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PIVOT POINT: MANAGING THE TRANSFORMATION OF CHILD WELFARE IN NYC

There are few examples of anti-poverty programs proving so effective that they dramatically reduce the need for one of their core services. But that's what has happened in child welfare.

Since 1999, New York City has cut spending on foster care by more than \$158 million, in current dollars. Six years ago, 12,000 children were taken from their parents and placed in boarding homes or group care. Last year half that many had this terrifying experience.

The recent reductions in foster care show that policy matters. City officials have toppled the conventional notion that child welfare is, above all, a system for investigating parents and caring for children after they are removed from home. The new paradigm promotes keeping children

safe with better investigations, greater reliance on preventive family supports and more judicious use of foster care.

But this vision is only partially realized. Nonprofit organizations have long been the durable engines of the child welfare sector, but they are proving less durable of late. As this edition of the *Watch* documents, the foster care sector is in turmoil, and family support programs need far more attention and investment.

These pressures are not unique to New York. Nationwide, social service programs are stumbling, often unprepared, into a period of rapid change and consolidation. Sometimes, as with foster care in New York, change is the happy result of government innovation. In other cases, shrinking government budgets are forcing the issue. Either way, nonprofits are rethinking their purpose and structure. Some are going out of business altogether.

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A six-year statistical survey



In New York, officials in the administration of Mayor Michael Bloomberg have begun to use preventive social programs to reduce the use of homeless shelters, cut recidivism in the city's jails, and keep teens out of court-ordered group home placements. Many human services sectors are re-conceiving how they do their work, and contraction may follow in these areas as well.

In child welfare, the impact has at times been confounding. In conversations with two dozen directors of nonprofit foster care agencies, the *Watch* heard many of them describe their organizations as desperate. These nonprofit city contractors have long been under tremendous stress, but they say the current austerity caused by the declining foster care caseload has been unbearable. Staff turnover has reached intolerable levels. Tax filings reveal that agencies fortunate enough to have endowments are spending them down to keep programs afloat.

The sense within the industry is one of crisis and even outrage. This a jarring irony, because so much has gone right: foster children are spending a shorter time in government-funded care than they did in previous generations. City investigators who decide in an emergency whether a boy or girl should be taken from a parent now have better training, larger paychecks and less stressful caseloads than they once did, so they have greater capacity to make good, discerning decisions than many of their predecessors.

Mistakes still happen in child protection. Children's Rights, a watchdog organization, says ACS responded poorly in several cases involving child deaths last year. And in October, the state's

top court, the Court of Appeals, demanded that the city obtain prior judicial approval for child removals except in the most dangerous cases. Even so, lawyers on all sides of the system say the city's cases for removal are now much stronger—and more infrequent—than they used to be.

From a progressive point of view, what could be more compelling than a social service sector that has found a way to

THE NEED FOR A SAFETY NET FOR FAMILIES REMAINS AS CLEAR AS EVER.

improve by putting a significant part of itself out of business? Here's what: the establishment of an even better system that protects children by helping parents and families deal with serious problems, close to home, in their neighborhoods.

Yet savings from the shrinkage of the foster care system are locked away from the sector, used to close state and city budget gaps. The federal funding that's been saved, as much as \$60 million per year, simply stays in Washington. It is not transferable to other uses because of restrictions in the law.

The need for a safety net for families remains as clear as ever. There has been no significant decline in the number of reports made to the state child abuse and neglect hotline since 1990. Families often have issues that need to be addressed if their children are to grow up healthy, safe and thriving. Except in extreme cases, removal is no answer.

City child welfare officials understand this, but after lowering the foster care rolls they have had only limited ability to carry forward the second half of their agenda, creating a stronger family support network. Preventive agencies handle far more cases now than in the past, but they are stuck paying their staff inadequate salaries. The number of families receiving preventive services has increased 22 percent in four years, but there has been no increase in the preventive budget when accounting for inflation. In addition, Governor George Pataki recently vetoed continued funding for a separate state-backed family support program that last year served more than 3,100 families statewide. What's more, this year the Pataki administration shifted more than \$45 million in federal welfare funding out of ACS programs—most of it for preventive—to close state budget gaps. This was replaced with city tax-levy funds, but an even larger state cut is expected next year—and whether the city can fill the gap again is far from certain.

Social programs that serve the poor have long been disparaged as self-perpetuating and inflexible. New York can prove it's not so—but only if the city finds the will to create a true alternative to foster care. ♦ —ANDREW WHITE

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- As the number of children in foster care dropped from 38,440 to 22,082 between 1999 and 2004, total spending on foster care and related services declined by \$158 million in current dollars.
 - Funds for preventive family support services have not increased since 1999, in current dollars, but the number of families receiving preventive services increased 22 percent over the last four years. (See "Colliding With Reality," page 20)
 - By the end of 2005, the city intends to close 30 foster group homes, or nearly half of its foster care group home beds, including those run by ACS and nonprofits. (See "Changing the Rules," page 25)
 - Almost 95 percent of foster children are now placed in the care of 47 private nonprofit agencies. But directors of these agencies tell Child Welfare Watch there is not enough work to go around, and further contraction of the sector is unavoidable. (See "Planning Shrinkage," page 4)
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Recommendations and Solutions proposed by *Child Welfare Watch*

The new direction in New York City child welfare is all about careful investigation and informed decisions, neighborhood-based social programs for overstressed families, and shared responsibility across agencies and communities for helping parents keep their homes together.

But the city's child welfare system is undergoing wrenching—and necessary—adjustments as part of this rebirth. Community-based, preventive family support services are managed by nonprofit agencies that haven't seen even a cost of living increase in five years. The neighborhood-based system of responsible oversight and shared case support is still very much under construction. And many nonprofit foster care agencies are having a hard time remaining fiscally stable as the number of children in foster care declines.

If the system aims to build and reinforce a more productive and more humane way of protecting children and strengthening families, change must be made with care. Following is a short list of recommendations from the Child Welfare Watch advisory board, based on our reporting and research for this edition.

RE-INVEST IN A STRONGER NETWORK OF PREVENTIVE FAMILY SUPPORT SERVICES.

The federal, state and city governments have each, in their own way, imposed an austerity budget on family support programs. Yet even as resources tighten, the Administration for Children's Services refers more children and parents than ever before to the nonprofit organizations that offer these programs. Meanwhile, quality remains inconsistent and at times plainly questionable. This situation has persisted for far too many years.

Mayor Michael Bloomberg predicts a nearly \$3 billion shortfall in city tax collections in Fiscal Year 2006, which begins in July 2005. He is expected to seek cuts of \$35 million from ACS over the next 20 months. And this would be in addition to an 18 percent cut to preventive services in next year's budget already made by City Hall.

It is counter-productive to force nonprofit agencies, city officials and advocates to expend vast energies on the spring budget battle simply to maintain inadequate funding. In order to sustain the success of preventive services—and not reverse the decline in the number of children in foster care—what's truly needed is a robust new investment in quality services, particularly those with a track record of effectiveness.

Mayor Bloomberg should immediately commit city dollars—including those saved through the reduction in the foster care population—to an investment in the infrastructure of preventive family support programs. City Hall must also advocate in Washington for greater flexibility in the spending of foster care and adoption funds,

creating new incentives for greater prevention and family support efforts, as recently recommended by the Pew Commission on Children in Foster Care. This should not, however, be interpreted as support for the block grant legislation currently proposed in Congress.

City Hall, advocates, practitioners and community leaders must advocate strongly for full state funding of preventive services. The shortfall in state funding for prevention and other services has left ACS with a potentially devastating deficit for the coming year.

Finally, the city, state and child welfare philanthropies should pursue the comprehensive evaluation of specific models of family support in order to assure progress toward higher quality services and desired outcomes.

REINFORCE QUALITY IN THE FOSTER CARE SYSTEM BY REDUCING THE NUMBER OF AGENCIES UNDER CONTRACT TO THE CITY.

There are too many agencies managing a declining number of foster homes, and insufficient funding for agencies to provide top-notch services.

MANY FACTORS SHOULD BE CONSIDERED IN DECIDING WHICH AGENCIES CONTINUE TO MANAGE THE FOSTER CARE SYSTEM.

After agencies have decided for themselves whether or not to continue to provide foster care, the city must decide which agencies will continue to receive placements. The ACS performance and outcome assessment standards, measured by EQUIP, should be the primary tool for deciding how to downsize. But EQUIP is limited in its ability to assess important factors which must also be considered, including customer satisfaction; community connections and linkages to

other service providers and institutions; community roots and cultural competence; openness and responsiveness to changing trends; capacity to raise other resources from private philanthropy; staffing that includes parent advocates, and cost to the city.

THE DECISION TO PLACE TEENS IN FOSTER, KINSHIP OR ADOPTIVE HOMES, RATHER THAN GROUP HOMES, SHOULD BE BASED ON THE AVAILABILITY OF GOOD FOSTER HOMES.

Other things being equal, *Child Welfare Watch* believes placements in families are preferable to placements in institutions for teens in foster care. However, for teens who have already had bad experiences in foster homes, or who have grown accustomed to group home life, a forced switch to a foster home can be explosive. The city should provide intensive support services that will aid young people and prospective foster families in the transition to these new living arrangements.

MOVE FAMILY TEAM CONFERENCES TO THE FRONT END OF THE SYSTEM, PRIOR TO REMOVAL.

Commissioner Mattingly intends to advance family team conferences—with family members, service providers and ACS as well as community representatives and a parent advocate—to the period before child protective services removes a child from his parent's home. With exceptions for carefully defined emergency situations, this policy promises to strengthen parental rights, open up opportunities for receiving helpful services and spread some of the responsibility for assisting families across the shoulders of several organizations and individuals. *Child Welfare Watch* strongly supports this innovation.

BUILD A UNIFIED COALITION OF SUPPORT FOR THE CURRENT CHILD WELFARE AGENDA.

Advocates, provider agencies and ACS have a great deal at stake in supporting the expansion of preventive services, the strengthening of both parent advocacy and neighborhood-based initiatives for family support and the painstaking avoidance of unnecessary foster care placements. So too do communities themselves. Each segment of the sector will inevitably continue to press its own interests. But if the system is to obtain resources needed to solidify new ways of doing business, there must be a stronger common effort to seek support from City Hall and Albany—and political leaders, community activists and others will have to be enlisted to the cause. ♦

PLANNING SHRINKAGE

Cuts in foster care placements force tough decisions about the future of the child welfare system.

Gerard McCaffery has become good at giving farewell parties. As the president of Seamen’s Society for Children and Families, he leads a staff of 170 people who safeguard some 500 children in foster care and manage the agency’s other family support programs. The last two years have been turbulent as the agency, like most other foster care providers citywide, has found itself with greater expenses and less work than it had expected. Staff turnover is climbing and McCaffery is now saying good-bye to about 40 percent of the caseworkers he hires annually. Few stick around longer than two years. Their supervisors, too, are leaving at nearly the same rate.

Each time Seamen’s wishes one of its workers well, 22 families are left in the lurch—and the impact is dramatic. McCaffery estimates each ill-timed departure can set a family back four months while a new caseworker becomes familiar with the territory. Since turnover is constant, families can find themselves dealing with a new worker every six months. It’s a wonder cases ever move forward. “A family will end up going through two and sometimes three caseworkers in a year or a year and a half,” McCaffery says. “It’s horrendous.”

Holding onto caseworkers has never been easy for directors of child welfare agencies, but the job has been particularly tough lately. The amount of work available—and the foster care income that comes with it—has shrunk dramatically. Half as many children are entering foster care today as just six years ago, thanks in part to better training and lower caseloads for the city child protective investigators who make the initial decisions about whether or not to remove children from their parents. And ACS is relying more on neighborhood-based support services to help parents who might have previously had their children taken into care.

Agency directors have also been facing more ACS directives each year, such as a recent requirement that they find more foster homes for notoriously tough-to-place teens. And all of this is taking place in the wake of September 11th, with the city forced to ratchet down its foster care reimbursement rates to deal with sharp budget cuts. The swirl of events has led most who run foster care and group home programs to question whether they want to stay in the business. Some agencies have switched over to other sorts of social service work. Others have closed. In 1996, the year ACS launched its much-lauded period of reform, 62 nonprofits ran foster or congregate care programs. Today, 47 agencies are doing this work.

“The city has allowed what I would call a Darwinian process to set in,” says Richard Altman, chief executive officer of the Jewish Child Care Association. JCCA is the city’s oldest foster care agency, and it has a substantial endowment to fall back on. While JCCA can weather a period like this, Altman says the agency may not bother. He offers a series of documents illustrating how JCCA has lost \$10.6 million over the last decade on its foster care contracts. His board of directors is growing restless.

“I think the board is looking for direction and partnership from management about, one, whether there is opportunity for growth; two, whether there is a possibility of rate restoration; and three, whether we should be in this business at all,” Altman says.

Altman’s agency has a \$50 million budget and a board of highly influential New Yorkers. Threats to leave the business from large organizations like this have resonated at City Hall in the past. But most of the nonprofits caring for foster children today are more like Seamen’s Society, a mid-sized agency with \$14 million in revenues, nearly all of it from government. Seamen’s serves Crown Heights and Brownsville in Brooklyn and all of Staten Island, and has made do by eliminating most staff positions that are not critical for day-to-day work.

On the one hand, McCaffery admires the job ACS has been doing. “I don’t think any child should come into care unless he absolutely needs it,” he says. But he says the smaller number of children in care requires a new approach—one that doesn’t force him to introduce a new caseworker to each family in his care every six months.

“We always say the system is very fragile and it is,” he says. “It should be smaller and stronger—not smaller and still weaker.”

THE CHALLENGE OF MANAGING CHANGE FALLS

on new ACS commissioner John Mattingly, appointed last July after a series of interviews in which City Hall reportedly asked candidates how they would deal with more budget cuts. Former Commissioner William Bell had been forced to cut \$258 million out of ACS’s budget, reducing the city’s foster care budget by \$101 million over the last three years. In late October, as Mattingly began introducing himself to agency directors, Mayor Michael Bloomberg announced that the city needed to trim another \$600 million from its budget in the coming year. It’s estimated that ACS’s share will be around \$34.7 million.

