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**Testimony before the
District of Columbia Council
Committee of the Whole**

**Public oversight hearing on the Fiscal Year 2009 and Fiscal
Year 2010 Budget Gap Closing Plan**

Judith Sandalow
Executive Director
The Children's Law Center



Good afternoon Chairman Gray and members of the Committee of the Whole. My name is Judith Sandalow. I am the Executive Director of the Children's Law Center¹ and a resident of the District. I am testifying today on behalf of the Children's Law Center, which is the largest civil legal services organization in the District and the only such organization devoted to a full spectrum of children's legal services. Every year, we represent more than 1,000 low-income children and families, focusing on children who have been abused and neglected and children with special health and educational needs.

Let me cut to the chase. I will use my three minutes to propose \$1.8 million in budget cuts, \$400,000 in missing revenue and then will ask you to take these dollars to restore funding to three programs which keep children safe and out of foster care.

I believe that the cuts I am proposing will not hurt children. And I believe that the Mayor's proposed budget cuts will cause many children dramatic and irreversible harm.

Paid Mentoring

In passing the FY10 budget, the Council made the decision not to renew contracts for paid mentoring. These contracts expire January 30, 2010. We recommend that the Council end these contracts four months earlier, on October 1, 2009 -- saving an additional \$800,000. The Council decided to cut these contracts after hearing testimony that these mentoring programs cause more harm than good. Ending these contracts four months earlier makes good sense.

Volunteer Mentoring

The Mayor's proposal budgets \$1.31 million for volunteer mentoring. In FY2009 CFSA spent only \$24,000 on volunteer mentoring contracts. While we agree there is some need to increase

¹ The Children's Law Center envisions a future for the District of Columbia in which every child has a safe home, a meaningful education and a healthy mind and body. We work toward this vision by providing free legal services to more than 1,000 children and families each year and by using the knowledge we gain from representing our clients to advocate for changes in the law. The Children's Law Center is the largest civil legal services organization in the District of Columbia and the only organization providing comprehensive representation to children.

capacity in light of the reduction in paid mentoring, the increase is extreme. This is not the time to invest over \$1 million in the capacity of a private agency to recruit and train volunteer mentors. We urge the Council to reduce volunteer mentoring to \$300,000, saving \$1million.

Federal Revenue for Relative Guardianships

District law has long allowed kin to become foster children's permanent guardians and receive a financial stipend called a guardianship subsidy.² A new federal law provides federal reimbursement for relative guardianship subsidies and DC will receive funds for guardianships finalized on or after January 1, 2009.³ CFSA's proposed budget does not reflect these federal funds and projects zero federal dollars for guardianship subsidies, although CFSA officials have estimated more than \$420,000 in federal revenue for FY 2010. These funds should be accounted for in the budget and allocated for prevention services.

These two cuts and the guardianship revenue total more than **\$2.2 million dollars**. This savings should be spent on restoring funding to programs that keep children safe, out of foster care and with their families. Which programs? I believe it should restore two programs which the Mayor has proposed cutting – Rapid Housing and the Grandparent Caregiver Program – and dedicate any remaining savings to restoring cuts to the TANF program. Each program has a proven track record of keeping children out of foster care, saving the District money and saving children the extreme trauma of being removed from their families.

Rapid Housing

In the FY 2010 budget, the Council wisely funded the Rapid Housing program, which the Mayor now proposes cutting by \$490,000. Given that every dollar spent saves the District more

² D.C. Code 16-2380 *et seq.*

³ 42 U.S.C. § 673(d). Federal guidance has limited funding to prospective guardianships. ACYF-CBPI-08-007, at 1, 3. Prospective federal funding is available beginning on the first day of the quarter in which CFSA amends its state plan to provide for guardianship subsidies. ACYF-CBPI-08-007, at 6. CFSA has assured the Children's Law Center that it has taken the necessary steps to obtain federal funding for all guardianships finalized on or after January 1, 2009.

than four dollars⁴ in foster care costs, this is penny wise and pound foolish. Restoring \$490,000 to Rapid Housing will save CFSA upwards of \$2 million in FY 2010 alone.

