

**Testimony to the Committee on Human Services
For the Budget Oversight Hearing on the Child and Family Services Agency**

**Nadia Gold-Moritz, Executive Director
Young Women's Project**

April 24, 2013

Good afternoon Chairman Graham and members of the Human Services Committee. Thank you for hearing my testimony today. I am Nadia Gold-Moritz, Executive Director of the Young Women's Project (YWP) -- a DC-based nonprofit organization that builds the leadership and power of DC youth so that they can shape DC policies and institutions to expand rights and opportunities for DC youth. The youth who you met here today are part of our Foster Care Campaign (FCC) which trains more than 30 foster youth leaders each year who work as advocates and organizers to improve the lives of their peers through advocacy, education, and policy work.

FCC's work is focused on the unmet needs of older youth – who make up about half of the youth in care population. As of December 2012, there were 1,380 youth in care with 758 ages 13-20; 168 are in group care and 505 in foster homes; 82 are parents.

For the past three years, our youth have reported on a range of problems and challenges. Many of them are simple needs – transportation, clothing, and supplies, and inadequate stipend and allowance levels. In the past year – thanks to you and the leadership of Director Donald, we've made an enormous amount of progress in developing and moving policies that –once they are implemented – will have a huge positive impact on the lives of older youth in care. We support Brenda Donald's vision and are grateful for her commitment to older youth.

This budget can do more to reflect that commitment. There are four main initiatives that would provide a foundation of financial resources that youth need to live modest but healthy lives, save money, stay out of the underground economy, and not have to take extra napkins from McDonalds. We are asking that the implementation of those policies and programs be fully funded in the FY2014 budget. Full funding is not expensive – but the effect would be profound. We are asking that the following programs be included in the FY2014 budget:

- \$561,600 to provide a \$100 per month base allowance as part of CFSAs incentivized allowance program for 468 youth in foster homes and group homes
- \$575,640 to provide an additional incentivized allowance of \$102.50 per month to 468 youth

- \$748,000 to provide a consistent, seasonal clothing voucher of \$400 per month to 468 youth
- \$336,000 additional funds to raise the monthly ILP stipend from \$538 to \$938 (which includes \$200 for transportation and \$100 in mandatory savings). This amount would be adjusted for youth working 20 or more hours a week.

The total budget allocation is \$2,149,240, less than 1 percent of the CFSA budget of \$241 million. Much of this funding can be reallocated from allocations in provider contracts. Director Donald has been very responsive to our concerns and has agreed to support the base allowance and is working with us to find funding for the incentivized allowance and clothing voucher. We have a meeting scheduled next week to discuss the ILP stipend levels and our recommendations. These programs would provide much needed financial resources for youth's every day needs and make a significant difference in the daily lives of older youth. I included additional program details and recommendations below.

Aligning the Outcomes and Allocations for Older Youth Programming

When I look at this budget I see – staff; 817 FTEs for CFSA, which has remained steady for the past three budgets and many more staff that are supported at the contractor level. There are 1,380 youth in the system now, down from last year and continuing to fall. Soon the number of staff may exceed the number of youth in the system. From where I sit, the fundamental budget question for this agency is how to balance the resources needed to sustain the high numbers of adult staff with the resources needed to provide quality care for youth and to prepare them to be sustainable, responsible adults. And here, where we're actually considering defunding or underfunding programs with real positive, direct benefits for youth, this question takes on more urgency. It is certainly an issue that requires serious consideration for this budget and for future budgets.

It is the responsibility of CFSA and this Committee both to our youth and to DC taxpayers to ensure that these resources are in balance and that the youth are actually benefitting from all of the adults who are being paid to support them. Staff infrastructure costs should not take away from the direct needs of the youth. If we can't find \$2 million out of a \$240 million budget to support the direct financial needs of youth -- then this budget is out of balance.

Youth development and independence goals should be the starting point for determining the stipend levels, allowance, and any other program to support the development and well-being of older youth. What do we want our

youth to achieve in ILPs and what do they need to do that? Under Director Donald's leadership, CFSA has identified more than 100 benchmarks for older youth in the areas in education, employment, health, financial management, housing, and permanence. These thoughtful and rigorous objectives map out a path of growth and achievement and continuum for each category that includes building core skills building, training, work placement, college enrollment, intensive planning, and tracking.