These cuts have fallen at a particularly bad time. Every

agency director can quote a long list of rising costs: increased rents, mounting salary demands, skyrocketing insurance fees—and, often most frustrating, new costs associated with ACS’s growing list of program and accountability requirements. Directors talk about new offices they opened in order to be more active in their neighborhoods. They talk about new foster parents they need to recruit so that children can live as close as possible to their schools and parents. All great goals, they say—but this work comes at a cost.

Mattingly tells *Child Welfare Watch* he will soon announce a plan for the contraction of the foster care system. Insiders report this plan will shift some money away from poorly performing agencies, easing up pressures on the remaining contract agencies.

“The system is at some risk if we don’t make some decisions about either closing some beds, closing some contracts, moving some beds or contracts to higher performing agencies or agencies better serving the community,” Mattingly says. “If we don’t do that, we run the risk of having the system contract because of fiscal pressure only. ... I’m not comfortable with that, since we know that some agencies do a better job for kids and families than others.”

Mattingly also intends to announce, this winter, a plan for restructuring ACS itself—an important point for many of the nonprofit agencies who feel they have been forced to bear the brunt of fiscal austerity. He says ACS staff is likely to be more directly involved with foster children and their families, but he offers few details.

Dealing with the agencies, particularly ending contracts or shifting beds from one agency to another, will require expert diplomacy. The city’s child welfare system is dependent on its nonprofits. Today, almost 95 percent of children are placed in the care of contract agencies—a dramatic departure from the 1980s and 1990s, when the city managed thousands of its own foster care placements. As ACS readily admits, agencies like JCCA are more nimble than government.

Some of these agencies have a storied history and boards that are politically powerful. Others are smaller, but offer boutique approaches that are important to ACS’s philosophy that foster care agencies—which can be very unpopular in poor communities—be as responsive as possible to the neighborhoods, families and children they serve. One specializes in serving the children of Orthodox Jews. Another arranges foster homes for teen mothers. Still others have deep roots in black and Latino communities in Harlem, Bushwick and Bedford-Stuyvesant.

But it’s clear at this point that something needs to be done. With the sharp decline in the number of children coming into the custody of ACS, Mattingly is looking at neighborhoods like Bedford-Stuyvesant and Brownsville that last year had eight agencies competing to place fewer than 80 children in regular foster boarding homes [see “How Close is the Foster Home?”

on page 23]. The agencies are paid based on the number of children they serve. Such small numbers leave them shouldering big costs simply to keep their foster care programs running. Agency directors throughout the city are clamoring for dramatic action. “It’s complicated and difficult,” Mattingly admits.

Certainly, ACS has taken steps to make the system more fair and accountable. Before he left his post in July, former Commissioner William Bell held two retreats and several meetings with agency directors, seeking their suggestions. One picture became clear: The city needed to do something about the anarchic way nonprofit agencies were paid for their work. The arcane state-run reimbursement system lacked real-time responsiveness to agency expenses. It also allowed wealthy agencies to use their endowments to invest extra funds in their programs, and thus boost their reimbursement rates. Poorer agencies, unable to follow, were left behind. In fact, ACS itself

"WE ALWAYS SAY THE SYSTEM IS VERY FRAGILE AND IT IS. IT SHOULD BE SMALLER AND STRONGER—NOT SMALLER AND STILL WEAKER."

had no say in setting the rates for each agency—leaving officials without the power of the purse strings to improve services.

Last January, Bell intervened by unilaterally boosting the per-child payments to the poorest agencies in the system. More dramatically, ACS took over the power to set rates, and promised agency directors solid financial information before the beginning of their fiscal years, eliminating the state’s aggravating two-year time lag. Finally, new rates were tied directly to ACS’s evaluation system, known as EQUIP, which measures how well agencies are serving families and meeting ACS goals. Most agency directors say Bell’s reforms were a big improvement—particularly in helping them plan their budgets.

But there is still too little work to go around. Seamen’s Society benefited from Bell’s poor-agency boost, getting a 13 percent increase in the per-child reimbursement rate. But during the last year, McCaffrey has seen a 9 percent decrease in the number of children in his foster care program. While he was able to give his staff modest raises, they have to do more work to take up the slack for people he can no longer afford to pay. The declining numbers, he says, “really deflate everything.”

TODAY, SOME AGENCIES ARE QUIETLY SUGGESTING the time may have come to cut off funds to the system's weaker players. JCCA's Altman points out that ACS now has four years of experience with EQUIP—and it should consider using it. "I think many agencies just figure, 'Oh, it's the city. Just wait them out and they'll go away and it's back to business as usual,'" Altman says. "But the thing that has impressed me about the city is that they have put some serious policy, philosophy and money behind EQUIP. It's not a perfect document, but it's better than anything we've had before."

Using EQUIP to cull agencies may be easier said than done. Only a tiny number of agencies have consistently done poorly under EQUIP, getting ratings of "poor" or "needs improvement." Most notoriously, Miracle Makers rated lower than most agencies in both foster and congregate care for four years in a

row. But this is an exception—one that ACS says it will take care of soon. Almost all of the remaining players have been steadily doing better [see ACS EQUIP scores on pages 8 and 9]. If Mattingly wishes to use EQUIP to reduce the number of agencies, he will have to choose among 19 mid-ranking players, all of which now rank at least "satisfactory" in ACS's eyes.

Mattingly and his top deputies say they will consider almost a dozen different factors in determining which agencies are best placed to receive new contracts. While they are careful to note that nothing has been decided yet, it's clear that a foster agency's long-standing ties to its community will be part of the formula. "I think it makes a difference that the person who welcomes you to an agency, as a parent, looks like you, lives in the neighborhood, speaks your language," Mattingly says. "It's hard, though, to put that into EQUIP scores."

FOLLOW THE MONEY: THE CHILD WELFARE BUDGET

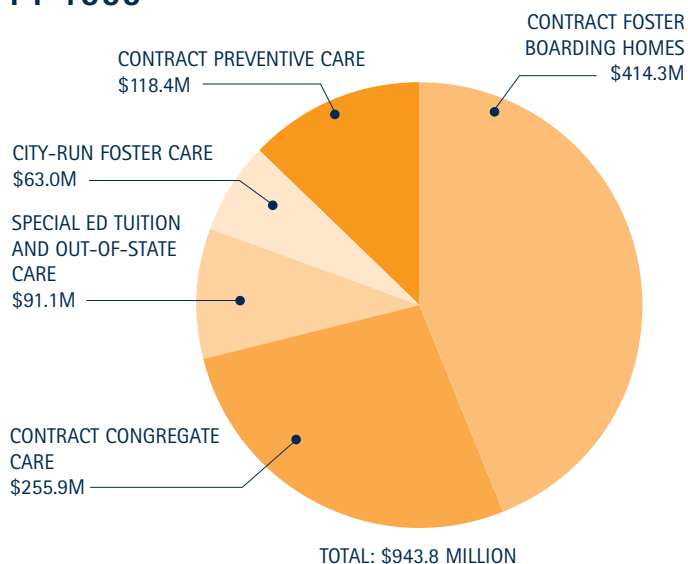
These charts illustrate the shifting tide of Administration for Children's Services (ACS) funding for nonprofit preventive and foster care agencies and closely related services. On the left is the non-personnel budget for foster care and preventive services in Fiscal Year 1999. To the right, the same budget five years later. All figures have been adjusted to 2003 dollars. Notably, ACS spending on city-run foster care programs (as opposed to those run by nonprofit agencies under contract) declined from \$63 million to \$15 million during this period.

During the fiscal crisis that began soon after Mayor Bloomberg took office, city budget cuts led to reductions in the per diem reimbursement ACS paid to nonprofit foster care agencies for each child in their care. However, early in 2004, ACS revamped its rate system, and most agencies saw an increase in their per diem compared with the previous year.

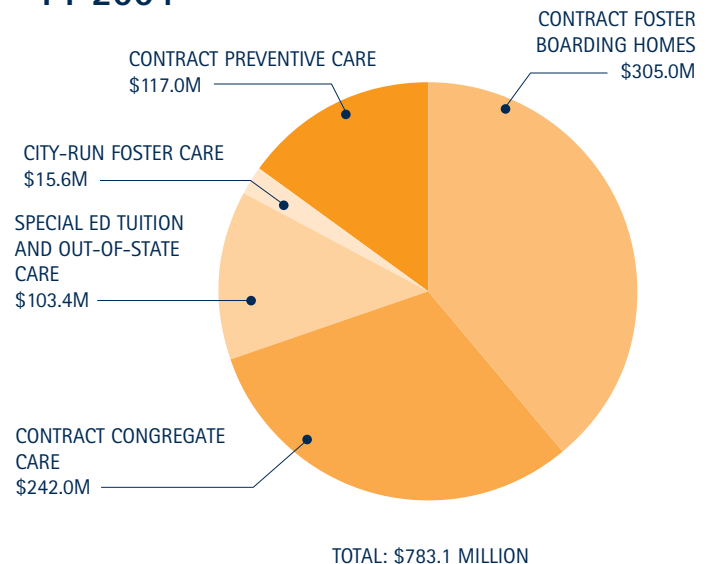
Yet because the number of children in foster care has declined, almost every agency is receiving less funding overall. This is one reason why many agencies now find themselves in financial difficulty. City officials also report that ACS is budgeting much more per foster child than it did in 1999, from an inflation-adjusted \$21,876 per child in Fiscal Year 1999 to \$29,715 in Fiscal Year 2004, which ended this past June.

Another important note: Beginning in the late 1990s, ACS invested heavily in salaries, new staff and training for the investigators and supervisors who determine whether children are safe in their homes following a report of abuse or neglect. Between Fiscal Years 2000 and 2004, the Division of Child Protection received a 25 percent increase in funds for personnel, from an inflation-adjusted \$86.2 million to \$107.6 million, according to ACS budget figures.

FY 1999*



FY 2004



Source: NYC Administration for Children's Services. Fiscal Year 1999 ran from July 1998 to June 1999. Fiscal Year 2004 ran from July 2003 to June 2004.

*All 1999 numbers adjusted in 2003 dollars

WHILE GOVERNMENT TRIES TO DEAL WITH THE POLITICS OF MANAGING CHANGE, NONPROFIT AGENCIES HAVE AN OBLIGATION TO DETERMINE IF THEY REALLY BELONG IN THE BUSINESS.

What ACS actually measures in these EQUIP scores is a key part of the discussion. No one denies their importance, but these scores are notoriously weak at capturing how well agency staffers connect with the families they are serving. It's an open secret that agencies with the manpower to keep on top of EQUIP's paperwork do better. This is a sore point among leaders at some of the smaller, community-oriented agencies—particularly since ACS maintains that being “neighborhood-based” is a cornerstone of its reform efforts.

“I believe the whole concept of community-based, neighborhood-based services was a tremendous step in child welfare. And, of course, because we are neighborhood-based, we believe in it,” says Freddie Hamilton, executive director of the Child Development Support Corporation. Her agency, which serves 230 children in Central Brooklyn, is one of 10 minority-led agencies established during the late 1980s and early 1990s with the help of the state-sponsored Minority Foster Care Development Project. Its performance scores are solid: After a rocky start in the first year, the Child Development Support Corporation climbed steadily in the charts, earning a designation of “very good” last year. But this hasn't helped Hamilton get the minimum of 300 children she says her agency needs to do the best possible job and ultimately ensure its survival.

“We have a difficult time making the case that we are different from any of the agencies out there,” she says. “Many of the things we would like to do, many of the ways we would like to capture the data and make a case for ourselves, well, we haven't been able to do that.”

It's a notable feature of nonprofit competition that diversity is so prized. In the profit-making business world, it often seems only bigger is better. “At the end of the day, what you don't want is a few of us big guys to be the only players,” says William Baccaglioni, Jr., executive director of the 135-year-old New York

Foundling Hospital. “I am a lot of things here at The Foundling,” he says, “but I am not neighborhood-based.”

“Those are the agencies,” he adds, “that run the risk of closing now.”

PERIODS OF TURMOIL PRESENT OPPORTUNITIES.

This is a chance to make child welfare services leaner and stronger. While government tries to deal with the politics of managing change, nonprofit agencies have an obligation to determine if they really belong in the business, says Mark Lipton, a professor of organizational change at New School University's Milano Graduate School of Management and Urban Policy. “Everyone has to step back and say, why are we here exactly?”

Mattingly and his team emphasize that this drama is, in fact, part of a larger success story. ACS's ability to keep kids safe at home and their families intact should be celebrated. “Being able to avoid placement and being able to get services at home has got to feel better,” says Anne Williams-Isom, ACS's assistant commissioner responsible for research and outreach. “I think that generally speaking, parents in the community are feeling that.”

Agency directors report they are willing to move into new lines of business and jettison foster care work that is simply too expensive to maintain. But that doesn't necessarily help the families that remain in their care, supported by fewer ACS dollars.

In May 2003, Commissioner Bell spoke at a forum at the Open Society Institute devoted to the hard question of what to do next. Denise Rosario, executive director of the Coalition for Hispanic Family Services, told him the time had come for ACS and the agencies to deal with the smaller system they created.

“We must develop a plan that realistically outlines what is absolutely non-negotiable, such as child safety, what we have the resources to focus on and what will be placed on the back burner,” she said. If planning fails, she added, ACS could slide back into a system “driven by chaos and driven by the individual decisions of caseworkers who are young, underpaid, inexperienced and reactionary to their own personal experiences.”

Those who remember ACS before the reforms took hold know what Rosario is talking about. ACS's own overwhelmed, ill-trained protective services caseworkers were largely blamed for the death of Eliza Izquierdo, whose shocking death helped bring about the agency's modernization. ACS's new emphasis on properly training, recruiting and paying its front-line corps has resulted in the slimmed down system we see today where protective services workers are less reactionary, less willing to say “when in doubt, take them out.” Paying attention to the front-line staff has resulted in enormous gains at ACS.

A year and a half after Rosario's admonitions, Commissioner Mattingly is crafting a bold plan that will, among other things, focus greater attention on families in the first moments and days of foster care. He is continuing with a strategy that

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ACS EQUIP SCORES FOR FOSTER BOARDING HOME PROVIDERS 2000-2003

It has been almost five years since the NYC Administration for Children's Services introduced a rigorous new evaluation process, known as EQUIP, to its foster home and congregate care providers. The Evaluation and Quality Improvement Protocol measures how well nonprofit agencies perform in three areas: process, outcomes and quality.

