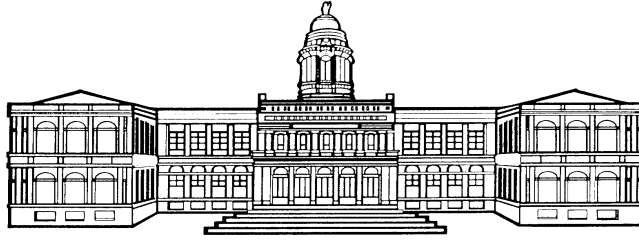


New York City Council



HEARING REPORT

FINANCE COMMITTEE JOINTLY WITH COMMITTEE ON GENERAL WELFARE

Finance Division

December 2010

Hon. Christine C. Quinn
Speaker

Hon. Domenic M. Recchia, Jr.
Chair, Committee on Finance

Preston Niblack, Director
Jeffrey Rodus, First Deputy Director

Hon. Annabel Palma
Chair, Committee on General Welfare

Administration for Children Services (068)

The Administration for Children's Services (ACS) is responsible for protecting the City's children from abuse and neglect. ACS investigates child abuse and neglect reports involving approximately 92,000 children annually and provides preventive services to an average of 31,000 children. ACS provides foster care for approximately 17,000 children through 41 foster care agencies citywide, and helps arrange for the adoption of approximately 1,600 children a year. ACS also funds and supports 253 child care centers and enrolls over 103,000 children in child care programs through contracted providers. Furthermore, ACS funds 18,123 children in Head Start programs.

AGENCY FUNDING OVERVIEW (in \$000s)

Agency Funding Sources	Fiscal 2011 Adopted Budget	Fiscal 2011 November Plan
City	\$676,430	\$659,780
Other Categorical	\$641	\$739
State	\$690,429	\$683,426
Federal -- Community Development	\$3,292	\$3,292
Federal -- Other	\$1,269,396	\$1,331,296
Intra-City	\$1,157	\$50,244
Total	\$2,641,345	\$2,728,777

November Plan Highlights

Program areas most adversely affected in Fiscal 2011 by the November Financial Plan include child protective services, child welfare, and foster care. The agency's total PEG program for Fiscal 2011 totals \$24 million.

NOVEMBER PLAN PEGS (in \$000s)			
	Fiscal 2011 Adopted Budget and Forecast	Fiscal 2011 November Plan PEGs	PEG as percentage of Adopted Budget and Forecast
Fiscal 2011	\$676,430	(\$24,485)	(4%)

Positions Eliminated Through Layoffs and Attrition

The November Financial Plan eliminates a total of 294 positions in ACS. The chart below outlines all positions lost either through attrition or layoffs in Fiscal 2011.

Positions Eliminated	Attrition	Layoffs
Training Academy staff	0	6
Division of Child Protection Sup 1's	26	0
Child and Family Specialists	0	27
Child Welfare positions (NYCC funded)	0	37
Administrative/Support positions	0	118
Division of Child Protection (Supervisors/other managerial titles)	80	0
TOTAL	106	188

Child Protective Services

Child Protective Services investigates child abuse, maltreatment, and neglect reports and, if necessary, removes the children from their homes and places them into foster care until such time as it is deemed safe for them to return. Child Protective Services also provides rehabilitative services to children, parents, and other family members involved in order to prevent further abuse. The November Financial Plan includes several staff reductions (through both attrition and layoffs) in the area of Child Protective Services.

Positions Eliminated in Various Programs through Attrition (\$487,000)

ACS plans to save \$487,000 in Fiscal 2011 by eliminating 26 staff through attrition in various program areas throughout the agency. ACS has confirmed that the majority of these are vacant positions in the Division of Child Protection (Supervisor 1's).

Child and Family Specialists Layoffs (\$439,000)

ACS plans to save \$439,000 in Fiscal 2011 by laying off 27 Child and Family Specialists. Child and Family Specialists facilitate case conferences, during which ACS determines whether or not to remove a child at imminent risk. This cut will cause higher caseloads for remaining workers. Layoffs will be effective as of January 1st.

Division of Child Protection Staff Reductions **(\$1.6 million)**

ACS plans to save \$1.6 million in Fiscal 2011 by eliminating 80 staff through attrition in the Division of Child Protection. ACS claims that caseloads will not be affected as a result of this cut, as all positions eliminated will be Child Protective Specialist Supervisors and other managerial titles. The number of cases for which the remaining managers are responsible for supervising, however, will obviously increase.

Additional Staffing Reductions

The November Plan also includes some additional staff reductions (through both attrition and layoffs) in both the areas of child welfare and administration.

Child Welfare Layoffs **(\$933,000)**
(Positions Funded By NYC Council)

ACS plans to save \$933,000 in Fiscal 2011 by laying off 37 staff in the area of child welfare (the majority of who hold the title of Child Welfare Specialist). The City Council restored these positions for Fiscal 2011, after they were originally proposed for elimination in Fiscal 2010. Positions proposed to be eliminated include 11 Child Escorts, 2 Child Escort Supervisors, 11 Adoption Subsidy Program Caseworkers, 9 Teenage Services Program Workers, and 4 Teenage Services Program Supervisors. All layoffs would be effective January 1st.

Administrative/Support Staff Layoffs **(\$1.1 million)**

ACS plans to save \$1.1 million in Fiscal 2011 by laying off 118 administrative/support staff. It is unclear whether some of these layoffs may be problematic, if they serve in the areas of child protection, child welfare, childcare, or foster care.

Foster Care

The ACS Foster Care Division generally contracts with private agencies that, depending on the child's needs, place the child either with a foster family or in a congregate care (group home) facility. Contract Foster Care (CFC) payments to service providers are given for per diem care and maintenance for foster care children along with other miscellaneous payments. These monies cover such costs as: food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel arrangements, i.e. to the child's home for visitation.

The November Financial Plan anticipates City tax-levy savings generated from a few actions in the foster care budget. On a positive note, ACS expects an increase in the federal Title IV-E funding claiming rate, due to improved child eligibility data. ACS is also now able to claim retroactive funding as far back as Fiscal 2009 for youth in foster care up to the age of 21. Previously, ACS could not claim youth in foster care over the age of 18. Additionally, ACS is also now able to get retroactive funding for children in foster care receiving Supplemental Security Income (SSI) benefits, offsetting City tax-levy.

Conversely, the November Financial Plan also includes a cut to the area of foster care. The agency is anticipating an increase in adoptions and expedited family reunifications that may potentially lead to a decrease in the foster care census by 2012. As a result, ACS reduced funding in this area in Fiscal 2010 and proposes further cuts in Fiscal 2011. The November Financial Plan includes a \$1.9 million PEG for Fiscal 2011 in this program area.

Reduce PYA Funding**(\$1.9 million)**

Recognizing that over half of the children in foster care are now over the age of 12, ACS originally implemented the "Preparing Youth for Adulthood" program (PYA) to assist youth in foster care with the transition from adolescence to adulthood/independent living. The PYA program coordinates the efforts of ACS and its contracted agencies to link youth with mental and physical health services, employment, education, housing, and any other relevant services to make their transition out of foster care and into adulthood as smooth as possible. ACS plans to reduce the PYA budget by \$1.9 million in Fiscal 2011. ACS claims that the current per child allocation will be maintained in Fiscal 2012 and in the outyears, as savings will be achieved as a result of the declining foster care census and not a reduction in service.

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