of planning, the city built two smaller state-of-the-art secure detention facilities, each with a capacity to hold approximately 125 youth. DJJ opened Horizon Juvenile Center located in the Mott Haven section of the Bronx and Crossroads Juvenile Center, in Brownsville, Brooklyn. That same year, due to the record numbers of juveniles being admitted to secure detention, the City opened an adult prison barge to house another 100 juveniles. The city gave up the barge in the fall of 1999 and secured \$7.7 million in city tax levy dollars to refurbish two wings in the former Spofford building. This facility was renamed Bridges Juvenile Center and was reopened at the beginning of 2000. Bridges is an intake/admissions facility with a capacity of up to 150 beds. Bridges also houses youth awaiting transfer to facilities operated by the New York State Office of Children and Family Services. After intake at Bridges, youth who remain in DJJ's custody for longer than 10 days are transferred to Horizon Juvenile Center or Crossroads Juvenile Center. The city had also been planning to build capacity for 200 new beds at both Horizon and Crossroads Juvenile Centers; however these plans have been postponed as a result of the removal of \$56 million in capital funds from the city budget in FY'02. The FY'05 Adopted Budget reflected a reduction of 26 staff positions in secure detention for its food services operation.	Support the Executive Budget proposal to add \$2.2 million to hire 200 more juvenile counselors.
Discharge Planning Services	\$400,000 city	(\$500,000) city	Formerly known as the Community-Based Intervention (CBI) program, DJJ now uses these funds to provide discharge planning services to youth in care.	The FY' 06 Executive Budget proposes to reduce funding for CBI's by \$500,000. In previous years, DJJ provided approximately 750 youth per year with both preventive and aftercare services. In FY'06, DJJ intends to use these funds solely for discharge planning services in an effort to connect youth with community-based services in areas such as substance abuse counseling, family and peer mediation, mental health, recreation and education prior to release.	In FY'01, the Council restored \$479,000 and added \$450,000 for Community-Based Intervention programs. In FY'02, the Council restored \$929,000 for this program. The FY'03 Budget restored \$750,000 for CBI programs. In FY'04, the City Council partially restored funds at \$500,000 to fund preventive and aftercare services with 5 community based mental health providers (one in each of the 5 boroughs) and two youth service providers (Boys and Girls Harbor and the Police Athletic League). In FY'05, the City Council again partially restored funds at \$500,000.	Restore \$500,000 and add \$1 million to support the City Council's proposal to expand discharge planning services.
Re-estimate in Payments to the Office of Children and Family Services (OCFS)		(\$964,000) city	The city pays 50% of the cost of placing youth from NYC in state detention facilities.	The Executive Budget proposes to achieve savings of \$964,000 annually beginning in FY 2006 due to a projected decline in the number of youth transferred to OCFS detention facilities.	In FY 05, DJJ estimated \$660,000 in lower payments to OCFS due to a projected decreased in the secure detention population.	

HOUSING AND HOMELESSNESS

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Homeless Services	<u>\$706.28 million</u> \$294.9 million city \$210.79 million state \$169.47 million federal \$31.12 million IC	<u>(\$23.35 million)</u> (\$3.04 million) city (\$3.3 million) state (\$17 million) federal	DHS provides emergency housing and outreach services for homeless families and single adults. In addition, DHS has implemented a prevention and permanency strategy for families at risk of homelessness and homeless families transitioning to permanent housing.			
New Intake Facility for Homeless Families (Capital)	<u>\$28 million</u> \$28 million city \$0 state \$0 federal	<u>\$28 million</u> \$28 million city \$0 state \$0 federal	This capital appropriation (total for 2006/2007) will be used to rebuild the Emergency Assistance Unit for Homeless Families converting this facility into a safe, secure, clean and sanitary office environment that is properly sized and laid out to meet the demand of families applying for shelter. (NYCSMP EAU and ED Report June 2004)	The FY '06 Executive Budget proposes to appropriate \$28 million in city funds for a new intake facility for families seeking shelter. This appropriation is consistent with DHS' Strategic Plan and recommendations set forth by the Family Homelessness Special Master Panel. The new facility is expected to be completed by 2007.	New Initiative.	Support the construction of a new Emergency Assistance Units for homeless families.
Family Shelter Operations (PS and OTPS)	<u>\$404.54 million</u> \$142.5 million city \$99.62 million state \$154.32 million federal \$8.09 million CDBG	<u>\$20.3 million</u> (\$8.8 million) city \$15.47 million state \$11.53 million federal \$8.09 million CDBG	The Department of Homeless Services contracts with over 40 shelter, hotel and scatter site providers to provide transitional housing for over 8,000 families and 14,000 children.	The FY '06 Executive Budget proposes to increase Family Shelter operations by over \$20 million as a result of increased funds from state and federal sources. The increased funds provide support for a variety of programs outside of shelter services including DHS' prevention initiatives and Office of Client Advocacy.	DHS' continues to provide shelter to eligible families through its contracted Tier II provider network. At the same time, DHS continues to enhance its prevention programs to help families avoid homelessness. This strategy is consistent with recommendations set forth by the New York City Family Homelessness Special Master Panel.	