The outcomes are strong. But it's difficult to see how this continuum is constructed and funded in this budget in order to build the kind of programming and support that will help move most youth from point A to point B, through these developmental benchmarks. We would like to better understand how these outcomes connect to programming, what the agency goals are in terms of number of youth who will actually meet each outcome, who is going to do the work, how all the dots connect, and how it all connects back to the budget. When we look at this budget through the lens of older youth programming, here is what stands out:

- Employment: reduced by \$500,000
- College preparation and support: funding and programming not clearly identified
- Post-secondary educational strengthening and advancement: funding and programming not clearly identified
- Health development, parenting, and pregnancy prevention: funding and programming not clearly identified
- Rapid Housing: \$1,397,000
- Transportation: \$80,000

There are two critical areas we are especially concerned about.

Employment: This is a stated priority for Director Donald and a major problem for older youth. But we are concerned that CFSA is reducing the total budget for this program to \$500,000, cutting the \$1,000,000 that was allocated by this Committee in the FY2013 budget to support subsidized employment for young adults. The vast majority of youth ages 18-20 remain unemployed. According to data provided by CFSA, as of January 31, 2013 there were 375 youth ages 18-20; 301 of them were unemployed; 19 were employed full time and 55 were employed part time.

We commend the agency for taking meaningful steps in the last year to build employment programming and opportunities and especially the work of Supervisory Employment Specialist Phil Lartigue. They've established

partnerships with several organizations that are providing job readiness training and career specific training for close to 50 youth. This is a great start but it's a long road from subsidized training to permanent position and there are a couple hundred more youth who need training and placement and face far greater barriers than the first, most prepared, wave of youth. Many of these youth have dropped out of school; are lacking in communication, problem solving, reading, writing, and other basic work-readiness skills; and have spent years in chaotic placements without positive exposure to the workforce or caring adults to guide their career exploration. In many cases, they have not developed the discipline, teamwork orientation or self-control to be functional in workplace settings. We are concerned that CFSAs does not have the right program design and staff numbers to build a successful program. Right now it looks like a loosely constructed network of contractors. Moving this group of youth from point A to point B will take a much greater and better funded effort. ***Our recommendation is to restore the budget for this work to the original \$1 million.***

Education: The lack of educational progress among foster youth continues to be a significant barrier to their independence and successful transition. Based on our read of this budget, we cannot tell what kind of programming and support infrastructure is being built to accomplish the educational outcomes set forth by CFSAs. The numbers of youth progressing through and graduating from high school and college indicate that we are not making progress. Although foster youth high school graduation rates (about 40 percent) are similar to youth not in care, significantly fewer foster youth go onto college and graduate from college. As of January 31, 2013, there were 46 foster youth in college. In FY2012, there were 102 attending college full time but only 3 college graduates. About 14 percent of those attending make it to their senior year and 16 percent to their junior year. Few of the youth who don't graduate actually complete their GEDs. There are two main priority areas where we would like to see expanded and funded:

- 1) **Preparing youth for college:** There are dozens of youth graduating each year who have the potential to succeed in college but are not prepared for that level of academic work. The time to engage these youth on the college prep path is at age 15. There are dozens more who have the goal of going to college but are struggling with testing, financial aid, and enrollment who need a consistent, structured program to address these issues.
- 2) **Keeping youth in college:** Although CFSAs has made progress in paying tuition on time, systems for paying for books, transportation, and other non-tuition payments still need to be streamlined so that youth are not stuck with significant out of pocket expenses that take months to reimburse. Further, college-

enrolled youth need tutoring and other kinds of academic support to keep pace with the academic demands. Most college enrolled youth are local and could be supported through local programming.

Our recommendation is to establish a clear educational support budget and programming tied to specific youth outcomes and numbers.

Recommendations for Expanding Independent Living Program (ILP) Stipends

Current Chapter 63 ILP regulations, passed in 2001, require that youth be given \$520 a month. CFSA's new guidelines recommend raising that stipend to \$538 per month. For youth who are not employed 20 or more hours a week (which is the majority of youth in ILPS), this amount is not enough to cover the basic costs nutritious food, clothing, supplies, and savings. By forcing youth to focus on survival and doing what is necessary to get money or supplies, these stipend levels encourage youth to engage in behaviors that undermine the larger goals of education, employment, and transition preparation. Further, the ILP stipend program does not require anything of the youth receiving the stipend –like submitting a monthly budget or expense report or saving money.