Each area is critical to an agency's success, but "outcomes" are weighted most heavily, accounting for 40 percent of an agency's overall score. Among other things, this approach measures how quickly agencies get children back home or into adoption. The "process" measure tracks case administration, such as keeping a child's case record up to date. And "quality" measures the overall experience of families in care.

Agency Name	2000 Score	2001 Score	2002 Score	2003 Score
ABBOTT HOUSE	84.10	81.91	79.63	80.19
ASSOCIATION TO BENEFIT CHILDREN	66.27	68.56	72.95	77.11
CARDINAL MCCLOSKEY SERVICES	77.60	81.03	85.98	80.89
CATHOLIC GUARDIAN SOCIETY OF NY	71.43	75.17	75.30	82.75
CATHOLIC HOME BUREAU	71.08	80.04	81.91	82.63
CHILD DEVELOPMENT SUPPORT CORPORATION	59.33	75.12	76.55	80.64
CHILDREN'S AID SOCIETY	66.68	78.65	84.89	86.62
CHILDREN'S VILLAGE	88.00	83.87	77.37	83.51
COALITION FOR HISPANIC FAMILY SERVICES	74.09	73.44	72.69	81.61
COMMUNITY COUNSELING & MEDIATION (1)			67.64	81.27
CONCORD FAMILY SERVICES	69.00	74.46	81.77	80.32
DFCS BRONX (2)		67.83	57.92	61.78
DFCS BROOKLYN (2)		68.09	68.42	73.23
DFCS (2)				73.88
EDWIN GOULD SERVICES FOR CHILDREN	60.29	74.63	73.62	83.63
EPISCOPAL SOCIAL SERVICES	77.51	81.31	85.94	78.86
FAMILY SUPPORT SYSTEM	73.58	73.46	72.19	76.96
FORESTDALE, INC.	74.68	83.51	89.07	88.58
GOOD SHEPHERD SERVICES	82.25	84.43	80.58	85.48
GRAHAM WINDHAM	71.67	80.58	72.97	83.41
HARLEM DOWLING-WEST SIDE CENTER	65.43	73.39	74.18	73.91
HEARTSHARE HUMAN SERVICES OF NY	74.79	76.18	69.26	75.73
INWOOD HOUSE	74.44	67.02	64.25	82.88
JEWISH CHILD CARE ASSN (JCCA)	85.15	86.66	85.75	85.43
LAKESIDE FAMILY AND CHILDREN'S SERVICES	68.25	76.54	76.48	79.25
LEAKE AND WATTS SERVICES	80.12	83.14	80.10	83.52
LITTLE FLOWER CHILDREN'S SERVICES	68.70	78.35	71.48	78.96
LUTHERAN SOCIAL SERVICES	65.08	66.01	73.38	80.46
MERCY FIRST (3)				84.33
MIRACLE MAKERS	59.17	69.39	66.06	63.20
NEW YORK FOUNDLING HOSPITAL	76.23	73.80	85.04	87.47
OHEL CHILDREN'S HOME	72.15	86.35	88.73	84.44
PIUS XII YOUTH AND FAMILY SERVICES	71.32	71.48	79.53	80.80
PROTESTANT BOARD OF GUARDIANS (4)			58.10	81.71
SALVATION ARMY	79.10	82.13	82.27	88.58
SEAMEN'S SOCIETY FOR CHILDREN AND FAMILIES	73.03	73.38	74.94	79.61
ST. CHRISTOPHER-OTILIE	77.39	79.71	80.06	76.30
ST. CHRISTOPHER'S, INC. (5)	72.86	73.13	67.10	48.31
ST. DOMINIC'S HOME	74.50	82.53	85.16	89.28
ST. VINCENT'S SERVICES	75.22	72.02	76.67	81.96

LEGEND

Excellent: EQUIP score of 85 or above

Very Good: EQUIP score of 80.00 to 84.99

Satisfactory: EQUIP score of 70.00 to 79.99

Needs Improvement: EQUIP score of 65.00 to 69.99

Unsatisfactory: EQUIP score below 64.99

NOTES

1. Community Counseling and Mediation started providing foster care services in 2002.

2. DFCS is ACS's Direct Foster Care Services. These are the combined scores for ACS foster boarding home and ACS congregate care services.

3. Mercy First, a new agency resulting from a merger, started providing foster care services in 2003.

4. Protestant Board of Guardians started providing foster care services in 2002.

5. Part of St. Christopher's, Inc.'s EQUIP score is under ACS review, thus lowering the agency's overall score.

ACS EQUIP SCORES FOR CONGREGATE CARE PROVIDERS 2000–2003

The Administration for Children's Services EQUIP process measures congregate care service providers on process, outcomes and quality—the same yardsticks used to measure the work of foster boarding home providers. This year ACS used its EQUIP rating system to prune 600 beds from ACS's congregate care system. In this process, ACS looked at overall EQUIP scores with a special emphasis on elements of an

agency's "quality" rating. ACS examined how often teens left the group homes without permission (AWOL rates) and paid particular attention to the quality of an agency's placement team, in keeping with a new emphasis on moving teens from group homes into family-based care.

Agency Name	2000 Score	2001 Score	2002 Score	2003 Score
ABBOTT HOUSE	81.84	81.24	76.00	73.60
ASTOR HOME	91.25	94.92	92.29	91.86
BERKSHIRE FARM CENTER	96.43	72.02	71.38	67.67
BROOKLYN SOC FOR THE PRV OF CRUEL TO CHILD	88.83	79.63	71.78	82.00
CARDINAL MCCLOSKEY SERVICES	79.59	80.94	78.20	81.11
CATHOLIC GUARDIAN SOCIETY OF NY	67.97	77.34	75.30	86.70
CATHOLIC HOME BUREAU	73.98	88.52	86.56	84.44
CHILD DEVELOPMENT SUPPORT CORPORATION	75.36	80.00	84.88	89.25
CHILDREN'S VILLAGE	87.62	81.30	84.30	78.70
COALITION FOR HISPANIC FAMILY SERVICES	89.36	90.93	92.75	89.25
CONCORD FAMILY SERVICES	72.01	91.32	90.50	85.50
E. GOULD ACADEMY	74.47	80.05	83.40	78.30
EDWIN GOULD SERVICES FOR CHILDREN	63.61	83.37	79.00	84.60
EPISCOPAL SOCIAL SERVICES	72.42	83.32	74.80	85.40
GOOD SHEPHERD SERVICES	97.12	88.86	88.22	89.11
GRAHAM WINDHAM	72.48	75.89	78.30	75.90
GREEN CHIMNEYS	79.11	66.98	81.20	79.60
HARLEM DOWLING–WEST SIDE CENTER (1)				88.71
HEARTSHARE HUMAN SERVICES OF NY (2)				85.25
INWOOD HOUSE	85.17	90.58	91.72	79.88
JEWISH BOARD	83.32	84.99	80.80	81.00
JEWISH CHILD CARE ASSOCIATION	82.45	81.83	88.10	83.30
LAKESIDE FAMILY AND CHILDREN'S SERVICES	69.30	77.49	75.49	73.60
LEAKE AND WATTS SERVICES	70.00	83.42	81.70	89.90
LITTLE FLOWER CHILDREN'S SERVICES	73.26	83.64	80.80	89.11
LUTHERAN SOCIAL SERVICES	73.60	67.64	80.70	82.40
MERCY FIRST (3)				71.67
MIRACLE MAKERS	63.78	77.42	72.13	56.13
NEW YORK FOUNDLING HOSPITAL	74.31	75.90	82.20	79.70
OHEL CHILDREN'S HOME	78.11	87.32	89.25	90.13
ROSALIE HALL	85.95	84.89	87.07	85.52
SAFE SPACE	69.14	79.28	76.70	81.10
SALVATION ARMY	76.67	79.94	79.40	70.90
ST. CABRINI	72.78	77.67	80.02	83.40
ST. CHRISTOPHER–OTTILIE	77.97	79.44	81.50	74.40
ST. CHRISTOPHER'S, INC.	79.89	80.19	74.80	60.90
ST. DOMINIC'S HOME	79.19	91.17	89.24	78.40
ST. JOHN'S	86.25	89.91	83.10	91.20
ST. VINCENT'S SERVICES	73.93	79.22	77.40	84.40

LEGEND

Excellent: EQUIP score of 85 or above

Very Good: EQUIP score of 80.00 to 84.99

Satisfactory: EQUIP score of 70.00 to 79.99

Needs Improvement: EQUIP score of 65.00 to 69.99

Unsatisfactory: EQUIP score below 64.99

NOTES

1. Harlem Dowling–West Side Center started providing congregate care services in 2003.

2. Heartshare Human Services of New York started providing foster care services in 2003.

3. Mercy First, a new agency resulting from a merger, started providing foster care services in 2003.

NEW COMMISSIONER, NEW PLANS

John Mattingly outlines his vision for the future of New York City's child welfare system.

Until August 2004, John Mattingly had never been on the New York City payroll. But as an executive of the Annie E. Casey Foundation, he had been closely involved in several reform projects at the Administration for Children's Services (ACS). Serving on the city's Special Child Welfare Advisory Panel, created by the 1999 settlement of the *Marisol* class action lawsuit, Mattingly advanced strategies he had embraced years earlier as director of a county-level child welfare system in Ohio and a settlement house in Cleveland—including greater reliance on family-centered, neighborhood-based support services and the recruitment of high quality foster families for children who need to come into care. His appointment to the commissioner's post brings ACS a clearly defined perspective at the top and a commitment to changes on the front lines. **Commissioner Mattingly discussed his agenda with Editor Andrew White.**

WHY DID YOU WANT THIS JOB?

This organization has been well led, well put together, the systems are in place to routinely do the right thing by kids and families. It's led by people who routinely work twelve-hour days, are very smart and care a lot about kids and families. We can see to it that every child who comes into care gets personal treatment from a limited number of people, who help her get through this terrible crisis with the least amount of emotional harm. And I have some sense about how to go about doing that.

THE DEFICIT FOR THE CITY BUDGET FOR THE FISCAL YEAR THAT STARTS IN JULY 2005 MAY BE AS MUCH AS \$3 BILLION. CUTS APPEAR INEVITABLE. HOW WILL YOU PROTECT ACS?

I'm not as much interested in protecting ACS as I am in protecting services to families and kids. There may well have to be substantive changes as to how we operate and deploy staff. But I would like to get out in front of the savings by thinking carefully about how we can do the work better and somewhat differently than we do right now. Within the next three to six months, we'll be releasing a plan with a series of actions, including revisiting the foster care allocations, including reorganizing here and including a fresh look at how cases are managed.

The number of foster care cases has declined so dramatically that it seems to me that if we don't take affirmative action to help the entire network hold onto its most valuable providers, we will start losing them. Because whatever the rate may be, the declining number of kids that they have in care will not sustain their administrative expense.

WHAT ARE SOME OF THE OTHER VALUES SHAPING YOUR REORGANIZATION?

First off, we need to reinforce and bump up the priority and the

visibility of intact-family services, all of those sort of services designed to keep families together safely—or to reunify them safely with supports once they are back together. Secondly, we will be providing a fuller range of family support services so that families can stay together safely or so that all children who have to come into care are placed with a good family in their own neighborhood. And if that family needs support and help because of the child's special needs, they will get it without the youngster having to be routinely placed in a congregate setting. There will continue to be those kids, but too often children are placed in group settings because that's the way we've always done it.

WHAT ABOUT RESIDENTIAL TREATMENT CENTERS (RTCS)?

Very low-performing RTCs will begin to fall by the wayside. That doesn't necessarily mean that I am able to make any judgments yet about what is the right number of RTC beds. I'm not.

DO YOU SEE CONTINUED DROP-OFF FROM THE CURRENT NUMBER OF AGENCIES HOLDING FOSTER CARE CONTRACTS?

If the circumstances remain as they are now, it seems to me that the system is at some risk if we don't make decisions about either closing some beds, closing some contracts, moving some beds or contracts to higher performing agencies or even agencies better serving the community. If we don't do that we run the risk of having the system contract because of fiscal pressure only. That would mean some of the better programs would close simply because they don't have the financial support they need to get through tough times. And I'm not comfortable with that, since we know some agencies do a better job for kids and families than others.

You hear some people say, 'Well, as long as the children are safe in this agency, even though this agency doesn't do as good a job, that's enough.' Well, that's not enough.

MOST OF THE CONTRACT AGENCIES HAVE RECEIVED RELATIVELY HIGH SCORES ON THE ACS PERFORMANCE EVALUATION SYSTEM, SO HOW WILL YOU MAKE JUDGMENTS ABOUT THEM?

There are probably about ten different characteristics we are going to try to put into the mix and make a careful and fair judgment that balances competing values. I think it makes a difference that the person who welcomes you to an agency, as a parent, looks like you, lives in the neighborhood, speaks your language. It also makes a difference if you provide a high quality of care at relatively low cost.

WHAT ABOUT MIRACLE MAKERS, THE AGENCY THAT HAS BEEN DRAWING ATTENTION FROM THE PRESS AND OTHER AGENCIES BECAUSE OF ITS LOW PERFORMANCE RATINGS?

We are going to deal with the low-performing agencies this fall in a way that keeps the entire network in mind, so that we are building a network rather than subtracting particular individual providers.

YOU TALKED ABOUT HIGH PERFORMANCE AT LOW COST. ONE OF THE WAYS AGENCIES SAY THEY ARE ABLE TO DO THAT IS BY USING THEIR ENDOWMENT AND CHARITABLE GIFTS. YOU COME FROM THE FOUNDATION WORLD. IS IT JUST FOR GOVERNMENT TO ASSUME THAT PHILANTHROPIC MONEY WILL PAY FOR SERVICES THAT ARE THE RESPONSIBILITY OF GOVERNMENT, LIKE FOSTER CARE?

I think it is certainly government's responsibility to give the best service at the lowest cost. That's what I think. Clearly private sources are not going to pay for fundamental, basic human services in this country. I don't believe that's ever going to happen.

ARE THERE UNTAPPED RESOURCES FOR CHILD WELFARE FUNDING?

ACS and its contract provider partners need to look to the state to take up more of the responsibility for these kids and families than it has up to now. Compare New York State and other states and the way it approaches child welfare funding. The city puts up enormous millions of dollars that you don't find other communities putting up. Yet ACS and our contract partners, who provide most of the services to kids and families, end up struggling over dollars. For those two to fight while leaving the state out of the picture is a mistake.