HOUSING AND HOMELESSNESS

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Upgrade of Computer Network including integrated Client Tracking System (CTS) (Capital)	\$16.2 million (4 year Capital Plan) \$16.2 million city \$0 state \$0 federal	\$16.2 million (4 year Capital Plan) \$16.2 million city \$0 state \$0 federal	The Department of Homeless Services will upgrade its Client Track System (CTS) to improve efficiency and data collection with interagency data match capabilities and shelter information reporting.	The FY '06 Executive Budget proposes to allocate \$16.2 million in capital funds over 4 years to upgrade DHS' Client Tracking System. Technological upgrades will help DHS coordinate services with other city agencies and contracted shelters to assist families with shelter eligibility and to help families move from shelter to permanent housing as quickly as possible. This appropriation is consistent with DHS' Strategic Plan and recommendations set forth by the Family Homelessness Special Master Panel.	New Initiative.	Support DHS' plan to upgrade its computer system and serve families better.
Legal Services for the Poor (Office of Criminal Justice Coordinators)	\$0 city \$0 state \$0 federal	(\$402,000) (\$402,000) city \$0 state \$0 federal	Legal Services for the Working Poor	The FY '06 Executive Budget proposes to eliminate \$402,000 in city funds for legal services that help prevent families from becoming homeless.	The FY'05 Adopted Budget appropriated funding to support civil legal services provided by the following four (4) organizations: Northern Manhattan Improvement Corp.; CAMBA Legal Services; Urban Justice Center; and Housing Conservation Coordinators. Each Organization received \$100,500. Services provided include: Assistance in preventing eviction and foreclosure; improvement of living conditions and removal of hazardous housing conditions; housing code enforcement actions; tenant organizing; assistance to families seeking emergency grants or disability assistance; protection from workplace abuses; harassment of fair wage and hour laws; consumer protection from creditors, legal representation of domestic violence survivors, and recovering of illegal rent changes.	Restore \$402,000 for civil legal services for low income working families.
Civil Legal Services (Office of Criminal Justice Coordinators)	\$0 city \$0 state \$0 federal	(\$2.75 million) (\$2.75 million) city \$0 state \$0 federal	Civil legal services for low income families and families on public assistance.	The FY '06 Executive Budget proposes to eliminate \$2.75 million in city funds for civil legal services. This appropriation funds legal services and assistance for low income families and families on public assistance. Among these services are anti-eviction legal services for families at risk of becoming homeless.	Legal services to prevent evictions and help families avoid homelessness have been traditionally funded by the City Council year after year. This funding along with funding in the Department of Housing Preservation and Development have been reduced every year by the Mayor and restored every year by the Council.	Restore \$2.75 million for civic legal services that help prevent homelessness.

