



Prospects and Promises 2002:

A Guide to Children's Services for New York City Policymakers

The transfer of power from incumbents to newly-elected officials is a time of great uncertainty and unusual opportunity. This year in New York City, the transition is complicated by the unprecedented number of newly-

elected officials taking office for the first time, the unforeseen economic and budgetary challenges facing both newcomers and veteran policymakers, the ongoing response to the World Trade Center disaster and continued threats to the health, safety and well-being of all New Yorkers.

Facts About New York City Children¹

- ↗ One out of every 4 people in NYC is a child
- ↗ Every day 311 babies are born to NYC residents and 3 die before their first birthday
- ↗ Every day many babies are born at risk:
 - 168 babies are born to poor families
 - 32 babies are born to teen parents
 - 22 babies are born to mothers with inadequate prenatal care
 - 28 babies are born low birthweight
- ↗ Every day 624,813 children live in poverty and 72,770 children ages 0-5 receive public assistance
- ↗ Every day there are 1,183,842 children enrolled in Medicaid or Child Health Plus and 305,182 children ages 0-18 are uninsured
- ↗ Every day 50.9% of all elementary school students read below grade level
- ↗ Each day 24 families enter homeless shelters and nearly 8,571 children are homeless
- ↗ Every week, 16,080 children use mental health services
- ↗ Every 4 days a young person under 19 is murdered
- ↗ Every day 147 children are reported abused and neglected
- ↗ Between 1994 and 1999, juvenile arrests for violent crime declined 30.2%

Citizens' Committee for Children of New York, Inc. (CCC) has developed this series of briefing papers to provide an easy-to-use and understand guide to the programs and policies affecting children, youth and families in New York City. By design the papers are factual and to the point, offering specific remedies and short-term actions that can be taken to improve the management, operation, financing and quality of services to children. To supplement this information we have also developed a set of background papers called *New York City Government and Children 2002*, providing more detail on

the range of city services for children from child care, schools and youth development programs, to health, mental health, housing, income security, child welfare and juvenile justice programs. Finally, we include a copy of *Keeping Track of New York City's Children*, an encyclopedic guide to child well-being in each of the City's 59 community districts and our *Kids First, New York FY'02 City Budget Impact Analysis*.

Some of the recommendations in *Prospects and Promises* respond to the World Trade Center tragedy, others respond to long-standing issues of continuing importance. CCC approached the development of these remedies: 1) believing that sound fiscal management is not at odds with effective services for children; 2)

knowing that city services and other public amenities for children attract and retain businesses, promote tourism and increase the number of families who want to live, work and raise their children here; and 3) accepting that New York City has become a closely watched testing ground for a new public, private and philanthropic partnership to aid in rebuilding and recovery.

- ↗ Estimated psychological impact of WTC Attack: 1.5 million people
- ↗ Estimated psychological impact on children: 750,000 children
- ↗ Number of children (0-18) who live within two miles of affected area south of Houston Street: 27,865
- ↗ Number of schools in affected area: 8
- ↗ Estimated revenue lost to New York City: \$100 billion
- ↗ Charitable funds raised to help victims and recovery efforts: \$1.5 billion
- ↗ Federal funds provided to deal with the disaster and recovery: \$5.1 billion

FY2001 City, State and Federal Funding for New York City Children and Families

Agency Serving Children and Families	Budget for 2001 ¹	Number of Children Served ²
‡ Board of Education	\$ 11,116,595,973	1,105,045
‡ Public Library/CLASP	11,002,136	620,793
‡ Administration for Children's Services	2,312,826,178	445,223 ³
Protective		88,312
Preventive		33,817
Adoption		5,278
Foster Care		30,858
Child Support Enforcement		208,251
ACD Child Care		61,553
Head Start		17,148
‡ Department of Youth and Community Development	109,385,037	1,043,144
‡ Department of Employment	50,322,478 ⁴	41,792
‡ Department of Parks and Recreation	2,240,622 ⁵	837,810
‡ Department of Health	171,799,926 ⁶	359,849
School Children's Health Program		119,300
Immunizations		88,687
Maternal Infant Reproductive Health		1,149
Dental		54,190
Window Guard Inspections		7,805
Lead Poisoning Prevention Inspections		2,859
Medicaid		1,068,540 ⁷
Child Health Plus		307,800 ⁸
‡ Department of Mental Health, Mental Retardation and Alcoholism Services		
Early Intervention	295,586,194	14,703
Medicaid Mental Health Services	n/a	15,722 ⁹
‡ Health and Hospitals Corporation	1,235,391,039 ¹⁰	366,999
Outpatient		322,381 ¹¹
Inpatient		44,618 ¹²
‡ Department of Homeless Services	209,967,783	26,852 ¹³
‡ Department of Juvenile Justice	106,006,364	6,503
‡ Department of Probation	15,350,676	17,347
‡ New York City Police Department/School Safety	133,989,774	1,105,045
‡ Human Resources Administration	1,607,280,660	945,514
Family Assistance/Cash	1,014,000,000 ¹⁴	413,400
Food Stamps	481,359,014 ¹⁵	495,470 ¹⁶
Child Care	111,921,646	36,644 ¹⁷
‡ Department of Cultural Affairs	53,033,115 ¹⁸	1,105,045

¹ Budget figures represent the modified budget projections for FY2001 as published in the *Executive Budget Fiscal Year 2002, Supporting Schedules*.

² Within each agency, different programs and departments may serve the same children; totals are not always unduplicated counts of children served. Information sourced from the *Mayor's Management Report Fiscal 2001* unless otherwise indicated.

³ Of this total, 33,817 represents the number of families receiving preventive services rather than individual children; number of children served is therefore an undercount.

⁴ SYEP spending provided by City Council Finance Division, additional programs for youth in DOE as documented in *Executive Budget Fiscal Year 2002 Supporting Schedules*.

⁵ According to the *Mayor's Management Report Fiscal 2001*, children represented 27% of attendees to Recreation Centers. This figure is 27% of the total budget for recreation Centers.

⁶ Reflects the combined budgets of Environmental and Maternal and Child Health Services.

⁷ Represents the number of New York City children enrolled in Medicaid in Federal FY2000.

⁸ Represents the number of New York City children enrolled in Child Health Plus in December 2000.

⁹ New York State Office of Mental Health, *1999 Patient Characteristic Survey*: Number of New York City children receiving licensed mental health services.

¹⁰ Represents 33.3% of HHC's overall budget of \$3,709,883,000.

¹¹ Represents 38.4% of all outpatients. (HHC)

¹² Represents 28.2% of all inpatients. (HHC)

¹³ Represents the cumulative (unduplicated) number of children sheltered. (DHS)

¹⁴ This amount does not include administrative or OTPS costs.

¹⁵ This amount was arrived at by multiplying \$80.96, the amount per recipient of coupons redeemed for April 1999 by the total number of children receiving Food Stamps that month and then by 12 months. (HRA)

¹⁶ Represents the number of New York City children under 20 years receiving Food Stamps in April 1999. (HRA)

¹⁷ Represents the monthly average for child care assistance during the first four months of FY2001. (HRA)

¹⁸ Represents 25% of the agency's budget serving NYC children



The Budget Crisis

THE BUDGET CRISIS

The city's FY'2002 budget has experienced dramatic expense and revenue pressures as a result of a general slowdown in the city economy and the unforeseen costs associated with the September 11th attacks and related clean up, infrastructure damage, service needs and ongoing threats to public health and safety. In addition to the incomprehensible human and emotional loss that the city has experienced, recent estimates report that 79,000 jobs and \$1 billion in city tax revenue have also been lost.

In response to these unforeseen economic pressures, Mayor Giuliani has frozen expense side spending for Fiscal 2002. This spending freeze entails both a hiring freeze and a severe restriction on the ability of city agencies to address Other than Personal Services (OTPS) needs. Exceptions to the hiring freeze will only be considered if a position is directly related to public health or safety, necessary to maintain the city's revenue base, prevent additional expenditures, required by law, necessary for continued critical agency functions, or funded by state, federal, or capital funds. Regarding OTPS needs, all those above \$50,000 must be approved by the Office of Management and Budget (OMB).

Mayor Giuliani also created budget reduction targets for all city agencies. With the exception of uniform agencies and the Board of Education who must meet a 2.5% cut target, city agencies were asked to meet a 15% cut target. Through this FY'02 budget modification exercise, Mayor Giuliani hopes to leave Fiscal 2003 with a rainy day/reserve fund of \$549 million (currently there is \$200 million in reserve).