THE STATE'S BUDGET DEFICIT IS SCARY. THEY'VE ALREADY IMPOSED DEEP CUTS ON PREVENTIVE SERVICES FOR THIS YEAR AND NEXT.

I think we will be able to work some things out this fiscal year to keep a disaster from happening. Next fiscal year is anybody's guess. And of course we are struggling with the fact that the preventive agencies haven't had an increase for some years now. And we're committed, as an agency, certainly under my watch, to actually building and enhancing preventive services. Those things together, they don't fit, so we have work to do.

WHAT ROLE DO YOU SEE FOR THE SYSTEM'S CONSTITUENTS IN PLANNING FOR THE FUTURE? HOW DO YOU ENGAGE FOSTER PARENTS IN THIS, ALONG WITH TEENS AND BIRTH PARENTS?

ACS has worked hard to engage them in the building of this system and I think we should be very proud of the way it has been done. But I also think we can do more and better in those areas. And I tend to stretch in those directions. In order to be able to care for every child who needs to be placed, foster families need to tell us what they need. We have to listen to them and work with them as a group, not just as individuals. And we need to have weaker foster families out of the system so the network can grow stronger.

With birth parents, the parent advocacy movement has been a really big plus in this city, going back ten years. Parent advocates help new families coming into the system deal with the system successfully. It's really something the city should be proud of; you don't see it in very many places at all. But that

THE SYSTEM IS AT SOME RISK IF WE DON'T MAKE DECISIONS ABOUT EITHER CLOSING SOME BEDS, CLOSING SOME CONTRACTS OR MOVING SOME BEDS OR CONTRACTS TO HIGHER PERFORMING AGENCIES.

program is on the front end of the cutting block half the time, when you just don't have enough money. So we have got to figure out ways to build parent advocacy.

ARE THERE ANY OTHER CITIES YOU LOOK TO AS MODELS?

In Cleveland we recruited parents recovering from substance abuse, who had gotten their children back safely after having been clean and sober for two years. And they went out with the investigators on initial visits in [drug related] cases so they could engage the parent with the need to get help now and actually show them how to get help while the investigator did the investigative job. I know it can be done. But I don't know New York yet well enough to know how to do it here.

If you think about the big cities, in many ways, we are in the forefront, but we have a long way to go. We do very well, compared to many other cities. But I want to see more kids rou-

tinely placed in their own neighborhoods and more siblings placed together with relatives in their own neighborhoods and staying in their schools.

WILL THE FOSTER CARE CENSUS CONTINUE TO DECLINE?

I want to say there is a bottom to it, but we don't know now what it is. We need to look carefully at all of our work, including our removal decisions, to make sure that what has happened in a few cities ten to fifteen years ago doesn't happen here, where you decide that family preservation is the right thing to do, period.

Sometimes placement is exactly the right thing to do. Sometimes placement is the worst thing to do. I want to make

I WANT TO SEE MORE KIDS ROUTINELY PLACED IN THEIR OWN NEIGHBORHOODS.

sure we carefully look at every situation and try to prevent removal because of the damage it causes to kids, as well as to families whenever we can, by providing services. I want to make sure we make every effort to enable families to stay together.

I'll give you an example. We will be moving our family case conference to the front end, so that we'll be holding conferences before, rather than after, removal. There will be some circumstances where we will be able to prevent placement because we will have a good group of people in the room including relatives and other neighborhood supporters and community providers. But we'll also be sure that the decision reflects the principles, values and procedures of the agency. That'll help me be more confident about declining numbers. If the number keeps going down, great. But if it doesn't then we've made more whole the decision making process.

YOU ARE TALKING ABOUT A RADICAL SHIFT.

If you hold the meeting before removal and you clearly have your Child Evaluation Specialists (CES) trained and capable and experienced enough to lead a group of people with very different perspectives to the right decisions, everyone will be much clearer that this is a real live decision going on. And it's a whole different meeting, you are absolutely right. You are actually sitting down to decide whether or not to break up this family and how best to protect these children. We want to have a parent advocate and a community representative in every one of these meetings before the removal.

Now, think about this too, if you go deeper into the system, why not, again have that same CES do the 30 day conference, with the same team of people, and then when the six-month review comes

up, or right before the permanency hearing, we reconvene everybody, including the private agencies, with the same facilitators. We get more and more deeply engaged in the key decisions and don't, as too often happens, just sort of manage the case from a file at the Office of Contract Agency Case Management.

WHY IS IT IMPORTANT TO ACS THAT A TEENAGER NOT GROW UP IN A GROUP HOME?

I think every child has the best chance to grow and to be a successful adult if they have a strong family. They don't need organizations, bureaucracies, procedures, and policies. They need someone who deeply cares about them and who will stick with them, whether they do well or badly. There's simply nothing better than that personal sense of responsibility and love. Congregate settings in general don't have that sense of personal ownership and responsibility. You routinely find rules pasted up on the wall. It tells you that you are an inmate of this facility as opposed to a member of this family.

THE SYSTEM'S CONTRACTION IS OFTEN DISCUSSED AS A FISCAL CRISIS FOR AGENCIES. YET THESE CHANGES ARE HAPPENING FOR A POSITIVE REASON: FEWER CHILDREN ARE GOING INTO FOSTER CARE.

We are routinely doing really solid work, but we need to do better. Until we are comfortable that every child and family gets the treatment they would get if they were our nieces and nephews, we are not where we want to be.

DO YOU FEEL PRESSURE FROM THE CITY COUNCIL AND THE PRESS? ARE WE APPROACHING THE POINT WHERE THERE COULD BE A BACKLASH AGAINST THE FOCUS ON PREVENTION, ON KEEPING FAMILIES TOGETHER?

That pressure is hard to predict. I've seen strong and well-managed child welfare agencies fall into that pit, with simply one politician and one local TV station attacking them, and after about two or three years, some of the best child welfare people in the country just had to retire. On the other hand you'll see New Jersey go along for all those years, Florida for all those years and nothing ever happens.

I came here understanding that the media pressures and the political pressures are on another scale. It makes this kind of work much more difficult. But it comes with the territory. All I know is to be as straight as you can, and to take your lumps when you deserve them but keep focused on what you're trying to build. That's all I know. I think a majority of political leaders, and a majority of media people will see that.

DO YOU HAVE SOME FAITH IN THE ADVOCACY COMMUNITY?

Yes. Very much. At a press conference two weeks ago, we were surrounded by them and by community people, and that really felt right. ♦

A SURVIVAL GUIDE

Fifteen years ago, urban crisis and federal dollars fueled the massive expansion of the city's foster care industry. Today the sector is contracting, and only the nimble may last long.

The campus of St. Christopher's Inc., a 123-year-old non-profit child welfare agency in southern Westchester, is bathed in summer sunshine. The boys are in classes; the girls, playing ball on the grass. The Hudson River shimmers in the background. Construction is underway on a new school building. All seems to be in perfect shape.

"Looks can be deceiving," sighs Luis Medina, the agency's executive director. Budget cuts are biting deep, leading to the shutdown of some projects and pay freezes for staff.

The New York City Administration for Children's Services paid St. Christopher's roughly \$13 million last year to house foster children on this campus and in group and private homes, as well as provide them with services like counseling and education.

That's less money than the agency is entitled to receive under New York State's formula for paying for foster care services. But ACS can pay less if it determines it does not have sufficient funds to pay a private agency in full—and for the last three years, the city has paid St. Christopher's and its other foster care agencies 5 to 10 percent below the rates agreed to under their contracts, according to industry groups.

With New York City's entire foster care system downsizing at a historically unprecedented pace, the number of placements at St. Christopher's and most other agencies has dropped steeply. In 2000, Medina had 1,349 New York City children housed in private foster homes. Today, he has 797.

And the worst may be yet to come. The agency has repeatedly scored near the bottom of ACS' performance evaluation for foster care agencies, which examines the quality of their services, their success in securing children permanent homes, and the thoroughness of paperwork and other bureaucratic procedures. St. Christopher's is currently under investigation by the city for allegedly prodding staff to fabricate records of visits to foster homes that never took place—a practice that has been reported by caseworkers at other agencies as well but never officially confirmed.

ACS will soon decide which agencies get their city foster care contracts renewed—and St. Christopher's may not be one of them.

Ten years ago, the city was responsible for overseeing the care of nearly 45,000 foster children. At that time, more than 60 nonprofit agencies managed cases, recruited foster parents, ran group homes and residential treatment centers. The sector was

robust, following five years of rapid growth fueled by the crack epidemic and a torrent of federal dollars.

Today, with but 21,000 children in foster care, the child welfare paradigm has shifted. Foster care spending alone declined by \$101 million since 2001, down from \$750 million. The city now relies more heavily on highly trained child protection investigators and preventive family support services, and less on

AGENCIES THAT HAVE HOUSED CHILDREN FOR DECADES ARE SUDDENLY FINDING THEMSELVES ALL BUILT UP WITH NOWHERE TO GO.

foster care. "We need to reinforce and bump up the priority and visibility of intact-family services," new ACS Commissioner John Mattingly told *Child Welfare Watch*. "You are going to see a new focus on that."

If Mattingly and his agency can protect more and more children without removing them from their homes, it's a moment of triumph for families facing trouble. But for operations like St. Christopher's, it's a threat to their continued existence.

Agencies that have housed children for decades are suddenly finding themselves all built up with nowhere to go. They've acquired extensive infrastructure and accumulated office leases, but they are paid for this work under contract with the city—paid per child. And fewer children means less money.

Medina, like every other child welfare agency executive in the New York region, has had to rethink his entire organization. Last year, St. Christopher's shut down an office in the Bronx, one of a dozen outside Dobbs Ferry. As for its three group homes, which can house up to 36 residents, he's looking into other ways to fill the beds—including housing juvenile offenders or the dis-

abled elderly. St. Christopher's is also considering selling one of its group homes.

Many agency directors worry about a possible resurgence in demand for foster care. But given the bald facts of their balance sheets, they can't afford to plan for a hypothetical future need. Medina's chief concern right now is stable income, and there are plenty of people out there who need peaceful homes and attentive care.

"Lack of predictability is hurting the system. It's extremely hard to plan for the future," says Medina. "That's the world we are in."

"The trend is for agencies to go out of business," says Edith Holzer, spokesperson for the Council of Family and Child Caring Agencies, a trade association of foster care providers.

In the past five years, nine agencies have closed or eliminated their foster care programs, some of which were started in the 19th century. Those that remain are reinventing themselves to survive. Here are some of their tactics.

TACTIC: ENFORCE EFFICIENCY

Foster care has never been a cushy business, and the most successful agencies are already vigilant about efficiency. Forestdale, in Queens, is not a big or complicated organization. It has a budget of about \$10 million and runs foster boarding homes, adoption and prevention services, and a father's education program. It's also one of the five top-performing agencies in the city, according to ACS. Why is it doing so well? Executive director Joy Bailey points to what she calls its "task-centered team approach."

Instead of having a single staff member handle all aspects of a case—working with the birth family, the children, the foster family and a judge, as well as handling all paperwork—Bailey has three-member teams working collaboratively. This speeds up the process, she says, and avoids delays caused by staff turnover. It also allows staff to specialize. One of the three is a social worker with a master's degree, assigned to counsel birth parents trying to get their children back. Another worker interacts with children and their foster families, and a third does paperwork. "Before it was just one person wearing all the different hats," says MSW Jennifer Garofalo. "Now I have a lot more one-on-one with our clients in the field."

But efficiency hasn't protected Forestdale from financial pressures. The number of kids in its foster care program has dropped to 280 from 504 five years ago. For each child it is still working with, Forestdale has been paid only 92 percent of the rate set by New York State. "So here I am, a top-performing agency running a deficit," says Bailey. Last summer, when the deficit reached \$100,000, Bailey cut her staff. Nine

teams became seven, and their average caseloads went up to 57 from 44.

Now 150-year-old Forestdale is considering more drastic change. The board is evaluating whether to add new programs to get funding from new sources—and to possibly eliminate foster care programs entirely. They're considering providing services to adolescents, such as job training. "If you had asked me five years ago, would this board ever give up foster care, I would say no way," says Bailey.

Concludes Bailey: "If you are rigid, you are not going to survive. You have to be ready to switch gears."

TACTIC: FIND NEW WORK

Most foster care agencies have either diversified their operations already or are thinking about it. They evaluate the opportunities based on how adequately government financing covers the cost of services and what their established infrastructure allows them to do.

Among the most popular new directions is to contract with the New York State Office of Mental Retardation and Developmental Disabilities (OMRDD) to provide housing and services for mentally or otherwise disabled young people and adults who require special care.

It is a viable move for agencies that own group homes, whose beds and physicians can easily be redeployed. With OMRDD, the demand is stable and agencies can get fully compensated for what they spend.

Likewise, there are an increasing number of agencies diversifying into mental health services under contract with the New York City Department of Health and Mental Hygiene, because they have already established the infrastructure, including clinics and therapists.

Foster care programs themselves are reaching out to find new business opportunities. Increasingly, agencies that mainly rely on referrals from ACS have started to recruit children from other counties and states. Take St. Christopher's. Five years ago, four out of five of its kids came from New York City. Now it's three in five; the rest are from elsewhere in the state and Connecticut. "If I was strictly relying on New York City children," says Luis Medina, "I really don't know how I would make ends meet."

However, diversification is not always an easy choice. Agencies typically have to invest their own capital, drawn from their endowments, to finance the transition before the government money starts flowing. And then the organization itself must change dramatically: revise its charter or mission, become familiar with a different bureaucracy, and so on. The whole process, according to experienced agency executives, can take two years. To agencies already in trouble, that might be too long.

TACTIC: INDULGE THE URGE TO MERGE

For mercyFirst, a Long Island-based agency that has operations in New York City, a merger with a sibling institution was the fastest way to diversify.

A new organization emerged last March from the marriage of St. Mary's and Angel Guardian, two separately incorporated organizations with a shared board of directors and a history of more than a hundred years each. Before the merger, Angel Guardian was primarily a foster boarding program only for New York City children. St. Mary's was known for its high quality group homes housing young people from all over the region.