HOUSING AND HOMELESSNESS

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Housing Preservation and Development 4 Year Capital Plan	<u>\$525.5 million</u> \$101.17 million city \$14.43 million capital IFA \$892,852 state \$400.05 million federal \$9.38 million IC <u>\$1.615 Billion</u> \$1.148 Billion city \$447 million federal \$20 million private	<u>(\$39,516,872)</u> (\$14,831,265) city (\$25,000) state (\$24,561,292) federal (\$459,315) IC	HPD is responsible for the preservation, expansion and development of housing stock in New York City.			
Anti-Eviction and SRO Legal Services	\$0 \$0 city \$0 state \$0 federal	<u>(\$2.5 million)</u> (\$2.5 million) city \$0 state \$0 federal	This program provides services to low income families and individuals at risk of eviction.	The FY '06 Executive Budget proposes to eliminate \$2.5 million in city funds for anti-eviction legal services for 16 legal services programs that provide a variety of legal services to families and individuals in all five boroughs.	In an effort to consolidate anti-eviction legal services funding into one agency, several legal services programs were transferred to the Department of Homeless Services in the FY '04 adopted budget. In FY'05, the City Council chose to restore this funding but transferred it back to HPD from DHS. This funding supports the following 16 legal services programs including Brooklyn Legal Services A, South Brooklyn Legal Services, Goddard Riverside, LAS/Civil Division (Bronx, Brooklyn, Queens, and SI), Legal Services Community Law Office, MFY Legal Services, LSNY (Manhattan, Bronx and Brooklyn), and Legal Services Corp (Queens and Bed-Stuy), and Harlem Legal Services.	Restore \$2.5 million in anti-eviction and SRO legal services.
City-Wide Task Force on Housing Court (HPD)	\$0 \$0 city \$0 state \$0 federal	<u>(\$350,000)</u> (\$350,000) city \$0 state \$0 federal	The Citywide Task Force on Housing Court provides housing court assistance to families on site. The Task Force also administers a housing court hotline.	The FY '06 Executive Budget proposes to eliminate \$350,000 in City funds that supports the City-Wide Task Force on Housing Court. This program provides information services for tenants and small landlords in the City's Housing Courts. Information available include housing court procedures, referrals to legal services, and other services to assist in eviction prevention.	The City Council continues to restore funding for the City Wide Task Force on Housing Court which the Mayor has eliminated in his Executive Budget every year in the past three years.	Restore \$350,000 to support the Citywide Task Force on Housing Court.
Community Consultant Contracts	\$0 \$0 city \$0 state \$0 federal	<u>(\$1.03 million)</u> (\$1.03 million) city \$0 state \$0 federal	Community Consultant Contracts help families avoid homelessness by providing information to families regarding housing rights and available housing assistance.	The FY '06 Executive Budget proposes to eliminate \$1.03 million in City funds for Community Consultant contracts. This funding supports 57 community based organizations that receive grants ranging from \$8,105 to \$41,189. Activities supported by this funding include: informing families and individuals of housing rights and the availability of housing assistance including: tenant organization, code enforcement advocacy, housing court assistance, apartment repossession, and other housing related public education.	The City Council continues to restore this funding which the Mayor has eliminated in his Executive Budget every year for the past three years.	Restore \$1.03 million to support community consultant contracts.

HOUSING AND HOMELESSNESS

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Housing Subsidy Security Program	\$0 \$0 city \$0 state \$0 federal	\$0 \$0 city \$0 state \$0 federal	Create a Housing Subsidy Security Program for 2,500 low-income working families, in the form of rent subsidies and mortgage assistance, who spend more than 50% of their income on rent.	Working families would contribute 30% of their adjusted income towards rent/mortgage and the subsidy would make up the difference up to the Fair Market Rent established by HUD annually. Income eligible working families would remain eligible for a subsidy for up to eight years. CCC estimates that over 60,000 families in New York City would be eligible for this housing subsidy. This amount is calculated based on the maximum subsidy of \$8,000/family.	N/A	Add \$21.8 million (city share) to create a Housing Subsidy Security Program for working families.
New York City Affordable Housing Trust fund	<u>\$130 million</u> \$130 million (city BPC) \$0 state \$0 federal	<u>\$130 million</u> \$130 million (city BPC) \$0 state \$0 federal	Create a NYC Affordable Housing Trust (HTF) with a dedicated and recurring funding source able to leverage funds from private funding sources.	The HTF can fund one or a full range of affordable housing activities that may include: capital construction grants/or loans to develop new units and preserve and renovate existing units; project based rent subsidies; and/or low interest, forgivable or deferred loans to homebuyers. Possible sources for dedicated revenue that can provide an annual appropriation for the NYC Affordable Housing Trust Fund include: Battery Park City surplus fund; a mortgage recording tax on co-ops (for which we advocate for the state to authorize); and revenue generated from new municipal capital projects.	In April 2005, the Mayor proposed to create an Affordable Housing Trust fund supported by \$130 million in Battery Park City surplus funds within the next four years. This commitment follows through on a long standing agreement between the city and the state which called for the commitment of battery park city surplus, if any, to the development of affordable housing. At the time of the agreement, Battery Park City did not generate surplus. However, in recent years, surplus for BPC has averaged well over \$50 million a year which until recently, was all diverted into the City's general fund.	Support the Mayor's proposal to use \$130 million of Battery Park City surplus for affordable housing development and preservation and create a "true" trust fund by committing on-going BPC surplus beyond four years.