While the freeze on spending has already been implemented and some efficiency proposals can be carried out without City Council approval, technically any change within a unit of appropriation over 5% of the total budget must be approved in a budget modification before the City Council. The Mayor's Office released a proposed modification on December 4th that will be followed by a process of review and negotiations with the City Council. The proposed modification would reduce city tax levy funds in the expense budget by \$766 million. Of the total reduction target, 36% (or \$275 million) is shouldered by services to children and youth. If the standing City Council does not act before the changeover in the administration and Council, the difficult task of deciding whether the budget modification should or should not pass will wind up in the lap of the new City Council. If this occurs, the new Council will be pressed to act quickly in order to avoid a protracted debate, as many services for children are already feeling the harmful impact of the freeze on spending. Child care expansion has already stalled, as have the provision of after-school and reading programs to children in many city schools and weekend hours in public libraries.

Because the city is confronted with constrained resources at a time when greater and immediate investments are needed to address physical and capital infrastructure needs as well as existing and expanding human needs, these are especially difficult times. While children represent 25% of the city's population, the spending freeze and proposed reductions will have a disproportionately negative impact on their well being. CCC's estimates that the burden of about 36% of expense reduction targets will be shouldered by services for children is conservative given the enormous range of publicly supported services upon which New York City's children rely including: child care, schools, youth services and youth employment, parks and libraries, health and mental health services, public hospitals and protective, preventive, and foster care services, homeless services and juvenile justice programs.

FY'02 CUTS TO SERVICES FOR CHILDREN AND YOUTH[†]

Administration for Children's Services	\$119,696,000
Board of Education	\$ 96,827,000
Department of Youth and Community Development	\$ 10,841,000
Department of Juvenile Justice	\$ 1,663,000
Human Resources Administration/ Department of Social Services	\$ 13,739,500
Parks Department	\$ 1,255,230
Public Libraries	\$ 6,696,250
Department of Homeless Services	\$ 2,156,750
Department of Health	\$ 11,180,750
Health and Hospitals Corporation	\$ 1,305,250
Department of Mental Health, Mental Retardation and Alcoholism Services	\$ 2,956,500
Cultural Organizations	\$ 5,157,000
Department of Probation	\$ 1,183,750
Total	\$274,657,980

[†]While the Police Department and Department of Employment also provide services to children and youth, the budget modification does not cut funds to these programs.

As the city moves forward with the FY'02 budget modification and the concurrent development of the FY'03 January Plan, elected officials (the Mayor, City Council Members, Comptroller, Public Advocate and the Borough Presidents) must calculate the effect of the freeze on expenditures and proposed reductions on groups of New Yorkers and particular neighborhoods. Heroic efforts may be necessary to limit the negative impact that budget cuts will have on children. For example, the Mayor and the City Council could reduce the cut target for child care services to 2.5%. Since ACS licensed child care programs are actually educational services, they should be treated similarly to Board of Education programs in setting cut targets. The Mayor and the City Council could also exempt child welfare services from the 15% reduction target because these services are an integral part of the city's public safety system, that protects and keeps children safe. In addition, the Mayor and City Council should reassess the Capital Budget to reflect current needs and priorities.

The fiscal instability that the city now faces will be exacerbated by the difficulties faced on the state level. The state's Division of the Budget has identified a budget gap in the range of \$3 to \$9 billion in the coming state fiscal year. The state budget for Fiscal 2003 must correct this enormous structural deficit and it is likely to do so by implementing expense side budget reductions, stalling planned program expansion, and postponing increased investments. The state is also likely to shift the burden of the deficit to counties who will have to pick up a bigger tab. Poor state fiscal health will exacerbate the city's financial instability by adding upwards of \$1.5 billion to the deficit projections for the city. This will clearly affect the city's ability to protect core services from deep budget cuts.

When the poor fiscal health of the city and the state is considered cumulatively, the Mayor and the City Council are trying to address what could amount to a \$3 billion budget gap in one year. Given the size of the budget gap and the fact that it was largely caused by the events of one day, we suggest the need to take a more sophisticated approach to the FY'02 budget modification exercise now underway and the FY'03 budget development process than simply cutting services. Several options are available.

The city needs to be persistent about tracking and claiming state and federal revenue and to be aggressive in its pursuit of additional or new revenue sources. First, the city needs to tighten its efforts to promptly claim money owed by the state and federal government and to pursue diligently, all outstanding state and federal aid. Recent estimates report that the city could be carrying ten years worth or \$2 billion of outstanding state and federal aid. The receipt of outstanding aid would reimburse the city for costs incurred in previous fiscal years. Pursuing outstanding state and federal aid does pose some risk to the city budget, as the state and federal government may challenge the city's claims or pass on a disallowance or fiscal penalty to the city. The city and state must work together to ensure that TANF funds allocated in prior years and current year surpluses or reserves are drawn down from the federal government and spent on welfare to work and family support services. An estimated \$1 billion in TANF funds may be available for this purpose. In light of the city's growing cash flow problems and the enormous sum of aid still owed to the city, there is little choice but to track and draw down all outstanding aid. Similarly, recent estimates suggest that city may have also failed to collect approximately \$500 million in local property tax that could also help close the budget gap.

Second, the Mayor and the City Council must work with Albany to reinstate two sources of predictable revenue - the Stock Transfer Incentive Payment and the Non Resident Income Tax, commonly called the Commuter Tax. Combined, the elimination of these taxes results in the loss of approximately \$615 million in tax revenue to the city annually. (The Stock Transfer Incentive Payment was initiated in the 1970s and reflects a state and city agreement to offset the loss of city revenue related to a decrease in city sales tax that was enacted when the state raised its own sales tax. The commuter tax was not unique as all major cities in the country that impose a resident income tax also have a commuter tax). Restoring both the Stock Transfer Incentive Payment and the Commuter Tax would not only provide the city with much needed revenue, but would restore a fairer tax burden for New York City residents. Consideration should be given to rededicating of a portion of city tax levy funds (CTL) raised from residential property tax and from Personal Income Tax (PIT) Surcharge. This concept was initially developed to support the Safe Streets Safe City program, which raised \$300 million in revenue annually to provide services to youth and add resources to the Police Department and the criminal justice system. Re-dedicating this revenue now will help address the human needs that have grown since September 11th and subsequent bioterrorism attacks and other disasters.

Third, the Mayor and the City Council must continue to pursue budgetary and legislative reforms in Albany that enhance the city's ability to meet the needs of children and youth and that make the city a place where families want to live, work, and raise their children. An aggressive Albany Agenda could include:

? Revise the State Education Aid Formula

? Replace the foster care MSAR (maximum state allowable rate) and the child care market rate formulas with rates that more accurately reflect the cost of care

? Increase the allocation for Youth Development and Delinquency Prevention (YDDP)

? Replace the Children and Families Block Grant with OCFS's new Child Welfare Financing Proposal

? Fund the PINS expansion legislation

? Opt-in to the Foster Care Independence Act provision that extends Medicaid coverage to 18-21 year old youth leaving foster care for independent living and increase Medicaid coverage of children in foster care

? Create a state rent subsidy program for families at risk of entering homeless shelters and to ease the transition to permanent housing

Fourth, the Mayor and the City Council should take a firm stance with Washington and work to secure all federal disaster aid and rebuilding aid that was promised. Further, the Mayor and the City Council should work with Washington to increase the federal share of Medicaid from 50% to 54% and to hold the state's allocation of TANF block grant funds at \$2.4 billion.

Finally, compared to other localities across the state and nation, New York City has been disproportionately burdened with the responsibility of meeting the needs of its residents often without equal state and federal government participation. The proposals to draw down all available or outstanding state and federal revenue, to restore tax cuts, and to seek fairer cost-sharing with the state and federal government, emphasize ways in which the city might begin to address the existing crisis and future budgetary needs by distributing more fairly the responsibility of meeting the needs of New Yorkers.

It is clear that the challenge of rebuilding and recovery in New York City will require a unified approach across all levels of government, across political lines, and in partnership with the private sector and philanthropic community. City leaders will need to bring together a broad group of stakeholders and experts to create a sensible approach to the budget crisis and make the best use of available government, business and philanthropic resources to meet the needs of all New Yorkers.

For more information, please call Jennifer March-Joly, Ph.D., Associate Executive Director for Program and Policy, at 212-673-1800 ext 12.