The merged agency combines 29 sites, stretching from Riverhead, Long Island, to downtown Brooklyn. Besides existing foster care, residential treatment and homeless intervention programs, they've started housing and helping adults with mental illness under contract with the state Office of Mental Health. The new agency has an annual budget of \$45 million. Once they connect with the agency, children and families can be steered to appropriate specialized services.

As a merged agency, mercyFirst now commands funding from five city and state agencies, including ACS, the New York State Department of Education, Department of Health, Office of Mental Health and the Office of Children and Family Services. "The services of both agencies complement each other," says Executive Director Liz Giordano. "Economically speaking, I get more cost centers to spread my administrative overhead."

mercyFirst has succeeded because the parent agencies shared more than a board. Both were founded by the same religious order, the Sisters of Mercy, and offered complementary programs. A catalyst for the merger was the retirement of the executive director of Angel Guardian; Giordano, who had been the head of St. Mary's, became the executive director of the new agency. They were able to avoid the power struggles and culture conflicts which so often arise when two organizations merge.

More important, St. Mary's was financially healthy and could afford to pay consultant and legal fees for the merger—rescuing Angel Guardian out of a deficit. Instead of cutting staff or programs, mercyFirst was able to hire 100 new staff for its newly established community residence program and an enlarged quality improvement department.

Though the benefits of a merger are potentially great, mercyFirst is the only agency that's pulled it off in recent years. There are many barriers to mergers between nonprofits, even when both could benefit.

The biggest is financial desperation. Facing a crisis, Brooklyn-based Brookwood had talked with Louise Wise, an agency also running a deficit, about the possibility of a merger.

It didn't work out. Brookwood—which had been around for 160 years—closed in August 2003. Louise Wise closed soon after, following the failure of merger talks with another agency, Sheltering Arms. And Sheltering Arms, although still in operation, no longer provides foster care services.

These agencies shared a fatal liability: They were already in financial trouble, and what they had been seeking was sheer survival. "Most agencies don't even talk of mergers until the parties are feeling pressure to do so," agrees Fatima Goldman, former executive director of Brookwood. "By that time it's a little late."

TACTIC: THROW IN THE TOWEL

Eight agencies have just given up: they've eliminated their foster care programs or closed entirely. Among them are some of the oldest foster care providers in the city.

The demise of Brookwood is an example of how things can go wrong. Besides foster care, the agency also ran Head Start and family day care programs, allowing it, historically, to draw funding from multiple government agencies. Then the establishment of ACS in 1996 pulled all of these children's services into one operation.

But further diversification was no longer an option: Brookwood had closed its two group homes in 1994 as a response to early signs of the decline of the number of children in care. At the same time, it was burdened with other real estate: a 20-year lease on an office that turned out to be larger than they needed. The excessive rent costs helped dig a \$600,000 budget hole.

In the end, Brookwood found itself \$1 million in the red. In the two years leading up to its shutdown, the agency tried to find creative ways to earn income. It tried to establish a for-profit child care business. It considered subletting space to other agencies. And its board voted to eliminate foster care programs.

But all of these efforts failed to save the agency. "Even if all of those had been successful, we would not have come close to closing a million-dollar deficit," says Goldman, who led Brookwood for nine years. "It was just way too far." She is now executive director of the Federation of Protestant Welfare Agencies.

Brookwood wasn't the only agency to be done in by an expensive long-term lease. In the early 1990s, when the number of children in foster care peaked at a historic high, St. Joseph's Children's Services moved to a building in downtown Brooklyn, with a 25 year commitment. At the time, it had 850 children in care. By the time it closed in 2000—after 75 years in business—it had 750. The agency cut its staff to save money, but rent was a fixed cost it couldn't sustain.

TACTIC: LOOK TO THE FUTURE

At Children’s Village, one of the largest child welfare agencies in the country, new executive director Jeremy Kohomban has a clear vision for the future. He wants the agency to be smaller and stronger, focusing its resources where kids need them most. In his opinion, that means helping young adults thrive as they go out on their own. “The most important thing in child welfare is not so much what happens when kids are here, but what happens when they leave us,” says Kohomban. “Are we truly supporting kids in getting jobs, in learning to be a son or a daughter, a husband or a wife, and a father or a mother?”

When young people arrive to live at Children’s Village’s Westchester campus, Kohomban sees one of the most striking effects of a smaller, more selective foster care system: these teens are older and tougher. Children’s Village’s Westchester campus is a residential treatment center, where young people who need special counseling and attention live in a controlled environment. The odds against them are high, and Children’s Village has a precious chance to help vault them into successful adulthood.

Right now, the agency provides “aftercare” services to just one in five of the young people who live there. Its Work Appreciation for Youth program offers job training and paid mentors who will follow each young person for five years after he or she leaves care. The mentor is there to help kids on every-

thing they might need, such as job applications, finding housing and ongoing emotional encouragement.

Kohomban wants to expand aftercare to everyone who comes to Children’s Village. And the organization won’t do it alone—it will form partnerships with other community-based organizations. Children’s Village itself will remain a residential treatment center, but Kohomban believes comprehensive aftercare will end up reducing the time kids stay there. “Treatment is just one small piece of a larger picture,” says Kohomban. “We want to stay focused on what we do best, which is teach kids to go out and be young adults.”

But there is little government funding available for aftercare. Kohomban will have to find the money to fill the gap. Already, since arriving in March, he has cut 20 top management positions.

William Krupman, the board chairman of Children’s Village, agrees that there really isn’t another choice but to reinvent the organization’s priorities. “We realized that the children may not have as much time with us as they had in the past, and we get them at an older age,” says Krupman. “Therefore we need to be more helpful when they go out of the community.”

Their goal is to triple private donations in the next five years, spending all of that money on aftercare programs. “One of the struggles the system faces in general is that we have been so dependent on government dollars,” says Kohomban. “I’m very confident that we can go out to private donors and to corporations, and get them excited about going beyond government.” ♦ —XIAOQING RONG

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worked well for ACS—finding safe ways to keep children out of foster care in the first place. But Mattingly’s staff admits that they still need to improve the experiences of the families who, for better or worse, find their children placed in foster care.

“I get to see parents who have kids in the system and who are struggling with contract agencies just to get their visits, just to get things that are their rights to have,” says Williams-Isom of ACS. Many have legitimate complaints, she says, and dealing with this needs to be part of the solution. “We have to get back to that real work between a child and a parent.”

Seamen’s Society’s McCaffery says he’s thinking about this, too. “If the system is stronger, kids who come into care will hopefully go home sooner,” he says. “If it stays weak, six months more for a five-year-old kid is a tremendous amount of time. That’s too long for a kid.” ♦ —KIM NAUER WITH NOAH REIBEL AND XIAOQING RONG

ANNOUNCING THE TRUDE LASH FELLOWSHIP PROGRAM



An annual fellowship for child welfare activists is being created in memory of Trude Lash, a longtime children’s advocate who served on the *Child Welfare Watch* advisory board from its beginning until her death in February 2004.

Contributions designated for the Trude Lash Fellowship Program can be made to the Fund for Social Change, 135 East 15th Street, New York, NY 10003.

AWAKENING THE SECTOR

Professor Paul Light discusses the impact of government policy and economic change on child welfare nonprofits.

In the business world, recessions and competition can be useful. Weaker players are driven out, investment shifts to more popular, productive businesses, and consumers ostensibly benefit. But the nonprofit sector plays by different rules. New York University professor Paul C. Light observes that lean periods tend to greatly weaken many nonprofits, yet fail to do away with the most ineffective players. He sees three possible outcomes: A "winnowing" where consolidation creates stronger, but perhaps unrepresentative, organizations; a "withering," where a laissez faire policy leaves behind weaker, more ineffective players; and, finally, an "awakening" where nonprofit leaders and government funders strengthen services through strategic mergers, workforce support and restructuring. The latter is Light's preference, a vision he lays out in his latest book published by the Brookings Institution, *Sustaining Nonprofit Performance*. Editor Kim Nauer quizzes Light on what the future might hold for New York's child welfare system.

IN YOUR WRITINGS, YOU SAY THE NONPROFIT SECTOR NATION-WIDE IS GOING THROUGH A PERIOD OF CONTRACTION. TALK ABOUT THE TRENDS YOU'RE SEEING IN HUMAN SERVICES.

The human service sector is highly vulnerable. I have never seen a workforce under such great pressure. They are forced to absorb the increase in demand while government and funders are reducing their revenues. It's where government cuts first, even though it's where you feel the impact of recession most intensely. It's also a very stressful place to work. The numbers of human services workers who report they have too much work to do has gone up dramatically over the last three or four years. They feel the pressure most intensely.

WHAT DO YOU THINK IS HAPPENING IN NEW YORK?

In terms of my argument—that the national nonprofit sector is on the cusp of a great "withering" or "winnowing"—I think that's still working itself out. A lot of nonprofits survived from 2001 to 2002 or 2003 by making the urgent case to their funders and workers that they could tough it out and things would get better. My general impression is that we are in a "withering" period. Individual organizations are taking cuts and stresses, doing more with less.

WHAT ACTION SHOULD THE NEW YORK CITY ADMINISTRATION FOR CHILDREN'S SERVICES BE CONSIDERING?

The agency ought to consider ways to help nonprofits find increased productivity and opportunities to put dollars to better use through, for example, shared back office operations or incentives to do collaborations and mergers.

There are, of course, big trade offs. By joining together, smaller nonprofits would be able to compete against their larger peers for workers and dollars, but clients might lose the tailored support that small nonprofits often provide. When I

get into conversations with small- to medium-sized nonprofits and we start talking mergers or collaboration, the common complaint is that the nonprofit will lose its soul or contact with its community. That's a reasonable complaint, but it's untenable at some level. There are real dollars to be put to better use through mergers and shared services. Nonprofits are facing pressure from Attorney General Eliot Spitzer, from a more aggressive and well-informed media and from clients who are asking for better service and more responsiveness. These pressures aren't going to abate any time soon. We have to become more competitive while retaining our acute sense of mission.

IF YOU'RE ENCOURAGING ORGANIZATIONS—EVEN BY ACCIDENT—TO CREATE CONDITIONS IN WHICH TURNOVER OCCURS IN THE FRONT-LINE STAFF, THEN YOU'VE DONE A DISSERVICE TO THE PEOPLE YOU ARE TRYING TO SERVE.

IN THE CHILD WELFARE SECTOR, WE SEE THAT NONPROFITS TEND TO CONSIDER MERGERS AFTER IT'S TOO LATE, WHEN BOTH AGENCIES ARE WEAK.

We often attempt mergers with little or no strategic planning, little or no outside help, little or no funding to support cross-training and the development of shared values. You also have to make some hard decisions. In theory, the value of the partnership comes from the shared administrative services—savings you can deploy to the front lines from having one accounting office instead of two or three or four. Some people have to go.

HOW ELSE SHOULD GOVERNMENT MANAGE CONTRACTION?

Government has an obligation to provide nonprofits with a fair reimbursement for services. In general, government has historically expected nonprofits to deliver as much as possible in terms of program activity with as little as possible by way of administrative support. The nonprofit sector is currently in a catch-22. Donors and government agencies don't want to provide money for administrative support because they don't feel nonprofits are doing a particularly good job administratively. But nonprofits can't do a better job administratively—by way of transparency, better financial reporting, more outcomes measurements—without more administrative dollars. Nonprofits are telling me they are damned if they do, damned if they don't.

WHAT SHOULD THE NONPROFITS BE DOING? YOU SAY NON-PROFITS SHOULD "DO UNTO THEMSELVES BEFORE OTHERS DO UNTO THEM."

I have found in my research that nonprofits are doing a great deal of capacity-building, much more than you would think. They're doing a lot of investing, training, board development. But many nonprofits do so with little or no advance planning. There are no measurements in place so they can see how the capacity-building is contributing to their performance. Nonprofits have to take a hard look at their organizations and ask where they are going to get the resources to improve. They can't just stand pat. This requires the self-confidence to look at reality and ask how one's organization is going to measure up in an era where the expectations are growing.

HOW WOULD YOU DEFINE AN IDEAL RELATIONSHIP BETWEEN ACS AND ITS NONPROFIT CONTRACTORS?

It would be nice for everyone to be able to sit down and have an honest conversation. The one thing I know from my career as both a funder and a grantee is that it's difficult to have an honest conversation when the power is so heavily tilted toward the funder. I just don't know how you create that. Funders and agencies don't want to have that conversation, because what can they do about it? Can they make things happen? Are they willing to invest in the sector as a whole, rather than forcing this competition to see who can do more damage to their own organization?

IN NEW YORK CITY, NONPROFITS ARE BLUNT ABOUT THE COSTS ASSOCIATED WITH KEEPING KIDS IN CARE. ACS HAS NOT PARED DOWN ITS LIST OF CONTRACTOR AGENCIES, AN ACTION THAT WOULD OFFER REMAINING CONTRACTORS MORE MONEY TO DO THEIR JOB WELL. HAVE YOU SEEN THIS DYNAMIC BEFORE, WHERE GOVERNMENT DOESN'T WANT TO DO THE WINNOWING?

Government is doing the winnowing whether it intends to or not. It may end up—by intent or accident—favoring some agencies over others. Nonprofits that have greater resilience can meet the lower reimbursement rates currently being offered. But in the long run, there are dangers in reducing the number of nonprofits by accident. The government agency needs to think over the long term about what kind of sector it wants to deal with. Does it want a sector that has withered to a few agencies that have absorbed one cut after another? Or does it want to keep enough vibrancy alive within the sector so it can pursue innovative approaches and be flexible as needs change?

That said, it's not government's job to say, "Here are the ten organizations we're going to cut." But government can create incentives towards higher performance in all of the agencies. I've seen funders who have said, "Over the next five years we're going to switch from funding everybody to just funding organizations that meet the following standards. We want to support high-performing organizations and we're willing to pay an extra premium in order to help those organizations become high performing." That sometimes works.

COMMISSIONER MATTINGLY SAYS HE WANTS THE HIGHEST QUALITY AT THE LOWEST PRICE. SOME NONPROFITS SAY THEIR ENDOWMENTS AND FUNDRAISING EFFORTS ARE SUBSIDIZING BASIC WORK THAT GOVERNMENT SHOULD PAY FOR. WHERE SHOULD THE LINE BE DRAWN?