INCOME SECURITY FOR FAMILIES AND CHILDREN

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Human Resources Administration (HRA)	<u>\$7.20 billion</u> \$5.27 million city \$1.05 million state \$890.96 million federal \$768,268 IC	<u>\$9.64 million</u> \$118.72 million city (\$9.44 million) state (\$99.67 million) federal	HRA provides a wide range of emergency and long term benefits and supports for low income families including public (financial) assistance, medical assistance, food stamps, and shelter and supportive housing services for domestic violence survivors, people with HIV/AIDS and the elderly.	HRA's total FY '06 Executive Budget is \$9.6 million higher than the current modified budget for FY'05. Detail on additions and reductions included in the Executive Budget are provided below.		
Family Assistance Payments	<u>\$852.28 million</u> \$213.07 million city \$213.07 million state \$426.14 million federal	<u>(\$2.87 million)</u> (\$717,000) city (\$717,000) state (\$1.43 million) federal	Family Assistance (FA) is a city, state, and federally (TANF) funded public assistance program serving families with dependent children. Safety Net Assistance (SNA) is a state and city funded program that serves single adults and families and children who are ineligible for FA assistance including those who have reached the five-year federal time limit.	The FY '06 Executive budget projects \$717,000 in City savings as a result of Family Assistance caseload declines. Decreasing unemployment rates (4.6% in March 2005) and the large number of families who have reached their time limits on federal case assistance have contributed to the shrinking family assistance caseloads. In March 2005, there were a total of 84,960 households including 139,165 children on family assistance representing a small decrease of 4,613 families including 7,062 children in March 2004.	New York City continues to aggressively work to move families from welfare to work. A recent initiative just underway is the WeCARE program for households that exhibit barriers to employment. Through this new program, HRA would evaluate clients and identify barriers to work including an untreated or unstable medical, mental health or substance abuse condition or physical disability to determine employability. With the implementation of this program, HRA expects to continue to decrease the public assistance caseload.	
Safety Net Assistance Payments	<u>\$421.05 million</u> \$210.55 million city \$210.55 million state	<u>\$18 million</u> \$9 million city \$9 million state		The FY '06 Executive budget projects \$9 million in increased costs related to the increasing number of families and individuals receiving safety net assistance. Families who have reached the five year time limit on Family Assistance are transferred to the Safety Net Assistance program. This program continues cash grants at the same level as the Family Assistance Program but it is paid for without federal participation. In March 2005, there were 40,047 households including 85,523 children on Safety Net Assistance. This represents a slight increase of 2,025 households from March 2004.		

INCOME SECURITY FOR FAMILIES AND CHILDREN

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Legal Services for Earned Income Tax Credit	\$0 \$0 city \$0 state \$0 federal	(\$765,000) (\$765,000) city \$0 state \$0 federal	To provide legal services to families erroneously denied the EITC.	The FY '06 Executive Budget proposes to eliminate \$765,000 in city funds used to provide legal services to families that have been erroneously denied the Earned Income Tax Credit.	Over 800,000 families are eligible for the Earned Income Tax Credit in New York City. First funded in FY '05, this program provides legal assistance to families eligible for the EITC including families erroneously denied this tax credit.	Add \$1 million to provide outreach and filing assistance to low-income working families who are eligible for city, state and federal tax credits that augment their net earnings.
Emergency Food Assistance Program (EFAP)	<u>\$7.63 million</u> \$7.63 million city	<u>(\$670,000)</u> city (670,000) city		The FY'06 Executive Budget proposes to decrease EFAP funding by \$670,000 in city funds.	Continued efforts by City Council to enhance funding for food programs have not been baselined by the Mayor. Although food stamp usage continues to increase, families seeking assistance at food pantries, soup kitchens and other food programs also continues to increase. A survey conducted by the New York City Coalition Against Hunger (NYCCAH) found that more than 50% of food programs had to turn away hungry families with children and/or cut program hours. This funding (in addition to state and federal funds) supports 24 community-based organizations in all five boroughs.	Restore \$670,000 to support emergency food assistance programs that serve low income families and their children.
New York City Earned Income Tax Credit (EITC)	\$0 \$0 city \$0 state \$0 federal	\$0 \$0 city \$0 state \$0 federal	The New York City Earned Income Tax Credit (EITC) supplements the income of low-wage households with a refundable credit.	The New York City Council has proposed to increase the NYC EITC from 5% to 10% of the federal credit. Approximately 800,000 families claimed the federal EITC in 2001. Over 75% of the NYC EITC would go to households with incomes under \$20,000. An expanded EITC would increase an eligible family's city EITC credit to between \$40 and \$430 annually.	The New York City Council and the Mayor implemented the New York City Earned Income Tax Credit (EITC) in 2005 equal to 5% of the federal EITC. Outreach efforts have been funded to ensure that families access this new benefit (see Income Support). Over 800,000 families with incomes below \$34,692 in New York City qualify for this benefit worth between \$20 and \$215. Combined with the federal and state EITC, families can receive up to \$6,000 back at tax time.	Appropriate \$55 million to support the City Council's recommendation to increase the EITC from 5% to 10% of the Federal EITC.
New York City Child and Dependent Care Tax Credit	\$0 \$0 city \$0 state \$0 federal	\$0 \$0 city \$0 state \$0 federal	A CDCC would assist families with child care costs by providing a refundable tax credit equal to 10% of the State CDCC.	A New York City CDCC equal to 10% of the New York State credit would cost the city \$22 million and provide a maximum credit to families of \$98. Approximately 155,000 families would be eligible to receive this credit in New York City. Combined with the federal and state CDCC, eligible families can receive cash back for out of pocket child and dependent care costs.	In prior years, the New York City Council has proposed the creation of a CDCC equal to 40% of the state CDCC and supported with state dollars.	Appropriate \$22 million to support the creation of a New York City Child and Dependent Care Tax Credit for 155,000 New York City families.