December 2001



Child Care and Head Start

Hundreds of thousands of families rely on child care during the hours when they are at work, however, for many low- and moderate-income families the cost of care is unaffordable. New York City provides child care subsidies to 95,000 children and Head Start opportunities to an additional 19,400 children, but the demand for subsidized care far exceeds the supply. As many as 100,000 additional New York City children between the ages of zero to five are currently eligible for child care, but do not now receive a subsidy because limited resources have constrained the supply of child care opportunities. As a result, thousands of low- and moderate-income families do not have child care subsidies and many turn to informal, unregulated care of varying or poor quality.

While some arrangements may be adequate, others place children in settings without proper adult supervision, little developmentally-appropriate stimulation, and outright dangers from poor health and safety conditions. Too often, parents are forced to choose between poor quality child care arrangements and the prospect of dropping out of the labor force, or having their welfare benefits terminated. Even high quality programs fall short of meeting the needs of working parents; most Head Start programs operate for a half-day session only.

In New York City, four government agencies are involved in the provision of early care and education services; the Agency for Child Development and Head Start Division (ACD) of the Administration for Children's Services (ACS), the Family Independence

Administration (FIA)¹ of the Human Resources Administration (HRA) and the Bureau of Day Care of the Department of Health (DOH). ACS provides child care subsidies for low-income children through both contracted programs and vouchers, and is responsible for the administration of Head Start. HRA provides vouchers for child care to families receiving public assistance and engaged in work activities, and for those families transitioning from welfare-to-work. DOH is responsible for the enforcement of City and State health and safety regulations for child care programs.

RECOMMENDATIONS

- ? **Exempt child care programs from the 15% city tax levy (CTL) cut** and instead cut only 2.5% in CTL funds. This would be in line with the City's policy of minimizing cuts to education programs.
- ? **Link child care programs with support services.** It is especially important post-WTC attack and other crises to provide children, families and staff with on-site and community-based support services.
- ? **Implement the ACS *Counting to 10: New Directions in Child Care and Head Start Plan*.**
- ? **Create a procurement pipeline to replace, relocate, expand and renew child care and Head Start services.**
- ? **Fully implement the ACCIS provider payment system**, a single automated child care system for all child care programs.
- ? **Expedite access to child care subsidies by creating one citywide eligibility process.**
- ? **Consolidate child care licensing and oversight functions to improve management and save money** (fingerprinting, licensing, and oversight).
- ? **Consolidate early care and education programming by moving HRA child care into the Administration for Children's Services.**
- ? **Create the position of Deputy Commissioner for Child Care and Head Start at ACS.**
- ? **Implement Local Law 31 and reimburse family child care networks for monitoring and quality improvement activities.**
- ? **Update the market rate to more adequately cover the cost of quality child care and increase the availability of care.**

In September 2000, Commissioner Scoppetta convened the ACS Advisory Board Child Care Subcommittee to improve coordination between City agencies and to develop a comprehensive reform plan called *Counting to 10: New Directions in Child Care and Head Start* that includes recommendations for innovative program development, staff training opportunities, facility development, prompt payment and family engagement.

Quality: Quality child care programs provide comprehensive support to each child's healthy growth and development. Studies of child care programs have indicated that children who attend higher quality programs perform better in the early grades than those who attend lower quality child care programs. Such studies, along with recent brain research demonstrate that the early years of a child's life are critical, and have substantial impact on children's emotional development, capacity for learning, and later success in school and life.

Affordability: National figures for child care expenditures in 1993 indicate that families with preschool-age children spent on average \$79 per week (\$4,108 per year). Unfortunately, most families cannot afford to pay the substantial portion of their earned income needed to secure high quality care, which can cost between \$4,000 and \$10,000 a year, a cost that represents as much as 24 percent of the income of many low-income families.²

Availability: In January 2001, the Administration for Children's Services adjusted its income eligibility criteria and fee schedules for subsidized care to increase the availability of affordable child care. Presently, families eligible for subsidized child care in New York City include a family of two earning up to 275% of the federal poverty level (\$31,884) a family of three earning up to 255% of the federal poverty level (\$36,521) and all other families earning up to 225% of the federal poverty level (\$38,363). In addition, families receiving subsidized care pay no more than 10% of their income on child care. However, due to a limited number of subsidies, even eligible families are unable to secure a child care subsidy.

Workforce: Child care providers are among the lowest paid in the U.S. labor force, with family child care providers earning about \$10,500 annually and average earnings for child care center staff at about \$15,000 a year often without health benefits. We know that high quality child care requires a qualified and stable workforce, but unfortunately, these conditions have led to an annual turnover rate of 31% in the child care industry.³

Financing: Current financing mechanisms fail to support a comprehensive system of child care, relying instead on parent fees to pay for the cost of child care. At the heart of the economic issue for subsidized child care in New York City are the state reimbursement rates. These market rates fail to cover the cost of high quality care, and as a result limit the quality and supply of care in New York City.

For more information, please call Candice Anderson, Staff Associate for Education, Child Care and Youth Services, at 212-673-1800 ext 16.

December 2001

¹ As of August 1998, the Office of Employment Services is known as the Family Independence Administration.

² U.S. Census Bureau. September 1995. *What Does It Cost to Mind Our Preschoolers? Current Population Reports, Survey of Income and Program Participation*, Fall 1993. Washington, DC: U.S. Department of Commerce, Census Bureau.

³ Center for the Child Care Workforce, "Worthy Work, Unlivable Wages," 1997.



Child Health

Historically, New York City children and adolescents have lacked a source of continuous and regular primary and preventive health care, with too few children receiving periodic health and developmental screenings and treatment services. This limited and irregular access to health care has contributed to poor health outcomes for New York City's children and adolescents. Between 1990-1997, the infant mortality rate in New York City remained constant at 7.1 deaths per 1,000 live births,¹ and in eight community districts the infant mortality rate exceeded 10.6%.²

Difficulty accessing primary and preventive care leads many families to seek care for preventable illnesses, such as asthma, pneumonia, and lead poisoning in emergency rooms and hospitals.³ In 1998, New York City children were almost four times more likely than children in the rest of New York State to be hospitalized for asthma.⁴ Emergency room and hospital care represent costly alternatives that could be averted with an investment in preventive and primary child health care.

With the expansion of government subsidized children's health insurance in the 1990s, comprehensive primary and preventive health care should become more accessible for children in low-income and working families. Depending on family income, children may

RECOMMENDATIONS

- ? **Upgrade and create a stable source of funding for the New York City Health and Hospitals Corporation (HHC)-Department of Public Health (DPH) Child Health Clinics, HHC pediatric services, and school-based health centers.** These clinics function as the first stop for public health services for children and, in a disaster, should be part of the New York City Emergency Response Plan.
- ? **Strengthen the relationship between the new New York City Department of Public Health and the New York City Health and Hospitals Corporation** to better coordinate public health planning, surveillance, epidemiology, public education and health and developmental services for children and their families.
- ? **Enroll all children and adolescents in Child Health Plus A (Medicaid) or Child Health Plus B, and eligible adults in Family Health Plus** through facilitated enrollment (community outreach education and enrollment) and the continuation of Health*STAT.
- ? **Conduct a pediatric primary care capacity study** to ensure sufficient primary care provider capacity in managed care plans and individual practice; and develop ways to recruit and retain primary care providers serving children enrolled in Child Health Plus A and B.
- ? **Launch a community health education campaign** on healthy development, public health issues (asthma, lead poisoning, bio-terrorism), early prenatal care, reducing risky behaviors (alcohol and drug use, teen pregnancy), and preventable injuries (window guard, bicycle helmets).
- ? **Monitor the implementation of Mandatory Medicaid Managed Care** to ensure that children and families receive timely, adequate, and linguistically appropriate notice to select managed care plans and high quality care.
- ? **Maintain funding for the Infant Mortality Initiative** to reduce infant mortality in high-risk communities.
- ? **Expand efforts to prevent and treat childhood asthma.**
- ? **Appoint a Pediatrician to the newly expanded Board of Health.**
- ? **Integrate functions of the former Department of Health and Department of Mental Health, Mental Retardation and Alcoholism Services in the new Department of Public Health** as required by the new City Charter amendment and hire Executive Deputy Commissioners for Public Health and for Mental Hygiene.

be eligible for Child Health Plus A (formerly known as Medicaid) or Child Health Plus B (the federal SCHIP). In 2001, the New York State Department of Health initiated facilitated enrollment and contracted with community-based organizations to conduct outreach to families and enroll eligible children in public health insurance programs. Facilitated enrollment efforts were bolstered by the creation of Health*STAT, a citywide initiative implemented by the Mayor's Office of Health Care Access that engages City agencies to enroll children and families in health insurance programs. As a result of these efforts, over 1,000,000 children in New York City were enrolled in Child Health Plus A or Child Health Plus B in 2000, but over 300,000 children and adolescents remain uninsured. Beginning in January 2002, the enrollment initiatives will be employed to enroll eligible adults in Family Health Plus, a public health insurance program for parents and single adults.