I never like it when I hear Congress say to executive agencies that they want the highest quality for the lowest price. And I don't like it when I hear government agencies say this to their contractors. What you want is the highest quality for the right price. Taxpayers should not pay more than they need to for core services. But the question is: what does the real need include?

I don't think it does children any good to have a situation that creates turnover in the front-line workforce. We know the tenure of service among human services workers is an important variable in the actual quality of service given. If you're encouraging organizations—even by accident—to create conditions in which turnover occurs in the front-line staff, then you've done a disservice to the people you are trying to serve.

YOUR VIEWS ON THE NATION'S NONPROFIT SECTOR ARE FAIRLY PESSIMISTIC. DO YOU THINK WE'RE GOING TO SEE A MELTDOWN IN THE NEXT FIVE OR TEN YEARS?

If you look at the demographics of the workforce, somebody has to wake up to it. The nation's labor force will be shrinking dra-

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COLLIDING WITH REALITY

Neighborhood family support programs hold all the promise—but few of the resources—for the city's new direction in child welfare.

When Chrystal M.'s son, Christopher, was one-and-a-half, she worked as a supermarket cashier making \$7.45 an hour on the nightshift. She had difficulty paying her rent and couldn't find child care, so she sought help from the Graham Windham Beacon TIES (Together In Education Service) program in Harlem. The program provides mental health counseling, family support services and case management for families in crisis, and, at the very least, could have helped Chrystal with emergency rent assistance to help her stay in her home.

But Chrystal says she received very little help. The worker she met with never told her she might qualify for rent assistance. And while caseworkers are expected to make at least one visit to clients' homes per month, Chrystal's worker rarely showed up at her fifth-floor walk-up apartment for appointments. After several months in the program, Chrystal dropped out, deciding "it wasn't worth my time." Shortly after, she was evicted and, without an apartment, she reluctantly sent Christopher to live with her mother, who has a history of drug problems.

Four months later, Graham Windham fired Chrystal's case planner for incompetence. According to Susan Jantzen, director of the Beacon TIES Program, the worker came into the office inconsistently, was disorganized, fell behind in paperwork, and was generally not suited to the job. "She was claiming the clients weren't showing up, but she wasn't keeping appointments," says Jantzen, who adds that the worker's "hygiene wasn't great." Nor did the worker have a degree in social work. Perhaps most importantly, she didn't know how to help her clients.

Unfortunately, these days, unqualified and inappropriate workers are all too common in the city-funded nonprofit programs that provide preventive family support services in dozens of neighborhoods. Funding for these services has not increased since 1999. The 82 agencies that contract with the city's Administration for Children's Services (ACS) to provide such services as case management, counseling and substance abuse face increasing internal stresses. They have not received a cost of living increase for workers in several years and, as a result, many report staffing problems stemming from their inability to offer competitive salaries.

Indeed, Jantzen has fired six case planners since January of 2002. The candidates preventive service programs attract to fill these jobs are often ill-prepared to do the careful work required in tending to families at risk for neglect or abuse of their chil-

dren. "Case planners should have an MSW and two years of social work experience, but we end up getting people with Bachelor's degrees in anything," says Jantzen. As a result, preventive agencies represented by the Council of Family and Child Caring Agencies (COFCCA) now average a 40 percent turnover, according to COFCCA Executive Director Jim Purcell. At the Graham Windham TIES program, designed to employ six case planners at any one time, three of the positions were vacant for a time this year while the agency sought capable candidates for the jobs.

The stagnation in funding has occurred even as the number of families served by preventive agencies is increasing. Since 2001, the number of children receiving preventive services each year has exceeded that of children in foster care, with the total number of families served climbing from 25,564 in fiscal year 2000 to 31,195 in fiscal year 2004 [see "Children Admitted into Preventive Care" on opposite page].

Budgets for preventive services will likely continue to be strained for the next few years, according to officials at ACS. "You're looking at flat as a negative," says Susan Nuccio, deputy commissioner of financial services at ACS. "I'm saying it's amazing that we could remain at that level given what was going on behind the scenes with the city's fiscal situation." This year, City Hall had to find \$45 million to plug gaps in prevention and other ACS programs caused by a cut in state funding.

A GROWING NUMBER OF THE FAMILIES IN preventive programs (42 percent in 1998, compared to 52 percent in 2003) were referred to nonprofit agencies by ACS investigators, meaning there has been a substantial jump in the number of families in prevention who have already been reported for abuse and neglect.

"We have seen changes in the quality of cases that are being referred. They're very different now," says Elizabeth Mendez, director of preventive services at Association to Benefit Children, which works with up to 60 families at a time in East Harlem. Mendez says the agency now faces an increased number of cases that are especially difficult for staff to handle. While caseworkers generally meet with families in the preventive program twice a month, Mendez says weekly visits are necessary for these intensive cases, and that social workers, who carry a caseload of between 15 and 17 families at a time, can handle no

more than three such families at a time.

She adds that ABC has rejected three cases in the past few months because they felt the child was in immediate danger—something the agency has done only rarely in previous years.

ABC has several difficult cases, like that of a recently widowed mother, that require skill and patience. After her husband and brother died, this woman became severely depressed and hit her child. “She needed someone to motivate her constantly,” says Mendez. A staff member at ABC is now working with her closely, regularly calling and visiting her, arranging for her chil-

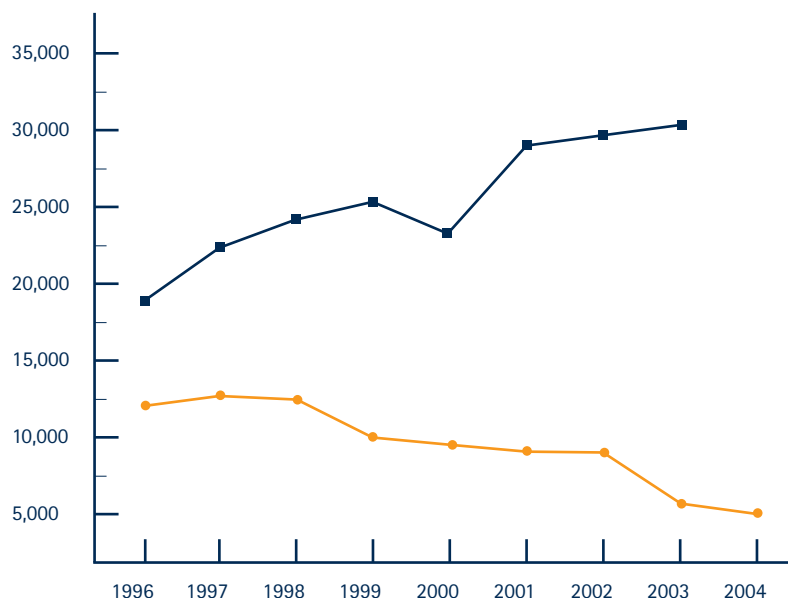
manage, and parents who cannot manage,” says Richard Altman, executive director of the Jewish Child Care Association. “We have seen a trending toward more police involvement in cases and more school suspensions.”

“A lot of adolescents have not been in school for a while,” adds Good Shepherd’s Raddock. “It takes a lot of time to find a school that’s willing to help these kids and help the parents. That can take a half a day on the phone.”

Nancy Martin, assistant commissioner for policy and planning at ACS, says the agency is aware of increasing demand for

CHILDREN ADMITTED INTO PREVENTIVE CARE: A STEADY RISE AS FOSTER CARE DROPS

The number of children admitted into preventive care programs has increased from 19,901 in 1996 to 30,368 in 2003. By contrast, the number of children admitted into foster care declined from 11,866 in 1996 to a low of 6,227 in 2004.



dren to attend youth programs, accompanying her to appointments, and providing petty cash to pay for hair cuts, which Mendez says helps with the woman’s self esteem. “We’ll take this case,” says Mendez, “but we need help.”

Stories of such difficult cases abound. Annette Raddock, a program director at Good Shepherd Services, tells of a mother living in a Queens shelter whose two children, eight and nine, were repeatedly picked up by the police while wandering around on their own. “In the past, they may have been placed” in foster care, Raddock says of the children, both of whom have medical problems that have gone unattended, and one of whom missed more than 45 days of school in a row. Raddock says her staff is eager to work with families such as these. But she says keeping such children at home with their families demands a large investment of resources. “Working with parents to negotiate with the children, to mediate, takes an experienced worker,” says Raddock.

Agency directors also report a growing need for adolescent services, as teens diverted from foster care are winding up in preventive programs in increasing numbers. “By definition, that creates caseloads where there is a greater potential for violence, more school-related incidents and problems schools cannot

services for adolescents and is about to seek proposals from nonprofit agencies for such programs. “We’re looking for services that are very individualized, and involve a lot of close work with the family,” she says.

So far, preventive service agencies are managing to serve most families who seek their help or are sent to them by ACS or by Family Court judges, no matter how complex the families’ problems. Several of the largest agencies have absorbed the extra costs, raising grant funding, borrowing money or dipping into endowments so that families don’t feel the impact of stagnant government funding. Good Shepherd Services contributed \$932,166 of its own money toward its three city-contracted preventive services programs in the past six years, according to its executive director, Sister Paulette LoMonaco. And the Jewish Child Care Association has put some \$500,000 into its preventive programs since 2000, according to Altman.

“Operating costs go up, leases go up,” says Altman. “You end up having to make up more and more dollars for the shortfall and that has created a crisis. If you can’t raise private philanthropic dollars, and if you’re not willing to compromise service in your program, then your alternative is not to provide service at all.”

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CLOSER TO HOME

Keeping foster children near their parents can help families rebuild.
But the city is still struggling to crack the code of neighborhood placement.

When former child welfare commissioner Nicholas Scoppetta first unveiled his plan to build a new, neighborhood-centric child welfare system, his ideal foster parent probably looked something like Tracy Gray. When her daughter ran into trouble with the Administration for Children’s Services, Gray willingly took in three grandchildren. Her home was within shouting distance from her daughter’s in the Highbridge section of the Bronx, so the family could retain roughly its same shape.

“My daughter never lived more than a block away and so I was still able to be a grandmother,” said Gray. Her daughter visited often and the siblings saw each other regularly, even after the youngest boy returned to their mother’s home. “He spent nights here and my granddaughter slept over there, so they never lost contact with each other. It was just like they all were living together.”

Once Gray’s daughter convinced ACS she had fully recovered from her drug addiction, the two remaining children were able to return to their mother with little change in the daily routines they had developed at their grandmother’s.

If children must be removed from their homes, placing them in the same neighborhood—and ideally with close relatives—is less disruptive and traumatic, and can speed the process of putting the nuclear family back together again, according to city officials. This policy, a key piece of the ACS reform plan Scoppetta announced in 1997, acknowledges that the majority of children taken into foster care ultimately return home—and tries to keep them in their schools, near enough for easy parent visits and close to the neighborhood-based social services essential to reunification.

Policy initiatives that sound good in theory are usually more challenging in practice, however. Five years have passed since the city began to reorganize its foster care contracts with non-profit agencies in order to promote neighborhood-oriented services for families. But in 2003, just one of every four children taken from their parents and placed in a foster boarding home remained in the same community. This is still nowhere near the success rate the agency hoped to achieve when, three years ago, it set a target of placing 75 percent of all new foster children close to home.

The community placement numbers present a conundrum for both ACS and foster care agency directors such as Bob McMahon at St. Christopher-Ottilie. “I think it’s a disgrace to

the whole system that it’s not higher,” he says. The trend flies in the face of the declining number of children in foster care, which theoretically should leave more foster parents available, making it easier to place children near home.

Yet there have been improvements. When the initiative began, most children weren’t even placed in the same borough as their parents, much less the same neighborhood, and parents routinely traveled across the breadth of city, and sometimes the region, to visit their children. That’s changed dramatically: the large majority of foster children are now placed within the same borough.

Still, it’s not ideal. Deputy Commissioner Jennifer Jones-Austin is leading a team at ACS investigating the mystery of why the community placement number has remained stubbornly low over the years. “We are trying to break through it,” she says.

MELBA BUTLER, EXECUTIVE DIRECTOR OF Harlem Dowling-West Side Center for Children and Family Services, says she believes children should be close to home. “I supported the reform. The disruption is limited to a family, rather than the children’s schools and their environment and everything that is familiar to them,” she says. But she adds that a host of factors conspire against this. “In reality, the communities that have the highest rates of foster care placement also have fewer available foster homes, because of space, and because of economic and other challenges that families in these communities have.”

Consider, for example, Highbridge in the Bronx. This is among the most impoverished communities in New York City, and it’s getting more crowded as gentrification sweeps through Upper Manhattan, pushing long-time residents across the river to live with relatives and friends. Recent immigrants come here, too, when they find that Washington Heights is no longer as affordable as it used to be. One result is that ACS now removes more children from homes in Highbridge than any other community district in the city. But finding nearby foster families able to take them in has been difficult. In 2003, ACS removed 327 children from homes or shelters in Highbridge. A total of 33 were placed in regular foster boarding homes in the neighborhood.

The logistical barriers to screening potential foster families in a neighborhood like Highbridge can be formidable. A number of factors—from apartment size to language proficiency to the

HOW CLOSE IS THE FOSTER HOME?

Foster Boarding Home Placements of New Children Entering the System

This grid shows how many foster children were placed in their home boroughs and community districts in 2003.