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Administration for Children's Services (ACS)	<u>\$2.15 billion</u> \$596.1 million city \$516 million state \$1.015 billion fed \$27 million IC	<u>(\$65 million)</u> (\$23 million city) \$36 million state (\$90.1 million fed) \$13 million IC/OC	ACS is a mandated first responder - a 911 system for abused and neglected children in New York City. ACS investigates reports of abuse and neglect and responds to the immediate needs of children and at-risk families. The agency also provides Head Start and child care to eligible children and families. This section of the impact analysis discusses only child welfare program areas.	The total FY'06 Executive Budget for ACS is \$65 million lower than the current modified budget for FY'05. Detail on all additions and reductions related to child welfare services included in the Executive Budget for FY06 are provided below.		
Child Welfare Services	<u>\$1.4 billion</u> \$399 million city \$466.4 million state \$541.8 million federal	<u>\$10 million</u>	ACS responds to needs of children and families at risk on three levels: preventive services, protective services, foster care and adoption services.	The FY'06 Executive Budget projects \$10 million in fewer funds for child welfare services when compared to the current modified budget for FY'05. Details on proposed additions and reductions to child welfare services are included below.	There are approximately 19,000 children in foster care and 30,000 engaged in preventive services remaining at home. Because the foster care caseload has declined so dramatically and foster care providers rely on a daily rate of payment for board and care, over the past several years it has been incredibly difficult for the system to sustain approximately 42 providers. At the same time, while preventive service providers have been serving more children and families, funding for preventive services (including a COLA) has not grown. The Mayor's FY'06 Executive Budget advances proposals that begin to address these issues – by restoring essential funds to prevent reductions in foster care rates and preventive services, adding funds to increase rates of reimbursement, expanding prevention and after care services at the community level, providing a COLA for preventive and other human service programs, and focusing on the provision of higher quality services, improved oversight, limiting the use of congregate and residential care, and focusing on family based settings.	
Protective Services		<u>\$1.4 million</u>	Child protective services involve the investigation of reports of abuse and neglect and removal of children from their homes that are deemed unsafe.	ACS investigates an average of 49,000 reports of child abuse or neglect each year.		

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Preventive Services	<u>\$191 million</u> \$55.2 million city \$88 million state \$48 million federal	<u>\$25 million</u>	At risk families are referred to preventive services in an effort to help keep children safely at home and out of foster care.	The FY'06 Executive Budget proposes to increase the preventive service budget by \$25 million compared to the current FY'05 modified budget - not only carrying forward restorations from FY'05, but making significant investments to expand preventive and after care services at the community level.	Today there are more children served in preventive services and kept safely at home, than in foster care. According to the agency, approximately 297 families participate monthly in the Family Preservation Program and there are also 9,885 general preventive service slots, 1,150 family rehabilitative program slots (for families with substance abuse issues) and 403 specialized slots (for families with special needs).	
Purchased Preventive Services		<u>\$22.4 million</u> \$ 7.8 million city \$14.6 million state \$ 0 federal	Preventive services range from intensive in-home crisis intervention services for high-risk families to less intensive services such as homemaking, housekeeping, home attendant services, parenting skills, counseling, and alcohol and drug treatment. ACS contracts with non-profit organizations in communities throughout New York City to provide preventive services.	The FY'06 Executive Budget proposes to increase city tax levy support for general preventive contracts by \$7.8 million. This addition ensures the restorations made in FY'05 will be carried forward in FY'06.	In FY'01, the Mayor added \$4.4 million and the City Council added \$3 million for preventive services. In FY'02, the City Council restored \$3 million for preventive services and this funding was transferred to DYCD. In the FY'03 November Budget Modification, the Council restored \$6.8 million for general preventive and Beacon preventive services matched by \$12.7 million in state funds. In FY'03, a reduction of \$3.3 million was offset by increased state and federal funds. In FY'04 restorations to preventive services were tied to the City Council-Administration agreement to improve agency eligibility determination and claiming for IVE funding. In the FY'05 adopted budget, a restoration of \$22 million in total funds was included to fully fund preventive services. An additional \$45 million in city funds to offset significant reductions at the state level of TANF-Title XX support for preventive services.	Support the Executive Budget proposal to baseline \$7.8 million for preventive services.
Enhancement of Preventive Services		<u>\$13.4 million</u> \$4.69 city \$8.71 state \$0 federal		The FY'06 Executive Budget proposes to add \$4.69 million in city funds to support the expansion of community based support services to reduce child abuse and neglect.	Currently there are approximately 30,000 children in contract preventive services remaining safely at home with their families.	Support the Executive Budget proposal to invest \$4.6 million and enhance preventive services.
Aftercare		<u>\$13.3 million</u> \$4.6 million city \$8.7 million state \$0 federal	Aftercare services help support foster care children in their transition to reunification, adoption, and independent living.	The FY'06 Executive Budget proposes to add \$4.6 million in city funds to support services for children leaving foster care to provide stability in their transition and prevent their return to care.	Aftercare services are sorely needed to ensure that children in foster care can effectively transition to reunification with family members, adoption, and independent living.	Support the Executive Budget proposal to invest \$4.6 million in aftercare services.