Since September 11th, the need to enroll all New York City children in health insurance coverage, ensure an adequate supply of primary and preventive care providers for children and adolescents, and increase coordination between the New York City Department of Public Health and the New York City Health and Hospitals Corporation, the voluntary hospitals and the health care provider community has become critically important. Health professionals warn that children are particularly vulnerable to the physical and psychological effects of chemical or biological agents⁵, and parents require accurate information to help them identify symptoms and where to go for help.

For more information, please call Tara Sher, Esq., Staff Associate for Health and Mental Health, at 212-673-1800 ext 16.

December 2001

¹ *Keeping Track of New York City's Children*, Citizens' Committee for Children of New York, Inc. (2000), p. 65.

² *Ibid.* at 66.

³ *Ibid.* at 72.

⁴ *Ibid.* at 71.

⁵ *Protecting Children*, Bob Herbert, [New York Times](#), 10/11/01.



Public Schools

The New York City public school system is the largest in the country, responsible for educating 1.1 million students in over 1,100 schools with an annual budget of \$11.5 billion. The New York City school system serves some of the city's neediest children in pre-k through 12th grade - 67% of public school families qualify for free or reduced-price lunches and approximately 40% come from families that receive public assistance. New York City also serves more than 60% of students who are eligible for remedial programs across the state and large numbers of recent immigrants, English language learners and a disproportionate number of children in special education. In addition, the city's schools struggle with a number of challenges including: large numbers of uncertified teachers, deteriorating school buildings and severe overcrowding, limited access to computers, a lack of student support services, and inadequate funding. These factors depress student performance and leave them unprepared to graduate or enter the workforce. A number of issues challenge the public schools, including:

RECOMMENDATIONS

- ? **Urge the State Legislature to uphold the Campaign for Fiscal Equity Lawsuit** to provide New York City students with a sound, basic education and convene an independent panel to determine the cost of providing a sound, basic education by: accounting for regional cost differences and the percentage of special education services, eliminating the annual cap on education spending increases and allocating aid based on a combination of student attendance *and* enrollment.
- ? **Urge the State Legislature to commit full funding to Universal Pre-Kindergarten and Early Grade Class Size Reduction.**
- ? **Allocate funding to increase student access to support services and guidance counselors.** Only 2,400 school guidance counselors serve 1.1 million public school students. School children need real access to support services through on-site or school-linked programs.
- ? **Develop a comprehensive teacher recruitment and retention plan** that provides salary enhancements, professional development opportunities and classroom supports to teachers.
- ? **Make small school environments available to all New York City students.** The Board of Education's High School Reform Project, which is designed to transform large, low-performing high schools into smaller schools, is an encouraging step.
- ? **Make the necessary investments in school facilities** and create a 10-year capital plan to fully address the need for new school construction and repairs.
- ? **Increase access to technology for students from pre-k to 12th grade.**
- ? **Increase the Mayor's and the City Council's accountability for educational outcomes.**
- ? **Increase school/community-based organization collaboration and increase collaboration between the BOE and other city and state agencies.**

Standards: In the 1999 - 2000 school year, only 50% of students graduated in four years, and only 26.8% of these students graduated with a Regent's diploma. Concerns about the skill level of public high school graduates led the New York State Board of Regents to institute new standards for graduation. By 2003, all high school students will be expected to earn a Regents diploma, which requires passing exams in Math, English, U.S. History, Global Studies and Science. Further, in September 1999, the New York City Board of Education instituted a new promotion policy, which set new criteria for promotion in grades three through twelve. While these new requirements were designed to ensure that students receive a quality education, additional resources will be necessary to students now at risk of not getting a diploma.

Recruiting and Retaining Qualified Teachers: Low teacher salaries combined with stressful work conditions have resulted in an annual turnover rate of 14% and acute shortages of qualified teachers, particularly in districts in low socioeconomic areas with low-performing schools. Faced with a critical shortage of qualified teachers to fill its classrooms, the Board of Education has relied heavily on uncertified teachers to staff its schools. Since 1990, 50% to 75% percent of newly hired teachers have been uncertified, and 15% of all city public school teachers were uncertified in the 2000 - 2001 school year.¹ It is estimated that the New York City public schools will need to hire 46,000 teachers over the next four years.

Facilities: Many of New York City's 1,100 school buildings are in urgent need of renovation, repair, modernization and technology, and the City greatly needs new construction to alleviate overcrowding. Learning has been severely compromised, particularly in the New York City high schools, which are operating at 112% of capacity. New York City's five-year capital plan of \$7.2 billion does not provide the resources necessary to address the structural repairs needed in hundreds of schools or to expand available space to address the 69,000 seat shortfall.

Education Finance: The Board of Education's \$11.5 billion budget is made up of an average of 42% city, 48% state, and 10% federal funds.² In light of New York City's overwhelming student population and high proportion of students with special educational needs, the proportion of state funding is grossly inadequate. In 1995, the Campaign for Fiscal Equity challenged New York State's method of education finance on the grounds that it denies students in New York City and across the state access to a sound basic education. The ruling, currently under appeal by the Governor, ordered the State to reform the education finance system by September 15, 2001. While the issue of State financing not yet been resolved, New York City's own investment in public schools must also be addressed.

School Vouchers: For the past three years, Mayor Giuliani has proposed the use of public education dollars to provide school vouchers, and each year his proposal has been rejected by the City Council. Studies have found that vouchers by themselves do not increase student achievement, but other factors such as class size play a much more significant role in increasing educational achievement. In addition, vouchers divert public funds from the public schools, and because vouchers do not make private school tuition affordable for many low-income families, and stringent private school entrance standards exclude many students, vouchers do not increase access to private education.

For more information, please call Candice Anderson, Staff Associate for Education, Child Care and Youth Services, at 212-673-1800 ext 17.

December 2001

¹ New York City Independent Budget Office, "A Statistical Portrait of Uncertified Teachers in New York City Schools," July 2001.

² New York City Board of Education, 2001.



Child Welfare

For decades the City's child welfare services struggled to adequately address the needs of abused and neglected children and their families, of families at risk of having their children placed in foster care and of families whose children required out-of-home placement. The City's child welfare system has been plagued by poorly trained and in-experienced caseworkers, high caseworker to caseload ratios, a shortage of adequate services to meet the needs of children and families, outdated and inefficient record keeping and an underdeveloped data collection system. These limitations have contributed to insufficient attention to preventive and after-care services, long lengths of stay in foster care, and poor monitoring of foster homes.

Responding to these challenges, the Administration for Children's Services (ACS) was created by Executive Order in 1996 and established as a permanent independent agency in November 2001 with responsibility for the City's child welfare, child care, Head Start and Child Support Enforcement

activities. Over the past five years, ACS has implemented significant system-wide reform initiatives designed to better meet the needs of the city's most vulnerable children and families. The most fundamental change has occurred in the delivery of child welfare services. For the first time, ACS has fewer children in foster care (29,800) and is serving more children and families with preventive services (30,000). ACS has restructured child welfare services by creating a neighborhood-based system of service delivery. When fully implemented, children and families will receive preventive services in the communities in which they live and when foster care placement is necessary, children will be placed in foster homes within their own community. This neighborhood-based system (NBS) is designed to create stronger networks of support for families and to facilitate reunification for families with children in the foster care system.