TOP 30 NEIGHBORHOODS WITH HIGHEST NUMBER OF PLACEMENTS (CALENDAR YEAR 2003)

Bronx	Mott Haven	Hunts Point	Morrisania	Highbridge/ Concourse	University Heights	East Tremont	Fordham	Soundview	Williamsbridge
Community District (CD)	BX1	BX2	BX3	BX4	BX5	BX6	BX7	BX9	BX12
Number FBH Agencies Serving CD	7	3	6	7	6	5	5	5	3
Total Children from CD Placed in Foster Homes	103	60	138	158	100	98	87	94	89
Total Number (Total %) Children Placed In Borough	65 (63%)	50 (83%)	113 (82%)	125 (79%)	84 (84%)	87 (89%)	71 (82%)	84 (89%)	72 (81%)
Total Number (Total %) Children Placed In CD	26 (25%)	10 (17%)	23 (17%)	32 (20%)	25 (25%)	25 (26%)	35 (40%)	37 (39%)	29 (33%)

Brooklyn	Fort Greene	Bedford- Stuyvesant	Bushwick	East New York	North Crown Heights	South Crown Heights	Coney Island	Brownsville	East Flatbush
Community District (CD)	K2	K3	K4	K5	K8	K9	K13	K16	K17
Number FBH Agencies Serving CD	1	8	3	5	7	4	3	8	3
Total Children from CD Placed in Foster Homes	23	79	56	93	65	16	39	83	25
Total Number (Total %) Children Placed In Borough	16 (70%)	58 (73%)	41 (73%)	75 (81%)	50 (84%)	16 (100%)	31 (80%)	64 (77%)	18 (72%)
Total Number (Total %) Children Placed In CD	0 (0%)	26 (33%)	10 (18%)	26 (28%)	25 (25%)	1 (6%)	0 (0%)	16 (19%)	5 (20%)

Manhattan	Lower East Side	Upper West Side	Manhattan- ville	Central Harlem	East Harlem	Washington Heights
Community District (CD)	M3	M7	M9	M10	M11	M12
Number FBH Agencies Serving CD	4	2	4	10	8	7
Total Children from CD Placed in Foster Homes	52	42	52	135	143	52
Total Number (Total %) Children Placed In Borough	39 (75%)	26 (73%)	32 (62%)	59 (44%)	66 (46%)	34 (65%)
Total Number (Total %) Children Placed In CD	15 (29%)	2 (3%)	5 (10%)	12 (9%)	36 (25%)	5 (10%)

Queens	Astoria	Howard Beach	Jamaica	Queens Village	Rockaways
Community District (CD)	Q1	Q10	Q12	Q13	Q14
Number FBH Agencies Serving CD	1	3	7	4	5
Total Children from CD Placed in Foster Homes	40	22	86	41	61
Total Number (Total %) Children Placed In Borough	36 (90%)	17 (77%)	63 (73%)	33 (81%)	41 (67%)
Total Number (Total %) Children Placed In CD	7 (18%)	3 (14%)	33 (38%)	11 (27%)	10 (17%)

Staten Island	North Island
Community District (CD)	S1
Number FBH Agencies Serving CD	3
Total Children from CD Placed in Foster Homes	96
Total Number (Total %) Children Placed In Borough	57 (59%)
Total Number (Total %) Children Placed In CD	51 (53%)

Source: NYC Administration for Children's Services

Note: Total CD and Borough numbers calculated from percentage data provided by ACS.

ability to take sibling groups—must all be in place simultaneously. “If we’re as diligent as possible it takes about four months” to screen a family, says Richard Hucke, program director for foster family resources at the Jewish Child Care Association.

“Everybody in the family has to get fingerprinted,” he adds. “We’ve got to get abuse clearances. They also all have to have recent medicals. Then once we gather all the supporting documentation, a social worker has to go out to the home and do a home visit.”

The complexity of the training and care requirements can intimidate busy, working families. Today’s foster parents have more contacts with social workers and support personnel than

their predecessors a decade ago. Parent visits used to be once a month, now they are often expected to come every week. Kids have access to more therapy and special medical treatment. Such demands can reduce the number of interested foster families.

“It’s a tremendous amount of time,” explains Mary Ellen McLaughlin, who handles foster boarding home and adoption programs in Highbridge for Good Shepherd Services. “You have two working parents and then all of this overlay...all of the appointments that they have to meet for the youngsters. So it’s a lot. It’s hard to find families that are capable and willing to do this.”

What’s more, the pay has not budged much in several years, making it harder to convince any foster parent to take on the

job. Many foster parents don't know it, but they get paid about the same as families that run government-subsidized day care operations out of their homes, says Marjorie McCloughlin, executive director of Cardinal McCloskey Services, an agency that provides both types of service. McCloughlin says she pays her day care providers between \$110 and \$120 a week for an average of six to ten hours per day, five days a week. Her foster parents get about the same rate, but their responsibility is 24 hours a day. Her day care providers also get an additional stipend for feeding the children; her foster parents don't.

"They're like saints," she says.

AFTER 15 YEARS AS A FOSTER PARENT, PROVIDING a home to 28 children, Janet Stevens of Bushwick can testify about changes in the system in recent years and what they've meant for her and the families with which she's worked.

For families that expect to reunify, one goal of neighborhood-based placement is to make sure parents stay as connected as possible with their children. Foster parents are expected to act as facilitators, and to be as supportive of the child's parents as they can.

FOR FAMILIES THAT EXPECT TO REUNIFY, ONE GOAL OF NEIGHBORHOOD-BASED PLACEMENT IS TO MAKE SURE PARENTS STAY AS CONNECTED AS POSSIBLE WITH THEIR CHILDREN.

But this depends largely on the foster child's family's dynamics, Stevens says. Cooperative, pleasant parents are a joy to have close at hand, she says. With belligerent, resentful parents, however, it's hard to get far enough away.

"If mom is in the neighborhood and you have a problem with a kid, you can call mom and have her come down to sit with a kid who won't sleep at night until they've seen their mom," she says. "That really helps. But then, some birth parents are scared and are very nasty because they feel we're going to take their children from them."

Parents' economic troubles sometimes impede foster care placements close to home. After a child is placed in the neighborhood, nothing guarantees the mother or father will be able to stay close by. "When these kids come into care, the mother may

lose her apartment because she no longer has those children on her [public assistance] budget," says McCloughlin. "And then she may be placed by homeless services to a shelter miles away from where we are."

But many do stay. Two of Stevens' own foster children illustrate both the challenge and benefits of the policy. Kim, now 15 years old, moved just four blocks from her mother when she came into Stevens' care. But instead of helping, Stevens says that closeness worked against Kim's smooth transition. "When her mother found out I lived here, she tried to still be the mother and say, 'You have to listen to me, not your foster mom,'" Stevens recalls. Eventually, however, Kim's mother gave up her parental rights and Stevens adopted the teenager.

In contrast, Stevens' foster daughter Martha enjoys weekly visits with her father from nearby Williamsburg and benefits from a cordial relationship between her parents and foster parents.

Stevens adds that a good relationship between parents and foster parents can overcome problems of geography. One of her best experiences was with a single mom who lived two boroughs away—in the Bronx. "I had her two girls," Stevens says. "She was just really grateful, and I kept her involved in everything. The mother would come and braid their hair. She would come over and cook since the girls liked the way she fixed certain things. She called me Mama J." To this day, she adds, they keep in touch.

PARENTS WHOSE CHILDREN HAVE BEEN IN FOSTER care warn the picture isn't always so rosy. Philneia Timmons, a mother of two, had her own children taken into ACS custody and then returned. She now works as a parent advocate for the Child Welfare Organizing Project (CWOP), where she frequently speaks with parents who must travel great distances to see their kids. Many say they have a hard time just getting a visit at their foster care agency's offices, let alone developing a close relationship with their child's foster parent.

"If I am supposed to see my child every week, I want to see my child every week," says Timmons.

In his work as an officer of the Annie E. Casey Foundation, ACS Commissioner John Mattingly became a nationally recognized proponent of giving parents as much access to their children in care as possible. He says improving upon the key elements of neighborhood-based reform will be high on his agenda. His top deputies, for example, are working right now to figure out what a realistic target for in-neighborhood placement is. It's probably not 100 percent, they admit. But it should be far more than one kid in four.

In Highbridge, Tracy Gray is willing to testify to the power of that approach in her own family. "You have to keep those relationships open." ♦ —**BETH GLENN WITH KIM NAUER AND NOAH REIBEL**

CHANGING THE RULES

An ambitious new initiative seeks to move teens from group homes into foster families, but critics worry about moving too fast on an untested ideal.

Two years ago, Arelis Rosario, 18, lived in a group home. She had lost interest in school, been hospitalized several times and attempted suicide. Arelis says she felt like many of the teens living in the home: Nobody cares about me, nobody wants me, I'm alone in the world.

But Arelis knew of a foster home that felt like heaven. Her older sister lived with Mary Keane, a foster mom who takes only teens. The first time Arelis and her brother visited Keane's three-story, five-bedroom home in Yonkers, "It was like a movie," Arelis recalls. "My brother leaned over and said, 'She lives in a mansion.'"

Keane, a consultant with an MBA who began fostering teens after working at a residential treatment center, is widely considered one of the system's finest foster parents. The New York City Administration for Children's Services (ACS) is banking on finding hundreds more parents like her. The agency has decided to close 30 group homes, aiming to move 600 teens to foster families by the end of next year. This initiative will only continue to grow: Nearly half of all new children now admitted into ACS care are teenagers [see "Kids Coming into Care" on page 27]. Unlike in years past, the system has made teens' success after foster care a top priority, and officials believe teens are more likely to live stable adult lives if they grow up with families either as foster children, or, ideally, adopted.

When Arelis visited, Keane gave her kisses and hugs, and on Christmas, presents under a tree covered with angels and icicles. Finally, Arelis got to move in. Years of abuse and distrust did not magically melt away. But one day Arelis got in an argument with one of the other five teens in the house and Keane came to her room. She told Arelis she was part of the family. "I'm not going to give up on you like everybody else did." Then she said, "Arelis, I love you."

Arelis began to cry. "For her to say that was unreal," she recalls. "My own mother and father didn't." Arelis knew she had someone rooting for her.

There are lots of good reasons to move teenagers like Arelis into foster homes. The federal government's Adoption and Safe Families Act requires foster care agencies to move all kids, including teens, into adoptive homes as quickly as possible. Nearly all of the 789 teens adopted in New York City last year were adopted by their foster parents.

Group homes are more than three times as expensive as foster homes, and at their worst, they can be anonymous, chaotic

and dangerous. High staff turnover and rotating shifts make it unusual for teens to grow close to staff. A recent study by Children's Rights and The Legal Aid Society documented unchecked violence in group homes, including intimidation and sexual abuse of residents by staff. Studies conducted in the 1980s found that teens who aged out of group care were less successful in school and more likely to be involved with the criminal justice system than those who grew up in foster homes.

Congregate care has been remarkably resistant to the changes taking place in the rest of the foster care system. As the number of kids in the care of ACS has fallen, the number housed in institutions has remained steady at around 4,000 children—almost one-fifth of all kids now in care. There are many reasons why this is so. It's easier to simply stop sending children to a foster family than it is to shut down an institution, such as a group home or a residential treatment center. If an institutional facility is to be properly maintained, all of its beds have to be full and revenues have to be maximized.

BUT THERE IS ALSO A WIDELY HELD BELIEF throughout the child welfare field that teens in congregate care can't handle living in foster homes. When ACS announced plans to move the first wave of teens out of their group homes in 2003, officials asked home staff where they thought each teen should go. The answer was typically another group home [see "ACS's Families for Teens" on page 29].

"Too often [children] are placed in these group settings by default, because they are available. That's how the system does it," says ACS Commissioner John Mattingly, who served on the city's Special Child Welfare Advisory Panel prior to joining ACS and was an important catalyst for the teens initiative.

"I think every child has the best chance to grow and to be a successful adult if they have a strong family," he explains, and that's not possible in an institution with rules and codes posted on the walls. "They don't need organizations, bureaucracies, procedures and policies. They need someone who deeply cares about them and who will stick with them.... That's what families do."

This first wave of closures, when completed in late 2005, will cut the number of group home beds in the system by nearly half. Most or all of the nonprofit-run residential treatment centers, which provide more intensive counseling and supervision and serve children with more complicated problems than those

in most group homes, are likely to remain open.

Critics warn that ACS is going too far, too fast. Agency directors say the initiative, called Families for Teens, will only work if ACS succeeds in recruiting exceptionally patient and thoughtful foster parents—and gives them and their new foster children training and support far beyond what the system now offers.

“It’s very nice to have a policy that says ‘All children should have a family.’ But there are some children who cannot function in a family situation. And I hate to say this, but there are a lot of dysfunctional foster parents,” says Lelar Floyd, executive director of Concord Family Services. She echoed other agency directors’ concerns that hundreds of teens’ lives are being disrupted by an untested process.

“I see the potential for a lot of danger,” adds Giselle John, training coordinator for Voices of Youth, a support program for youth in care, and a former foster teen herself. “If those foster homes don’t work out, what’s Plan B?”

GROUP HOMES HAVE SERVED AN IMPORTANT

function in the system. Teens often end up there because they were repeatedly kicked out of foster homes. Group homes can even be stabilizing; a recent paper from the Chapin Hall Center at the University of Chicago analyzed a group of children that entered foster care in New York City in the late 1990s, and while the majority never changed placements, teens in group care were even less likely to move than those in foster homes.

Some teens find the emotional intensity of family life overwhelming, and many foster families are not equipped to handle teens expressing pain or anger in the ways teens do: fighting, running away, talking back. There has long been a shortage of families willing to take in teenagers.

But recent research suggests that foster teens who live with supportive foster families do better. A 2003 study conducted by Seattle-based Casey Family Programs surveyed more than 1,000 former foster youth who came to the organization after they had been in care for several years and were not expected to return to their parents. They had suffered high rates of physical and sexual abuse and, in care, had lived with an unusually high number of foster families. But with Casey’s considerable supports, they found stable foster homes and left care with more education than the average foster youth. About three-quarters of the Casey program teens earned a high school degree before aging out, compared to studies showing that roughly half of other foster youth earn degrees before emancipating. Further, those who reported good relationships with their last or longest foster parents were more likely to graduate from high school, a known predictor of later success. In fact, young women who aged out of Casey Family Programs had a higher than average employment rate.

ACS officials point to the study as proof that foster homes

can work, even for tough kids, though they admit that Casey achieved its results by spending generously. The program recruited highly educated caseworkers, gave them low caseloads and experienced little turnover. Casey also provided teens and foster families with a wide range of mental health counseling.

SOME TEENS FIND THE EMOTIONAL INTENSITY OF FAMILY LIFE OVERWHELMING, AND MANY FOSTER FAMILIES ARE NOT EQUIPPED TO HANDLE TEENS EXPRESSING PAIN OR ANGER.

With the budget restraints of the last few years, New York City cannot afford to offer caseworkers, foster parents or teens the same level of support. Nonetheless, ACS has been changing its recruitment methods to provide prospective foster parents a more realistic picture of life with teenagers. Posters plastered around the city show teens, not just adorable toddlers, who need homes. Prospective foster parents now hear from panels of their peers who’ve taken in teens, or from teens themselves about what they’re seeking in a family.