Youth development and independence goals should be the starting point for determining the stipend levels. What do we want our youth to achieve in ILPs and what do they need to do that? CFSA has defined more than 100 benchmarks for older youth in education, employment, health, financial management, and housing. But when youth are poor and using their time and energy figuring out how to where to find food, clothes, and toilet paper – they are not focused on the higher goals of education and employment and not able to save money – all of which are core to their post system survival. We have six recommendations for aligning ILP stipends with these goals.

1. Engage youth in identifying needs and budget allocations. Work with them to figure out a real, detailed budget and then work with them to implement it. Break the budget down into more specific categories that reflect youth expenditures and that youth can use to budget each month and then track expenses.
2. Require youth to submit a budget each month that details their spending goals and intentions and then reports on their expenditures for the past month. The use of EBT or savings account debit cards would facilitate this tracking and allow CFSA to flag youth who were not spending responsibly.
3. Require savings (in fire-walled or nonfirewalled accounts) and include savings as a mandatory part of the

stipend allocation with the option of an IDA program for youth who excel in this area or demonstrate tangible plans to go to college or prepare or a specific line of work.

4. Administer the money through direct deposit into savings accounts or through an EBT card (like the grandparent program). This would also reduce funds lost to theft or check cashing expenses.
5. Increase the stipend level to \$932 – which adds \$200 for transportation and a \$100 mandatory savings and an additional \$100 for phone, home supplies, and entertainment.
6. Require youth who work 10 or more hours a week to contribute toward their own living expenses and aggressive savings plans.

Recommendations for Implementing an Incentivized Allowance Program and Clothing Voucher

The combination of a consistent, seasonal clothing voucher and an incentivized allowance would go a long way toward meeting the financial needs of older youth in group and foster homes (and reducing the number of YWP youth testimonies focused on food and clothing!). YWP youth and adult staff have been working with CFSA during the past several months to develop an allowance proposal that would: 1) Provide a small monthly allowance for youth ages 15-21 not in ILPs and 2) Require youth to attend school, enroll in enrichment activities, and engage in other positive behaviors to receive allowance. We fully support the CFSA proposal and full funding with the following additions and clarifications:

- 1) **Both youth in foster homes and youth in group homes need to receive a base allowance of \$100 as long as they meet three requirements:** 1) No new involvement with the juvenile justice system; 2) Go to school and miss 3 or fewer days per month; and 3) Develop and submit a monthly budget for individual spending (an addition to CFSA's proposal); This base allowance will allow youth to afford essential items like phones, additional clothes, and non-school/employment related transportation, and all items that are not required in the placement contracts.
- 2) **An additional incentivized allowance of \$102.50 should be provided for positive behavior and accomplishments in four categories:** 1) Positive school behavior (\$30); 2) Enrichment activities and

community involvement (\$30); 3) Personal Responsibility and Citizenship (\$30); and 4) Support and caregiver interaction.

- 3) **An online enrollment and tracking system should be developed so that parents, social workers, and youth verify youth participation and progress.** This on-line system would increase the timeliness and transparency, reduce caregiver-youth conflicts in qualifying for and receiving the allowance, and help youth build skills that they will need to navigate the on-line world. Foster parents, group home staff, enrichment activity staff, and social workers would use the on-line system to qualify their youth each month.
- 4) **Administer the funds through direct deposit for youth with bank accounts or an EBT card for youth without bank accounts.** All enrolled youth should be required to set up savings accounts within 3 months and save at least 10 percent of their allowance. Direct deposit would help cut down on dollars lost through theft which is common in all placements, opportunities to build financial management skills, and fewer logistical responsibilities and power struggles for placements. Placement related money should be approved and administered by foster parents or group home staff.
- 5) **Provide additional enrichment and academic support to help youth succeed.** Many youth in care still do not have daily access to computers or other kinds of academic support. These supports need to be provided along with targeted enrichment and community service opportunities.

Thank you for this opportunity to testify and for your thoughtful consideration, and support of older youth issues. The Young Women's Project staff would be happy to serve as a resource to the Committee in any way we can.