RECOMMENDATIONS

- ? **Create the position of Deputy Commissioner for Child Care and Head Start at ACS.**
- ? **Maintain the ACS Advisory Board and fully implement the agency's strategic plan, the ACS Renewed Plan of Action.**
- ? **Fully implement the neighborhood-based service model (NBS)** mandating that preventive and foster care services be delivered in defined communities rather than broader geographic areas.
- ? **Prioritize the expansion and delivery of preventive services to at-risk children and families.** For the first time more families and children are served in preventive services and fewer children are placed in foster care.
- ? **Support the new Office of Children and Family Services child welfare financing plan that replaces the State Children and Families Block Grant.**
- ? **Address the needs of youth discharged to independent living.** ACS must make certain that youth who age out of care have secured permanent housing, employment, health insurance coverage, and that they have obtained a high school diploma or General Equivalency Diploma (GED). Life skills counseling, technical skills and training, and job experience should also be made available at the point of discharge.
- ? **Invest in foster parent recruitment.** Foster parent recruitment efforts must be increased to ensure that foster care placement can occur in the child's community of origin.
- ? **Address the workforce crisis.** Salaries start at \$18,000, caseworker:caseload ratios exceed recommended numbers and there is a 40% turnover of contract agency caseworkers.
- ? **Require accreditation of voluntary agencies and all direct care programs.**

Additional reform initiatives have included improving the training curriculum for caseworkers, hiring additional child protective caseworkers to reduce caseworker-caseload ratios, and creating a scholarship program to encourage caseworkers to pursue Master's level degrees in Social Work. ACS has also implemented new case conferencing requirements that bring family members and family friends together with ACS caseworkers within 72 hours of a child's placement in foster care. New case conferencing requirements are designed to allow caseworkers to obtain more complete information about the family's circumstances to present to the Family Court. There have also been efforts to enhance the agency's infrastructure, including the development of a system to track and assess agency and service provider performance via established outcomes and indicators and quality improvement feedback processes. New budget, technology, procurement, and personnel management systems have also been developed within the agency.

While these improvements are encouraging, ACS still fails to meet accreditation standards in areas such as caseworker training, caseworker-caseload ratios, and quality assurance. The city must also work harder to meet requirements set by federal and state laws. With the passage of the federal Adoption and Safe Families Act (ASFA) and its codification in state law, ACS is required to expedite permanency for children in foster care by shortening their length of stay in foster care. In order to effectively expedite permanency, intensive casework is required and a range of support services must also be made available to reunite children with their families or to facilitate adoption.

ACS convened an Advisory Board Child Care Subcommittee in September of 2000 to develop a coherent, time-focused plan to improve child care and Head Start opportunities for New York City children and families. The *Counting to 10: New Directions in Child Care and Head Start* Plan defines ten broad goals and the means to achieve them. These goals include: ensuring the quality of Head Start and child care, increasing access to care, expanding the availability of care, broadening parent involvement and community engagement, strengthening workforce and sponsoring agencies, promoting program integration, building state of the art facilities, enhancing child development and family functioning, maximizing revenue, and improving ACS child care and Head Start operations. The hard work of the Child Care Subcommittee has laid the foundation for better integration of child care, Head Start, and child welfare functions of the agency into a new ACS strategic plan. This process of integration and rearticulation of the broad ACS mission and goal in the strategic plan should better link child care and Head Start services with the agency's child welfare reform initiative.

For more information, please call Jennifer March-Joly, Ph.D., Associate Executive Director of Program and Policy, at 212-673-1800 ext 12.

December 2001



Children's Mental Health

Severe restrictions on capacity expansion, chronic under-funding, and competition with adult concerns have created a children's mental health crisis in New York City. Federal prevalence estimates suggest that approximately 146,000 children in New York City have a serious emotional disturbance and are in need of mental health services.¹ However, most children with serious emotional disturbance in New York State do not receive mental health services.²

The continuum of children's mental health services in New York State includes an array of treatment, residential and support services. As of fiscal year 2000, treatment services in New York City included: 6 mobile crisis teams, 8 home-based crisis intervention, 1 Assertive Community Treatment Teams, 83 children's outpatient clinic treatment programs and 82 unrestricted outpatient clinic treatment programs, 140 school-based outpatient treatment satellite programs, 46 day treatment programs, 1 partial hospitalization program, 5 providers of Home and Community Based Waiver programs, 8 acute care hospitals, and 3 state children's psychiatric

centers and 1 state-operated children's psychiatric hospital unit.³ Residential services included: 1 crisis residence program, 6 family-based treatment programs, and 4 community residences.⁴ There are also 8 residential treatment facilities in New York State, some of which accept children from New York City. Support services included: 47 family support programs, 10 intensive and 2 supportive case management programs, and 1 out-of-home respite care program.⁵

RECOMMENDATIONS

➤ **Preserve and strengthen the Office of Child and Adolescent Mental Health Services in the new Department of Public Health (DPH)**, maintain the position of Assistant Commissioner for Child and Adolescent Mental Health Services, and recruit a child psychiatrist to advise the DPH on children's mental health issues.

➤ **Improve coordination of services by implementing the Single Point Of Accountability for Children.** This is a mandate from the New York State Office of Mental Health (NYSOMH) to increase coordination, improve allocation of resources, and better track mental health services provided to children.

➤ **Expand clinical treatment services** in natural settings, such as schools, day care centers, and community centers by working with NYSOMH to lift the Medicaid Neutrality Cap and other regulatory barriers.

➤ **Develop a long-range disaster response plan** to better equip mental health providers, New York City Board of Education, New York City Administration for Children's Services and other child-serving systems to meet the mental health needs of children and their families since the WTC terrorist attacks and other disasters.

➤ **Conduct a children's mental health public education campaign** to help children, adolescents, parents, pediatricians, school officials, and other concerned adults recognized mental health problems and know where to go for help.

➤ **Increase coordination between the new DPH and with the Administration for Children's Services, Board of Education, and Department of Juvenile Justice** to ensure that the mental health needs of foster children, children involved with the courts, and other children with special needs are addressed.

➤ **Appoint the Chairperson of New York City Community Mental Health Service Board to the newly expanded Board of Health.**

➤ **Add child-specific indicators to the mental health services section of the Mayor's Management Report.**

Although many communities in New York City have some mental health programs, the demand for services far exceeds existing capacity. The lack of mental health treatment, residential and support services means that children too often remain in inappropriate levels of care because programs operating at maximum capacity have no room to accept them. This phenomenon is known as "kidlock."

In 1999, approximately 61,000 children in New York City received outpatient treatment services.⁶ Significantly, this figure does not reflect the estimated 750,000 children who will require trauma debriefing, crisis intervention and mental health services as a result of the WTC disaster and the continuing threats to well-being. These children could need up to 3 crisis counseling visits, or 2.25 million additional visits to mental health clinics, and may need ongoing mental health treatment in the future. Although Federal Emergency Management Agency funds enable mental health providers responding to this need to obtain reimbursement for services, no federal, state, or city money has been made available to expand children's mental health service capacity to meet this unprecedented need.

With insufficient children's mental health service capacity before September 11th, and larger numbers of New York City children expected to need crisis counseling and mental health services, the New York City Department of Public Health must make children's services a priority. Developing these services requires closer partnership with the New York State Office of Mental Health and federal agencies, and the development of a multi-year plan. The plan should include specific capacity expansion commitments, increased coordination of services, and collaboration with other child-serving agencies, including child welfare, juvenile justice and schools.

For more information, please call Tara Sher, Esq., Staff Associate for Health and Mental Health, at 212-673-1800 ext 16.

December 2001

¹ Before It's Too Late: Ending the Crisis in Children's Mental Health, Citizens' Committee for Children of New York, Inc. (December 1999), p. 5.

² Ibid.

³ Before It's Too Late: Ending the Crisis in Children's Mental Health, Citizens' Committee for Children of New York, Inc. (December 1999), p. 3.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.



Housing

Staggering housing costs accompanied by an overall divestment in the development and funding of affordable housing has left New Yorkers struggling to maintain housing stability. New York City's housing needs have grown to crisis proportions, making it more difficult than ever for working families to find and retain affordable housing and for homeless families to transition from shelters to permanent housing. From January to September of 2001, an average of 6,045 families and 11,162 children were in homeless shelters.¹ This represents an increase of 14.5% for families and 18.4% for children since 2000. One in ten children in New York City are at risk of being homeless or have been in a homeless shelter.

The overall vacancy rate for apartments in New York City is less than 4 percent. More than half of all New Yorkers cannot afford to pay the fair market rent of \$834 a month for a two bedroom apartment and almost a quarter pay more than 50 percent of their income on rent. The actual production of housing in the City has dropped from an average of 36,896 new housing units in the 1960's to an average of only 7,861 in the first half to the 1990's.² This can be attributed, in part, to the fiscal divestment in affordable housing by all levels of government in the last decade.