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Intensive Preventive and Aftercare Services for Adolescents		\$5.2 million \$0 city \$4.3 state (\$977,000) federal	The agency has released an RFP to provide intensive preventive and after care services to adolescents to both prevent placement in foster care and when placement occurs, ensure that essential services to aid in the transition to lower levels of care, reunification or adoption.	The FY'06 Executive Budget proposes to shift \$1.7 million in city funds from the foster care and maintenance budget to the preventive services budget. This shift is made possible due to reductions in the congregate care census and it is cost neutral in terms of city expenditures. The shift of funds will allow the agency to maximize state resources for preventive and aftercare services, while reductions on the federal level result as federal IV-E reimbursement does not cover preventive/after care services.	Currently preventive services are targeted to entire households. This initiative will provide agencies with additional resources to better address the specific needs of at risk adolescents as well as adolescents in foster care who are being reunified or adopted.	Support the Executive Budget proposal to maximize state reimbursement for preventive and aftercare services.
TANF-Title XX Revenue adjustment State 04-05 budget		\$0 \$4.4 million state (\$4.4 million) city \$0 federal	TANF-Title XX funds have been used to support child welfare services.	The FY'06 Executive Budget proposes to save \$4.4 million in city funds as a result of successful efforts to increase federal Title XX revenue claims. At the state level this year the SFY'06 adopted budget collapses \$600 million in TANF funds into a single block grant -of which \$264 million had been used previously to support preventive, after care and independent living services. With the new state block grant it is now up to localities to decide which TANF eligible programs they will fund. The state budget does include threshold language that requires localities to spend the same amount (either in federal or local dollars) on prevention that they had in the previous year.	The state has historically relied on TANF-Title XX funds to support a broad range of child welfare services. In FY05 the increase in federal funds was offset by approximately \$38 million in reductions to TANF-Title XX at the state level. As noted above, the city stepped in midyear with additional city funds to make up for the loss of state support.	
Adoption	\$32.4 million \$42.5 million city \$127 million state \$154.7 federal	(\$28.2 million)	Children in foster care may be freed for adoption if parental rights have been terminated.	The proposed FY'06 Executive Budget for adoption is \$28 million lower than the current modified budget for FY'05. According to the agency, an increased number of adolescents are living in adoptive homes due to the agency's Family for Teens initiative which works to move teens from congregate settings to family based settings.	In 2005 approximately 35,000 children in foster care were living in adoptive homes.	