What is Rapid Housing? It is a program that helps families on the verge of homelessness obtain housing and it helps youth emancipating from foster care transition to adequate and stable rental housing by providing time-limited financial assistance to pay security deposits and the first few months rent. Rapid Housing has helped hundreds of children reunify with their birth families quickly or stay out of foster care altogether,⁵ and is “by far . . . the most used resource” by emancipating youth.⁶ The program is also inexpensive – a maximum of \$5,000 per family or emancipating youth.⁷

The Mayor has proposed cutting \$490,000 from the program at a time when the number of children entering foster care due to inadequate housing has skyrocketed more than 50 percent in the last year.⁸ This cut will leave approximately 42 families and more than 80 children without assistance

⁴ The proposed budget for the ‘Out of Home Care and Support’ program includes \$111,717,000 in local funds. Proposed CFSA Budget, Schedule 30-PBB, E-16. With about 2300 children in foster care, this budget means that CFSA will spend an average of \$48,573 for each child in foster care. That estimate is conservative because we have not included other costs associated with children in foster care, such as “Adoptions and Guardianship Subsidy,” “Guardianship Subsidy,” “Foster Care Services,” “Adoption Activity,” and “Teen Services Activity.” See Proposed CFSA Budget, Program Description, E-21 – E-22. We do not include the costs of those services in our estimate due to the difficulty in projecting their average cost. We assume based on historical trends that families receive 60% of the funds and youth 40%. We also assume foster care costs for six (6) months in our estimate.

⁵ Government of the District of Columbia, Child and Family Services Agency, Implementing the Adoption and Safe Families Amendment Act of 2000 in the District of Columbia, [http://cfsa.dc.gov/cfsa/frames.asp?doc=/cfsa/lib/cfsa/pdf/final_mayor_annual_report_2007\[1\].pdf](http://cfsa.dc.gov/cfsa/frames.asp?doc=/cfsa/lib/cfsa/pdf/final_mayor_annual_report_2007[1].pdf) (reporting that Rapid Housing served families with 164 children in FY’07); Testimony of Uma S. Ahluwalia, Interim Director, Performance Oversight Hearing, Committee on Human Services, February 15, 2007, http://newsroom.dc.gov/file.aspx/release/10619/21407FY0607_Hearing.pdf (noting that Rapid Housing served families with 155 children in FY’06).

⁶ Government of the District of Columbia, Child and Family Services Agency, Quality Improvement Administration, “Youth Who Transitioned from D.C.’s Foster Care System: A Study of Their Preparation For Adulthood,” at 17 (2008), http://cfsa.dc.gov/cfsa/frames.asp?doc=/cfsa/lib/cfsa/scorecards/youth_who_transitioned_from_dcs_foster_care_system_a_study_of_their_preparation_for_adulthood.pdf.

⁷ Families, including emancipating youth with children, could receive up to \$5,000. Emancipating youth without children could receive up to \$4,000.

⁸ Government of the District of Columbia, Child and Family Services Agency, Implementing the Adoption and Safe Families Amendment Act of 2000 in the District of Columbia (2008 Annual Public Report), at 27, http://cfsa.dc.gov/cfsa/frames.asp?doc=/cfsa/lib/cfsa/pdf/fy_2008_annual_public_report.pdf.

and leave more than 57 foster youth without housing security to live on their own. Breaking up families and leaving youth homeless is not the right choice.⁹

Grandparent Caregivers Program

This successful program financially supports grandparents and others who are raising children and, most importantly, keeps children safely with family and out of foster care. There are 190 children on the waiting list for this program.¹⁰ In the FY 2010 budget, the Council added \$1.465 million to the Grandparent Caregiver Program in order to bring these children off the waiting list. The Mayor's proposal cuts these funds.