The severe shortage of low-income housing units can also be attributed to the lack of rent subsidies available to enable low-income households to secure housing that would otherwise be financially out of reach. Rent assistance programs play a major role in providing housing security for working families whose incomes have not kept up with increasing rents. Rent subsidies are an affordable alternative to homeless shelters at a cost of \$4,800 a year as compared to family shelter costs of \$36,000 a year. Families whose children are placed in foster care because of the lack of housing cost \$6,200 to \$60,000 a year. According to the most recent NYC Housing and Vacancy Survey, approximately 1,040,450³ New York City families were eligible for federal Section 8 rent subsidies, yet only 168,505 families actually received them in 2000. Of the total federal Section 8 rent subsidies available, only 4,200⁴ of these subsidies are recaptured and recycled for new families each year. A small number of additional subsidies are sometimes made available by the federal government each year. Over 200,000 families remain on the City's Section 8 waiting lists with little hope of ever receiving assistance. New York City and New York State have begun to address this problem by creating new housing subsidy programs. While these programs have increased the number of subsidies available to families, they fall short in addressing the overwhelming need. In addition, the administration of rent subsidies is often complicat-

RECOMMENDATIONS

- ¿ **Expand and increase the supply of rent subsidies.** New York City should increase the number and duration of rent subsidies available to low income families and expand the HRA Employment Incentive Housing Program (EIHP) and the DHS Family Rental Assistance Program (FRAP) to families that are at risk of losing housing. The cost of providing a rent subsidy through FRAP or EIHP is between \$4,800 to \$7,200 a year compared to the cost of \$36,000 a year required to house a family in a New York City shelter.
- ¿ **Reduce construction costs in New York City.** Revamp the New York City Department of Buildings to eliminate duplicative inspections and long waits for approvals and certificates of occupancy.
- ¿ **Support the *Housing First! Affordable Housing for All New Yorkers Proposal.*** This coalition recommends that the City commit to \$10 billion, to a 10 year housing plan for the development and preservation of low, moderate and middle income housing.
- ¿ **Require a percentage of low and moderate income housing units in all large scale housing projects being developed.**

ed by an applicant's limited access to information on eligibility, availability and application procedures. There is no central place to access information on government-sponsored rent subsidy programs in New York City with seven agencies and a total of thirteen departments administering twelve rent assistance programs to New York City families.

For more information, please call Maria Toro, Staff Associate for Housing and Income Support, at 212-673-1800 ext 20.

December 2001

¹ *Emergency Housing Services for Homeless Families Monthly Report*, Department of Homeless Services. 2000 and 2001, January - July.

² Coalition for the Homeless *Housing a Growing City: New York's Bust in Boom Times*, 2000.

³ City of New York Department of Housing Preservation and Development, *Housing New York City*, P. 117, 1996.

⁴ Coalition for the Homeless *Housing a Growing City: New York's Bust in Boom Times*, 2000.



Youth Services and Employment

Youth development programs include after-school, evening and summer programs provided by community-based organizations, which contract with the New York City Department of Youth and Community Development (DYCD). There are over 1,000 youth development programs throughout the city that help young people develop and support potential talents and abilities by creating academic and social supports in their neighborhoods. However, program capacity does not meet the current demand by young people who desire the opportunity to participate in challenging and stimulating activities, and to engage in the creative, recreational and skills-building opportunities that youth programs provide.

Youth development programs have suffered from chronic underfunding. For the past eight years there have been annual cuts to the city's youth services budget, leaving tens of thousands of children and youth at risk of losing after-school and youth development programming. Each year, the City Council has restored cuts ensuring that young people have the opportunities to attend safe and structured youth development activities during the non-school hours. However, irregular funding has meant that many of the programs for youth which are proven effective in preventing delinquency and promoting positive youth development have never gone to scale and poor planning and management of DYCD has resulted in the development of a fragmented system of programs for youth which do not work as an integrated whole. Many different youth development programs operate in New York City. These include:

Youth Development and Delinquency Prevention (YDDP) is a jointly funded program of New York City and New York State that provides resources to a range of programs that respond to the needs of youth and their families. YDDP funding provides localities with high levels of flexibility to design programs that meet the needs of local youth in both community-based organizations and in schools. In FY 2000, YDDP programs took place at over 850 sites and served over 345,000 young people at an average cost to the city of \$60.00 per youth. In 1994, the Mayor cut the city's share of funding for YDDP by 70%, closing or reducing capacity of many programs. Funding levels for YDDP programs have not been restored to previous levels nor have they kept pace with rising cost of living.

RECOMMENDATIONS

- ? **Create a stable and consistent funding stream for youth services.**
- ? **Establish a stand-alone Summer Youth Employment Program (SYEP).** Decreasing access to the summer jobs program for in-school youth deprives young people of the opportunity to gain work experience and earn income, and also places a strain on summer camps and community programs that depend on the involvement of young people to staff their programs. A SYEP would ensure that all young people in New York City who are in need of summer jobs are able to find employment over the summer.
- ? **Utilize unspent Workforce Investment Act (WIA) funds for out-of-school youth.** As of August 31, 2001, New York City had \$97 million in unspent WIA funds, placing the city at risk of losing millions of dollars that could be used to link out-of-school youth with jobs and training opportunities.
- ? **Improve management at DYCD in the areas of procurement, program planning and coordination and payment.**
- ? **Increase collaboration between DYCD and other city agencies serving children, especially the Board of Education.**
- ? **Establish a Youth Commission to advise the Mayor and the DYCD Commissioner on city policies, programs and budgets affecting young people.**

The Summer Youth Employment Program (SYEP) is a federal summer jobs program for youth that has historically provided tens of thousands of young people with the opportunity to enter the workforce. The success of SYEP has been threatened with the 1998 passage of the federal Workforce Investment Act (WIA), which included new programming requirements that focus on year-round services for out-of-school youth. Due to the new requirements, the federal program cannot maintain the 40,000 summer jobs for youth, let alone meet the increased demand raised by over 80,000 applications.

Street Outreach is a year-round program that creates a corps of street outreach youth workers who develop a rapport with neighborhood youth, provide information and referrals to existing community programs and offer a positive community presence.

Beacons are multi-service community centers located in public schools that offer youth and families a broad range of services. There are now 80 Beacons throughout the city serving approximately 90,000 youth.

The After-School Corporation (TASC) links community-based providers with public schools to provide programming to students who regularly attend that particular school. These programs are funded in part by private funds from The Open Society and are matched 1:3 by public dollars. TASC is currently working to expand their network to 200 schools.

For more information, please call Candice Anderson, Staff Associate for Education, Child Care and Youth Services, at 212-673-1800 ext 17.

December 2001



Juvenile Justice

The Department of Juvenile Justice (DJJ) provides secure and non-secure detention for alleged juvenile delinquents awaiting their hearings in Family Court and alleged juvenile offenders awaiting their trials in the Youth Part of the New York State Supreme Court. Upon a youth's first appearance before the Family Court, the judge determines whether a young person should be sent to secure detention, non-secure detention (which is a group home for 12 youth), an alternative to detention program, or can be released to the community while awaiting a hearing.

DJJ operates three secure detention facilities directly (Bridges, Crossroads and Horizon) and supports 14 non-secure facilities (2 of which are directly operated by DJJ and the remaining 12 are operated by contract providers). According to the FY'2001 *Mayor's Management Report* (MMR), 4,828 youth were admitted to secure detention and 485 to non-secure detention.¹ The alternative to detention programs (Alternative to Detention and Expanded Alternative to Detention) are operated via contracts with the City's Department of Probation. According to the MMR 1,273 youth were supervised in alternative detention programs in fiscal 2001.²

RECOMMENDATIONS

- ? **Create a continuum of services to meet the needs of youth in care.** Create a seamless system of health, mental health, substance abuse treatment, and special educational services that provides appropriate aid to detained youth, youth released from detention (aftercare and diversion and delinquency prevention) and PINS youth.
- ? **Secure state funding for the new PINS Law.** While state legislation increased the eligible age for PINS cases from 16 to 18 years, additional funding to serve these children and their families was not included to support the expanded caseload.
- ? **Maintain Ombudsman staff in each secure detention facility** to ensure that the civil rights of juveniles are upheld and to provide DJJ with an early warning system for identifying problems and conditions of confinement.
- ? **Expand the use of non-secure detention facilities and alternatives to detention programs.** Graduated sentencing options will more closely reflect the severity of the crimes committed and more appropriately respond to the rehabilitative needs of youth entering the system.
- ? **Block the development of additional secure detention beds,** in light of falling juvenile crime rates. Redirect the \$64.6 million budgeted to develop 200 secure detention beds to another purpose.