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Foster Care	<u>\$744.2 million</u> \$281.9 million city \$223.8 million state \$238.5 million federal	<u>\$11.7 million</u>	Children who are removed from their homes and placed in foster care may be placed with foster families (foster boarding home care), in group residential facilities (congregate care) or with a family member (kinship care).	The proposed FY'06 Executive Budget for foster care is \$744 million, an increase of \$11.7 million compared to the current modified budget for FY05. In general the vast majority of foster care reimbursement falls under a capped state foster care block grant (since SFY'06). For the past several years the state has also used \$147 million in TANF funds annually to supplement or offset state contributions to foster care. In the SFY'06 adopted budget \$1.5 million was added to the statewide block grant of \$374.5 million to allow localities to increase rates of reimbursement for congregate care providers. Additionally, TANF funding that had previously been allocated directly to foster care services is now collapsed into a \$600 million Flexible Fund for Family Services. It is up to the locality to decide which program areas will be supported with these resources.	New York State Office of Children and Family Services long contended that funds provided via the block grant, were sufficient to address the city's foster care costs because 1) the city's allocation of block grant funds remained constant over time and 2) the city's foster care census had declined. A closer examination of the block grant history and New York City's caseload tells a more complex story. (1) The allocation of state child welfare funds to New York City was not only subject to an initial reduction of \$131 million when the block grant was established, but allocations to the city have fluctuated over the years (i.e, \$335 million in SFY'97 compared to \$197 million in SFY'03), and more recently, the city's allocation has been reduced by \$24 million creating an overall allocation of \$174 million in SFY'04. In FY05 the city added \$6.6 million in city funds to offset reductions in the state's block grant. Notably, a recent state supreme court decision Johnson vs the City of New York found that the formula used to distribute block grant funds to localities was irrational and contrary to law" amounting to a shortchange to New York City of upwards of \$100 million. While OCFs has abandoned the funding formula found negligible, the state has not compensated New York City for this loss to date.	
Foster Care Census		<u>(\$82 million)</u> (\$58 million) city \$0 state (\$24 million) federal	The city's foster care census continues to decline and fewer children are entering foster care and the agency is placing greater effort on shortening the length of stay of children in care and investing in community based prevention.	The FY'06 Executive Budget proposes to achieve \$58 million in city savings as a result of foster care caseload reestimates. The agency is using caseload savings to reinvest in preventive, after care, and foster care rate increases. In FY'05 an average of 19,700 children were living in out of home placement a 12% decline over 2004. In FY'06 the caseload is expected to decline another 11% to an average of 17,500.	The number of youth in foster care has dropped between 1998 and 2004 with 40,939 children in in care in 1998 compared to 24, 240 in care in 2004 year to date. Most of the decrease in children in care has occurred in foster boarding homes with a reduction of 16,094 children in care between 1998 and 2004 compared to a reduction of 605 children in congregate care between 1998 and 2004. In FY'05 \$11 million in city savings were achieved from caseload declines.	Support the Executive Budget proposal to save \$58 million related to foster care census estimates.

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Foster Care Provider Rates and Foster Care and Adoptive Parent Stipends		<u>\$19.4 million</u> \$11.8 million city \$0 state \$7.69 federal	Each year New York State sets rates of reimbursement for board and care costs of foster care providers with the expectation that counties will share in the cost of care (54% is split between the state and counties and 46% is supported with federal funds). The rates are based on a retrospective analysis of annual costs (two years back) and incorporate a 2 to 3% trend set by the state to reflect cost of living increases. Individual agency calculations are then compared to the state's maximum cost parameter and the lower of the two is divided by annual care days. This cumbersome and complicated process is used to determine the rate for each provider and is problematic on many levels - most importantly the rates never catch up to the actual cost of care.	The FY'06 Executive Budget proposes to baseline \$11.8 million in city funds for foster boarding home rates and foster care and adoptive parent stipends preventing reductions of 5% for foster boarding home and parents stipends and 3% for congregate care rates.	For the FY'03 adopted budget, an allocation of \$12 million in city funds was made to increase the rate of reimbursement for foster boarding home providers. Also, in the November Budget Modification for FY'03, \$4.5 million in city funds was restored to contract agency rates and foster and adoptive parent stipends - preventing a 3.1% reduction to both. In the FY'04 Adopted Budget, rate cuts to foster care providers and foster and adoptive parent stipends were restored for 6 months and were tied to the provider-city agreement to maximize federal revenue through improved claiming and eligibility determination. In light of this provider-city agreements and continued commitment to maximize federal resources the FY'04 restorations were eventually carried forward for the full fiscal year. The FY'05 budget restored \$19.5 million in gross funds to prevent cuts to foster boarding and congregate care rates as well as foster and adoptive parents stipends.	Support the Executive Budget proposal to baseline \$11.8 million provider, foster and adoptive parent rates of reimbursement.
Enhanced funding for Flat Rate +		<u>\$10 million</u> \$7 million city \$0 state \$3 million federal	This new rate structure ties foster boarding home agency rates to EQUIP (Evaluation and Quality Improvement Protocol) and rewards providers for positive outcomes.	The FY'06 Executive Budget proposes to add \$7 million in city funds to support enhancements to performance based rates.	In December 2003 ACS established a rate floor of \$23.50 below which rates for foster boarding home providers would not fall and tied agency rates to performance on EQUIP. The FY'05 Adopted Budget added \$9.2 million in city tax levy funds to support the new rate structure. New flat rates range from \$26 per day per child (or the current rate whichever is higher) for providers with excellent EQUIP scores to a rate of \$23.50 per day per child for providers with low-end satisfactory performance and performance in need of improvement. In FY'05, 8 agencies received rate reductions, 6 agencies have rates that are held constant, and 28 receive rate enhancements.	Support the Executive Budget proposal to invest \$7 million to enhance rates of reimbursement for foster care providers.