The Council should restore these funds. Again, it is not only good for families, but sound fiscally. The average annual grandparent caregiver subsidy in FY10 will be \$9,137¹¹ - more than \$38,000 less than keeping a child in foster care.

Temporary Assistance for Needy Families (TANF)

Lastly, some of the savings from CFSA should be used to avoid the Mayor's drastic proposal to institute full family sanctions against some families receiving Temporary Assistance for Needy Families (TANF) funds.¹² Because the Mayor's proposal will put many children at risk and is not an effective strategy for moving parents into the workforce, the Council should identify other funds to full restore this program.

The Mayor's proposal would reduce monthly cash benefits for families that do not meet requirements to participate in work activities — and could eliminate benefits entirely for some

⁹ We base this estimate on historical demand, anticipating 150 families and 110 emancipating youth will qualify for the program.

¹⁰ Lindsay Hoffman, March GCPP Update, email March 11, 2009.

¹¹ The average annual subsidy in calendar year 2008 was \$8828. Grandparent Caregivers Pilot Program: Annual Status Report CY'08, at 1 (2009). Applying a 3.5 percent cost of living adjustment yields an average annual subsidy of \$9137 in calendar year 2009, which will be in effect at the start of FY 2010.

¹² While the Mayor's office has said it will not impose full family sanctions in FY2010, the proposed change to the BSA would allow full family sanctions and Director of Humans Services Clarence Carter stated in a public meeting on July 22, 2009 that full family sanctions were contemplated for FY 2011.

families. The impact on the children in these families will be devastating. Several studies have found a link between full-family sanctions and an increase in substantiated cases of physical abuse and neglect of children.¹³

The Mayor's approach is unlikely to lead to greater compliance with the work requirement. These sanctions will fall on families that have significant barriers to work during the highest period of unemployment in 25 years.

We do not dispute that the District's TANF program is flawed and that reform is necessary. However, the Mayor is proposing a significant policy change with no time for full discussion, research and consideration of the effects of his proposal. The Council should reject the proposal and instead work with TANF recipients, policy experts, and advocates to re-design the TANF program to provide services that truly help recipients gain the skills needed to leave welfare for work.

Conclusion

The cuts proposed by the Mayor will hurt children. There can be no debate about that. Further cuts to CFSA and to the safety net programs that support low-income families will endanger lives.

I urge the Council to do two things:

First, do not look for additional cuts, but instead support the Mayor's plan to use fund balance and other one-time resources to minimize the need for budget cuts in FY 2010.

¹³ The largest and most comprehensive study, which reviews data from all states from 1990-1998: Christina Paxson & Jane Waldfogel, *Welfare Reforms, Family Resources, and Child Maltreatment*, in *The Incentives of Government Programs and the Well-Being of Families*, at 102-03 (2000), available at

<http://www.albany.edu/faculty/krethema/PAD705/PastExams/PaxsonWaldfogel.pdf>.

Two other studies (of Michigan and Illinois) have found similar results – a link between full family sanctions and increased involvement with child protective services, although one study (Milwaukee) found no link between full family sanctions and increased CPS involvement. West Coast Poverty Center, *Review of Research on TANF Sanctions*, Report to Washington State WorkFirst SubCabinet, at 37 (2006), available at http://www.workfirst.wa.gov/research/studies/sanction_literature_final.pdf.

Second, I implore the Council to look at the impact of cuts on children and families rather than looking at whether a specific agency has taken “its fair share” of cuts or a particular line item is an considered an enhancement. For example, cutting \$490,000 from Rapid Housing will result in approximately 127 children becoming homeless/entering foster care. Although the cut is small in dollars, the impact is great on families. In contrast, while mentoring is important, it pales in comparison to keeping a family together. There should be no sacred cows in this budget round. Look hard at the real impact of budget cuts on the safety and health of DC residents – and whenever possible cut costs that will inconvenience residents and visitors rather than those which will put children on the street, in foster care and in the hospital.