Between 1994-1999 (the most recent data available) the juvenile arrest rate decreased by 25% in New York City.³ The arrest rate for violent juvenile crime decreased by 33% in New York City⁴ over the same period. In light of decreases in juvenile crime, CCC has focused attention on the number of youth placed in secure detention in New York City. The daily population of youth in secure detention rose from a historic daily average of 250 youth to a daily population of 379 youth in Fiscal 2000.⁵ The rise in population placed in secure detention facilities can be attributed to several factors. First, there was a shortage of non-secure detention beds resulting from the closing two group homes in 1997. In response to this shortage, DJJ housed youth eligible for and/or referred to non-secure detention in secure detention facilities, which drove up the census in secure detention. Second, an increasing number of youth who have a history of truancy or who have been arrested for misdemeanors are often referred directly to secure detention, bypassing non-secure detention regardless of the availability of beds. Finally, the increased length of trials for juvenile offenders has resulted in longer stays in detention for youth.⁶

The rise in secure detention placements has subsided slightly over the last fiscal year. According to the *Mayor's Management Report* there were 540 juvenile offenders admissions to secure detention during fiscal 2001, a 6% decrease from the 573 admissions during fiscal 2000.⁷ The average daily population of youth in

secure detention was 357 during fiscal 2001, a 6% decrease from the daily population of 379 during fiscal 2000.⁸ Alternatively the average daily population for non-secure detention increased 11 percent during fiscal 2001 to 140 youth, from 126 youth in fiscal 2000.⁹

Once a youth has been released from detention, the quality of after-care services provided can play a critical role in preventing recidivism. In CCC's January 2000 publication entitled *Returning Home: A Look at Aftercare Services Provided to Delinquent Youth*, CCC's research (based on 1998 data) revealed that most of the planning for a youth's release occurs after the young person is back in the community. Once in the community, young people wait weeks and even months to become re-enrolled in special education and many youth do not make the required contacts with aftercare counselors.

PINS

Parents and guardians can file a petition in Family Court, called a PINS petition, if a young person is a truant or is displaying incorrigible behavior at home. A parent or guardian usually files a PINS petition when they feel that a child is habitually disobedient to the point that the child is beyond their lawful control.

New York City attempts to divert all PINS cases from the Family Court by providing counseling and other social services to the youth and his/her family. The Department of Probation and the Administration for Children's Services are involved in the PINS Diversion Project, which attempts to work with young people and their families without having to go through Family Court. Most PINS cases in New York City are successfully diverted from the Family Court. If a PINS case does proceed to court, the judge can order services for a youth and parent or guardian, or the court can order that the child be placed out of the home for a period of time. PINS youth placed out of the home are remanded to the custody of the New York State Office of Children and Family Services (OCFS) and can be placed in a foster home or a group home. PINS youth often have substance abuse, mental health, or special educational needs. Whether or not PINS youth remain in the custody of their parents or a guardian or are placed out of the home, their ability to positively modify behavior is influenced by the adequacy of and access to services.

During the 2001 state legislative session, the Legislature passed a law expanding eligibility for PINS from 16 to 18 years of age for boys and girls. Although on its face increasing the eligible age may seem like an asset to parents who have difficulty controlling their children, passing this legislation without including additional funding for services to work with these children and families presents false hopes to parents and children. In the adopted state fiscal 2002 budget implementation of this legislation has been postponed until July of 2002.

For more information, please call Jennifer March-Joly, Ph.D., Associate Executive Director of Program and Policy, at 212-673-1800 ext 12.

December 2001

¹ Mayor's Management Report for Fiscal 2001, Volume II, page 27.

² Mayor's Management Report for Fiscal 2001, Volume II, page 24.

³ New York State Division of Criminal Justice Services, Uniform Crime Reporting System, 1994-1998.

⁴ New York State Division of Criminal Justice Services, Uniform Crime Reporting System, 1994-1998.

⁵ Mayor's Management Report for Preliminary Fiscal 2000, Volume II.

⁶ NYC Department of Juvenile Justice Website.

⁷ Mayor's Management Report for Fiscal 2001, Volume I, page 66.

⁸ Ibid.

⁹ Ibid.



Income Security and Public Benefits

In 1996, the federal Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) was signed into law, ending 61 years of anti-poverty entitlement programs for families in the United States. The PRWORA replaced Aid to Families with Dependent Children (AFDC) and combined funding streams for social welfare programs into the Temporary Assistance to Needy Families (TANF) Block Grant. PRWORA created a 5-year lifetime limit on the receipt of public assistance and excluded several categories of families from federally funded public benefit programs.

New requirements for public assistance recipients mandated participation in work-related activities and compliance with child support enforcement procedures.

In 1995, the Human Resources Administration (HRA) launched a welfare reform initiative called New York City - Work, Accountability, You! (NYC-WAY). NYC-WAY combined stringent eligibility requirements and front-end fraud detection with work requirements for participants, primarily through the City's workfare program known as the Work Experience Program (WEP). New policy required every adult receiving public assistance to work in exchange for benefits and limited the education and training opportunities for parents on public assistance. In March 1998, the City began to convert Income Support Centers to Job Centers and incorporated job readiness and job search activities into the public assistance process. The conversions were suspended when in *Reynolds V. Giuliani*, the court found that Medicaid, Food Stamps and emergency benefits had been denied illegally to families applying for them at Job Centers. The court required the City to develop a corrective action plan to ensure better access to public benefits at Job

RECOMMENDATIONS

? **Expedite and simplify access to public assistance and public benefits.**

? **Automatically enroll families who reach the five year time limit in the Safety Net Program and review their continued eligibility at the next recertification visit.**

? **Create a local Earned Income Tax Credit (EITC) and a local Child and Dependent Care Tax Credit (CDCC) and secure state approval.**

? **Expand education and training opportunities for families receiving public assistance.** Allow education and training activities to satisfy work requirements whenever possible and consistent with state and federal law and implement welfare-to-work vocational job training and apprenticeships in building trades to assist efforts to rebuild the downtown area.

? **Support an increase in the state minimum wage.** Individuals earning the state minimum wage of \$5.15 do not earn enough to escape poverty. New York City needs to support pending State legislation to increase the minimum wage from \$5.15 to \$6.75 an hour.

? **Encourage financial asset building among low-income working families by creating a city Individual Development Account (IDA) program.** IDAs are dedicated savings accounts that can be used to buy a home, start a business, pay for post-secondary education or job training. IDA programs match 1:1 individual savings with public (TANF) and/or private sources.

? **Provide a Baby Bond to every child.** Modeled after a proposal by Britain's Prime Minister, Baby Bonds worth \$450 to \$750 could be given to every child with additional deposits of \$75 to \$150 on the child's 5th, 11th and 16th birthdays. The bonds would mature on the child's 18th birthday at about \$7,500 that could be used towards post-secondary education or training, business start-up and home ownership.

? **Implement the Transitional Jobs Program (TJP).** In March 2000, the City Council overrode the Mayor's veto of the TJP, creating 8,000 publicly subsidized jobs for public assistance recipients and provide training, support services and paid work experience, plus access to state and federal EITCs. The program was to be implemented by January 1, 2000, but has not been funded.

? **Insure that New York City and New York State interests are reflected in TANF reauthorization plans.** In October 2002, the TANF block grant will be reauthorized, giving the City and State an opportunity to recommend changes in federal welfare law and propose conforming changes in state and city policy.

Centers. In July 1999, the City's conversion plans were again halted by the courts pending further evaluation of the City's monitoring practices of procedures and access to benefits in the Job Centers. In May 2001, the court conceded to the conversion of the remaining Income Support Center to Job Centers. However, the case has not yet been settled and the matter of Job Centers denying eligible families the opportunity to apply for direct cash assistance and other benefits remains.

Families continue to have difficulty accessing public benefits and services from local Job Centers. The Eligibility Verification Review (EVR) process has diverted families from assistance and has made it more difficult to re-certify for benefits. Job Centers have been responsible for carrying out diversion policies that have prevented and/or delayed thousands of eligible applicants from receiving welfare benefits. By 2001, New York City's welfare caseload had dropped by 57.3 percent since 1994. This dramatic drop in caseloads results from several converging factors including booming economic growth, a corresponding increase in employment and HRA's diversion policies.