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Department of Education Residential Care		\$6.3 million \$3.8 million city \$4.5 million state (\$2.0 million federal)	ACS is responsible for the care of children placed in special institutional settings by the Department of Education. These institutions are often out of state schools for children with special needs.	The FY'06 Executive Budget proposes to add \$3.8 million in city funds to support the cost of care and maintenance for non-foster care children who are placed by the Department of Education into institutional settings due to special needs.	ACS supports board and care costs for special needs children who have been placed in institutional schools by the city's Department of Education. ACS has no control or say in the placement decisions of DOE but is held financially responsible for the board and care of these children while they are in placement. The FY'05 Adopted Budget added \$17.2 million in city funds to support the costs associated with the placement of children in institutional schools. ACS estimates that there are 677 children in institutional schools, for whom care days are expected to increase from 110,000 to 130,000.	Support the Executive Budget proposal to invest \$3.8 million to cover the costs associated with residential care.
Congregate Care - bed closures		(\$32.7 million) (\$23 million) city \$0 state (\$9.75 federal)	This initiative reflects the goal of placing children closer to their home communities in family like settings- to both shorten their lengths of stay in foster care and to expedite permanency.	The FY'06 Executive Budget proposes saving \$23 million in city funds by continuing efforts to reduce the agency's reliance on congregate care facilities in favor of family based settings. The agency anticipates shifting 800 youth from congregate settings and placing them in therapeutic foster boarding homes.	The number of youth in congregate care has dropped between 1998 and 2004 with 4,645 in care in 1998 compared to 4,040 in congregate care in 2004. The FY'05 Adopted Budget included \$14.9 million in city savings from the closure of 600 congregate care beds in contract agencies and direct care facilities. This initiative began in FY'04.	Support the Executive Budget proposal to save \$23 million by continuing congregate care closures and increasing placement of children in family based settings.
Substance Abuse Treatment Services		\$8.77 million \$5.02 million city \$0 state \$3.75 million federal	Approximately 70 percent of the children placed in foster care come from households that experience substance or alcohol abuse. While in care, teens in foster care are provided with substance abuse prevention and treatment services.	The FY'06 Executive Budget proposes to baseline \$5.02 million in city funds for substance abuse treatment for teens in foster care. In FY'06, because of continued caseload declines, \$2.6 million in fewer city funds are needed to carry a full restoration forward.	The FY'03 November Budget Modification saved \$1 million in accruals in substance abuse treatment for youth in congregate care. Additionally, the City Council restored \$2.4 million for substance abuse treatment (with a additional \$3.4 million in federal matching funds) in the November FY'03 budget modification. In FY'04 the Adopted budget restored \$1.9 million for 3 months of the fiscal year - this restoration was tied to the city-provider revenue maximization agreement which seeks to improve claiming and eligibility and to maximize federal IV E funds. This rev-max initiative is on-going. The FY'05 Adopted Budget restored \$7.6 million in city funds for substance abuse treatment for youth in foster care protecting the program for approximately 5,000 youth.	Support the Executive Budget proposal to baseline \$5 million for substance abuse treatment services for youth in foster care.

CHILD WELFARE

PROGRAM/ SERVICE	PROPOSED BUDGET FY 2006	PROPOSED CHANGE + (-)	PROGRAM/ SERVICE DESCRIPTION	FY 2006 IMPACT	3 YEAR CUMULATIVE IMPACT	RECOMMENDATION
Life Skills Training for Youth in Foster Care		\$1.4 million \$500,000 city \$928,000 state \$0 federal	Adolescents in foster care are provided with support services and skill building instruction to help prepare them for a life beyond foster care. These services and instruction include but are not limited to educational training, career counseling, and money management.	The FY'06 Executive Budget proposes to baseline \$500,000 in city funds for life skills training for teens aging out of foster care.	Approximately 1,500 youth each year (between 18 and 21) age out of foster care and are often ill prepared for independence and self-sufficiency as they lack basic essentials such as housing and job skills. In the FY'03 November Budget Modification, the City Council restored \$500,000 for independent living programs for youth aging out of foster care, triggering the restoration of \$928,000 in state matching funds. In FY'03, \$151,000 in funds were eliminated for employment services to youth aging out of care. The FY'04 Adopted Budget restored \$500,000 in city funds for life skills for 3 months of the fiscal year, the restoration was tied to the city-provider revenue maximization initiative which seeks to improve claiming and eligibility determination and in turn to maximize federal IV E funds. In FY'05 the restoration was also included in the final adopted budget.	Support the Executive Budget proposal to baseline \$500,000 Life Skills Training for children in foster care.