New York City families continue to struggle to make ends meet and too many children are living in impoverished circumstances. The number of children born into poor families has decreased only slightly from 51.7% in 1994 to 50.4% in 1999. Looking back to 1990, child poverty has actually increased by 15%. While child poverty did not decrease, the number of children receiving public assistance decreased from 38% to 20% between 1994 and 1998. Declining welfare caseloads and the growing number of children born into poor families suggest that families leaving welfare and families making the transition from welfare to work are struggling to maintain financial independence.

New York City will need to revise its welfare policies and ensure that families receive the public benefits they need to assist them in their transition from welfare to stable employment and financial independence. An effective support network should include quality child care, food stamps, tax credits and health insurance.

For more information, please call Maria Toro, Staff Associate for Housing and Income Support, at 212-673-1800 ext 20.

December 2001



Government Operations

New York City children, youth and families are served by services and programs housed in 15 different city agencies. Sometimes the agency's name provides a clue to the public about the services it provides - - Board of Education, Department of Public Health or Administration for Children's Services. And sometimes it is unclear, as in the case of the Human Resources Administration, when the agency name bears no relationship to its mission making it hard for New Yorkers to know when, where and how to seek assistance.

Sometimes two or more city agencies provide a similar service. Such is the case with child care services with functions operated out of the Administration for Children's Services, the Human Resources Administration and Health Department or housing subsidies that are available in the Department of Homeless Services, Human Resources Administration, and Administration for Children's Services. Sometimes redundancy is good and multiple entry points make access to information, benefits and services easier for families and caregivers. More often, redundancy is an expensive reflection of categorical funding, bureaucratic inertia, historical practice and the failure to prune back when new initiatives were implemented.

The World Trade Center disaster has pointed up the obvious limitations in the way that city services are organized and delivered to families. The lack of information about who is eligible for what level of assistance, where to go for help, and how these services work, has created a growing chorus of frustration. Even before September 11th, New Yorkers were clamoring for a simpler way.

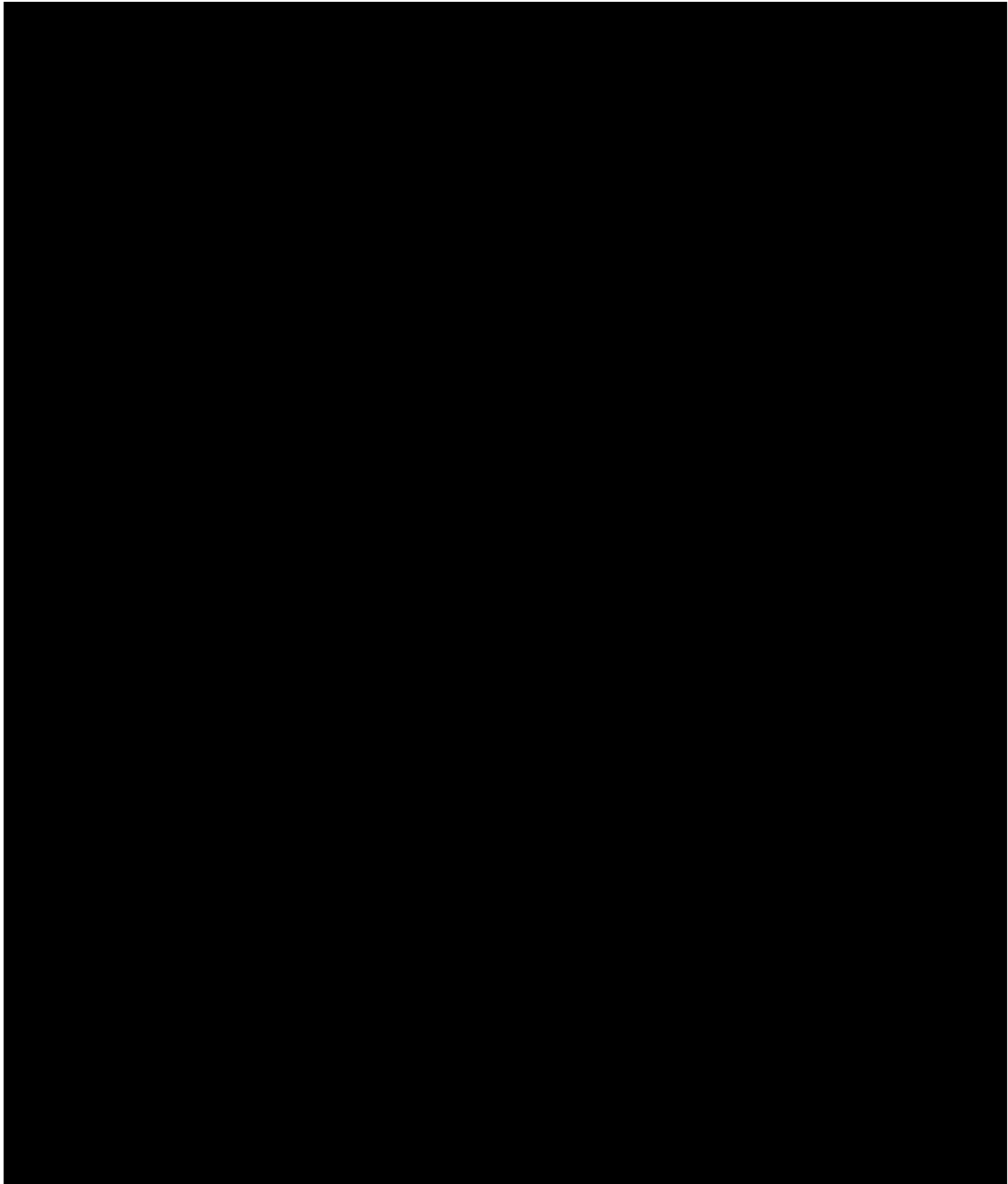
We are not suggesting a massive reorganization of children's services because we don't want to lose time restructuring only to find that services to children and families haven't improved. We are recommending improvements in: information management and access to information; services planning; contracting and payment; accountability and reporting; public participation and related improvements in government operations that can streamline services, improve coordination, reduce duplication, and increase consumer satisfaction.

RECOMMENDATIONS

Planning and Coordination

- ? Establish a Bureau for Emergency Human Services Management within the New York City Office of Emergency Management to develop human service disaster plans and coordinate the city agency and non-profit sector response to disasters and emergencies.
- ? Create a Deputy Commissioner for Child Care and Head Start Services position at ACS to improve coordination and management and move HRA child care services into ACS to streamline access and improve coordination.
- ? Functionally integrate public health, mental health and development services in the new Department of Public Health.
- ? Convene the Interagency Coordinating Council for youth under the Deputy Mayor, to bring together Commissioners of all city agencies serving children and families to set policy and budgets, develop programs, coordinate, collaborate and streamline access to services
- ? Require city agencies to produce and make available for public comment, the following planning documents:
 - The Integrated County Plan (ICP) for Children and Family Services, submitted by DYCD to OCFS for Title XX services and including the administration of services to children and families by ACS, DYCD, DJJ and HRA
 - The Interagency Coordinating Council Annual Plan as required by the City Charter to assess need, compile data and plan for an integrated approach to the delivery of services to youth
 - The TANF Services Plan submitted by HRA to NYSOTDA for TANF Block Grant funded services
 - HRA's Workforce Investment Board's 5-year plan updated annually and submitted to NYSOL
 - The Temporary Assistance and Food Stamp Employment Plan submitted biennially, by HRA to NYSOTDA, describes work activities for Family Assistance and Food Stamp recipients
 - The Municipal Health Services Plan, submitted by the new DPH to NYSDOH includes the city's plans for administering public health services and a community health assessment in compliance with Article VI
 - The Consolidated Plan produced by the Department of City Planning for HUD includes a description of housing and shelter services provided by NYCHA, HPD and DHS
 - The Local Government Plan for Mental Health Services submitted by the new DPH to NYSOMH
 - The Community School District Comprehensive Education Plans coordinated by BOE and submitted to NYSED and the Biennial 100.11 Report on the work of School Leadership Teams

continued



For more information, please call Rose Anello, Associate Executive Director for Public Affairs, at 212-673-1800 ext 15.

December 2001