The city is also expanding its therapeutic foster boarding home program, which provides some additional training and financial support to families. These homes are meant for foster children and teens who need psychotherapy or behavior modification, and the parents are paid more than in normal foster care. They also receive 15 hours of additional training each year, their caseworkers have smaller caseloads and they are expected to speak with the worker at least once each week. Still, just 470 teens are in these therapeutic homes.

PARENTS WITH NEW TEENS IN THEIR FAMILIES

warn the adjustment isn’t easy. In November 2003, Mary Chancie adopted a 17-year-old, Timothy, who had lived in 14 different foster homes. Chancie found that with Timothy, small inconsistencies or broken promises hurt him much more than she expected. Chancie might say casually, “We’ll go get you a pair of sneakers on Friday.” If she felt tired that day after work and said, “Not today,” her adopted son would be crushed.

Chancie quickly learned to make only promises she could

keep. “If I say something, I make sure that it’s going to go through, for his sake, until he realizes that he can trust me. That’ll take some time.”

Chancie found her son through a teens-only adoption and foster care agency called You Gotta Believe!. She is now working as a “shadow worker,” giving new families guidance.

Unlike some other agencies, You Gotta Believe! gives prospective foster parents intensive training and support. Staffers also attempt to send an unequivocal message: once they’ve taken in a teen, parents must stick with them no matter what. Pat O’Brien, the agency’s director, draws a stark contrast between his program and “the bizarre world of foster care,” as he puts it. “We’re not training them in the foster care mentality, which is, ‘Try it and we’ll see if it works out,’” O’Brien says. “We’re training people to be parents.”

To train new foster parents, O’Brien brings in parents who’ve taken in teens and asks them to speak honestly about the challenges they’ve faced. Then parents are trained in the basics of teen development, grief and loss issues, and the effects of rejection and abandonment. Matches are made slowly, with lots of visits.

Even with all the extra preparation, You Gotta Believe!’s success rate has not been great. In 2001, the agency arranged only five teen adoptions. The second year it placed eight teens, but by the end

of that year, half of those kids were no longer living in those homes—two had been hospitalized, and two had run away. O’Brien was deeply disappointed. He was critical of the other nonprofit agencies responsible for supervising the foster homes where his young people were placed, because they provided almost no oversight or support to the families or teens.

So O’Brien raised money to hire the “shadow workers” like Chancie who use their experiences to help new foster parents understand the sometimes extreme reactions of teens in their care. Chancie works with four adoptive families, making the time to talk with each at least once a week, either on the phone or over coffee. She is constantly reminding parents that even tiny misunderstandings can provoke intense feelings.

Friction over curfew, for instance, seems to carry unusual freight. Getting strict doesn’t work with teens who’ve been in care, Chancie says. “They’ve been on their own a lot. It’s hard to get them to see you as a parent looking out for their safety.” Parents need to be flexible at first, acknowledging the autonomy a teen may have become used to, and crafting a set of rules cooperatively, Chancie says. It’s unusual that any parent can, under attack, look at an enraged child and see the despair underneath. But that’s precisely what teens in care desperately need.

Shadow workers have had an impact: Of the 18 teens placed last year, “almost all“ are still in their homes, O’Brien says.

O’Brien worries that, because many families taking teens straight from group homes are not getting intense training or support, they will buckle under the strain—and that kids will find not “forever families,” but further rejection. “You have got to be careful that you’re not just throwing them in people’s houses,” O’Brien says. “If that’s all you’re doing, I’d say they are better off in group homes.”

KIDS COMING INTO CARE: A STATISTICAL PORTRAIT

A statistical summary of the 6,556 children who entered foster care during calendar year 2003.

Age	Total	Percent
INFANT	970	15%
1-5	1,296	20%
6-11	1,356	21%
12-17	2,918	44%
Type of Care		
CONGREGATE CARE	1,987	31%
FOSTER HOME	3,299	50%
LIVING WITH KIN	1,255	19%
Reason for Placement		
ARTICLE 10 COURT ORDERED FOSTER PLACEMENT	4,556	69%
PERSON IN NEED OF SUPERVISION PLACEMENT	720	11%
JUVENILE DELINQUENCY	553	8%
VOLUNTARY PLACEMENT	564	9%
OTHER	163	3%

Source: NYC Administration for Children’s Services

Note: Totals in each category are different due to slight reporting differences.

FOR AQUELLAH MAHDI AND HER TWIN,

Takeerah, moving into a foster home only confirmed their belief that they are too troubled to be loved. After only one short visit, the twins moved in with a relatively new foster mom on the day their group home closed. Although the foster mom had gotten additional training and was visited often by a caseworker, Aquellah’s attitude and anger quickly overwhelmed them both.

Aquellah had bounced through five foster homes during her first year in care, and found stability in the group home, where she lived for three years. Even so, she wanted a family. Listening to friends complain about fights with their parents, or seeing parents show up at school events, “It hurt not to have anyone looking out for me,” Aquellah says. But in the foster home, every move the foster mother made reminded Aquellah either of her mom, who was violent, depressed and addicted to crack, or her father, also a drug abuser, who sexually abused the twins.

The foster mom bought the wrong kind of cereal, or cooked a dinner the twins didn’t want. Aquellah saw it as manipulative.

The foster mom sucked her teeth when Aquellah yelled at her. That was evidence, to Aquellah, of a “dark side” and she began to expect that, like their mom, this woman too would emotionally abuse the twins. The foster mom wanted to do Aquellah’s laundry for her. If Aquellah allowed that, she’d feel as she did at home: like a doll in someone else’s playhouse, being used for everything that person desires.

In the group home, Aquellah was independent and felt safe and in control. Stepping into the foster home, all of the feelings she’d tried to suppress came out. It was scary for both of them. “I fear myself sometimes,” Aquellah says. “I hope she understood all of my troubles with foster homes, my past and my feelings toward myself.”

ACS acknowledges how painful it can be for teens to move in with new families. “It’s not like you or I picking up and moving from one home to another,” says Susan Grundberg, acting deputy commissioner of foster care and preventive services. “Every time a child needs to be re-placed, there can be a re-visiting of the initial trauma.”

But Aquellah didn’t stay in that home for long enough to find out that she actually was safe. Instead, she found out she’s easy to reject. Despite her training, the foster mom quickly decided to kick the twins out. Three weeks after they moved in, they were gone.

TO CHARGES THAT TEENS WILL END UP RICO-cheting through foster homes, ACS Special Counsel Alexandra Lowe has one answer: Things are different now. These teens are getting to choose their own families. Lowe, an adoptive parent herself, offers a pocketful of “small miracles” stories: The teen who felt she had no one, until a group home staff member she called “mom” agreed to take her in. The boy who asked his internship supervisor to adopt him—and did get adopted. She ticks off half a dozen such stories in quick succession. “You can’t call them miracles anymore, because it keeps happening,” she says.

ACS has, in fact, radically changed how agencies find homes for teens. In the past, caseworkers placed teens by looking in a computer database. The kids would move into the home without so much as meeting the foster parent beforehand. This year, ACS’ placement team visited each closing group home, asking teens: “Who are you connected to? Where do you want to live?” Some mentioned teachers, friends’ families or group home staff. The team then contacted each “connection” to see if that person would consider fostering the teen.

Not every teen ends up in a foster family. Among a sample of 50 teens moved in June, only 20 went to foster families. Ten kids went home to their own families, and the rest went to other group homes or residential treatment centers. In some cases, teens managed to convince ACS that they would rather stay in

a group home. A few of the teens who ended up in group homes were boys who asked for families, but the city has not yet come up with families willing to take them.

Hattie Rice, 15, fears she’ll end up like those boys. One afternoon last July, Hattie’s placement team crowded into her group home bedroom. Hattie addressed the friendliest person, telling her she wanted two parents, no kids, a suburban house, a yard and a car. Hattie explained that she’s quiet and needs her space, that she values school and wants help getting into college.

Hattie was thrilled her group home would close. In her two years in care, she had become certain she would never return to her mentally ill and drug-addicted parents. She dreamed of living like the kids on the *Cosby Show* or the *Brady Bunch*—in a stable haven far from the poverty and disorder in which she grew up. Still, she had few connections of her own and could not think of a single person who might take her.

The placement team left her room, promising to do their best, but Hattie couldn’t help being alarmed: her group home was slated to close in one month.

Successfully matching teens to new families is a long, painstaking process. The Harlem Dowling-Westside Center for Children and Family Services has all of its teens living with foster families, but found it difficult to match them to families that might one day adopt them. With special foundation funding, the agency hired an “adolescent permanency specialist” who met with 80 of the agency’s 115 teens, asking, “Would you be willing to meet a family that might adopt you?”

Over several months, 20 of those teens either identified families they knew who might take them, or met with strangers recruited through ACS programs. “They visit, then they have longer visits, then weekend visits, and if all goes well, they get placed. Nothing is rushed,” says Barry Chaffkin, director of foster care and adoption. Despite the hard work, Harlem Dowling matched just a half-dozen teens to potential adoptive families, and celebrated only one teen adoption this year.

Chaffkin and other agency directors believe families and teens need additional support for this effort to succeed. He thinks the teenagers need additional counseling with specialized adoption counselors to deal with their feelings of guilt and anger. He also suggests expanding programs ACS already offers, like requiring new foster parents to attend support groups, or ensuring that all teens receive the kind of increased supervision by caseworkers that only licensed therapeutic foster homes now get.

Jerry Levanthal, vice president of Graham Windham, a Manhattan-based foster care agency, and a foster parent himself, says ACS’ challenge is to reinvest the money it’s saving by closing group homes into supporting fledgling foster parents. “Give a case what it needs to succeed. Sometimes that’s 25 hours a week on one case,” says Levanthal. “If that’s done right, the city will be proven right. If not, it will hurt kids a little more.”

ACS'S "FAMILIES FOR TEENS" GROUP HOME CLOSING PROCESS: THE EXPERIENCE OF 16 YOUNG WOMEN IN TWO GROUP HOMES CLOSED SUMMER 2004

The chart below was provided by the Administration for Children's Services to illustrate how the group home closing process works. It offers the experiences of 16 girls and is not a statistical representation of all teens being moved. However, the chart clearly illustrates that ACS's Placement Teams make a big difference in where teenagers end up.

Young Person	Contract Agency's Proposed Plan		New ACS Recommendation		Placement Outcome At Group Home Closing
Angela	Group Home		Reunification with mother		Reunification
Belinda	Group Home		Reunification with mother		Reunification
Cathy	Group Home		Reunification with mother		Reunification
Diana	AOBH		Was not interviewed: Court ordered reunification		Reunification by Court
Erica	Group Home		Possible trial discharge; foster parent identified by teen		Foster Home Identified by Teen
Fayette	HTP Group Home	Placement Team Interviews Teen: Asks teen where she would like to go and/or who in her life may be a suitable foster parent.	Therapeutic Foster Boarding Home; possible reunification with grandmother	Placement Team Follows Up: Talks to family, people recommended by teen and others who offer possible placement options.	Foster Home
Grisel	AOBH		Seek permanency focused on foster home and/or sister		Foster Home with Sister (pending certification)
Herminia	Group Home		Find foster home		Foster Home
Lovanna	Group Home		Explore foster family		Foster Home
Janet	RTC		Therapeutic Foster Boarding Home; explore former foster mother		Foster Home with Mother of Former Foster Mother
Keisha	AOBH		Refer to adoptive home		Foster Home
Linda	Group Home		Reunification with mother; teen also has child		M/C Foster Home
Monica	Maternity Residence		M/C Foster Home		M/C AOBH
Nancy	AOBH		SILP		AOBH
Odette	HTP Group Home		Concurrent planning; Therapeutic Foster Boarding Home		GH – HTP
Pearline	RTC		Was not interviewed: Follow up with out-of-state mother		AWOL

LEGEND

AOBH: Agency-Operated Boarding Home
HTP: Hard to Place Group Home

RTC: Residential Treatment Center
SILP: Supervised Independent Living

M/C: Maternity Care
GH: Group Home

AWOL: Absent Without Leave

Source: NYC Administration for Children's Services

FOR HATTIE, IT FELT LIKE HER WHOLE LIFE rested on a fantasy. Her group home's closure date was moved back two months, then got pushed forward, then back again. Hattie soothed her anxiety with daydreams of the saviors she desperately hoped to find, even though the two homes she visited looked nothing like the families she envisioned.

One older woman living alone in Brooklyn told her she'd have a 7 p.m. curfew. One of the few questions she had asked Hattie was, "Can I discipline you?" Hattie left feeling angry and disappointed. Even her caseworker said, "I could've told them this place wouldn't work out."

Then, in early fall, two girls in Hattie's group home went to visit a family in Queens. They came back describing a mother who took business trips to California, a home with rooms for each of them, and a BMW in the driveway. That was just the sort of professional, two-parent family Hattie had long dreamed she would join. She feigned bitter humor. "Nobody wants me! I'm going to be homeless," she

pretended to wail, puffing out her bottom lip so she looked truly despairing.

But three days before her group home closed, Hattie finally found a home that fulfilled much of what she hoped for. It isn't in the suburbs, but in a nice part of Manhattan—Murray Hill—and in a doorman building. The foster mom is a professional working woman with one daughter, who's in college, and Hattie has all the quiet she needs. She even has her own spacious room filled with antique furniture.

To Hattie, the place feels like a palace. "It's too quiet," she jokingly complains, rolling her eyes. "And why does the security guard—I mean doorman—say, 'Have a nice day' instead of, 'What's good, Mama?'"

In truth, moving in has been scary, and oddly intimate, but exciting. "At the laundromat there are people who wash our clothes! And the elevators actually work." Hattie's confident she will get used to this new lifestyle. As for adjusting to a new family, she's not so sure, just yet. ♦ —**NORA MCCARTHY**

"Light," continued from page 19

matically. We won't have enough bodies out there to occupy these jobs unless we get more aggressive about competing toe to toe with the private sector and government for employees.

You can always find talented people who are so committed to a mission that they will come into the sector. But whether they will stay is a different question. The turnover rates we see among executive directors and board members seem to be rising and that's not a good sign for the client. If the aim is creating and supporting nonprofits that can serve needy populations, you have to worry about the infrastructure. It's like a rusting bridge. At some point you have to take action to repair it. Am I pessimistic about the next ten years? If we don't pay attention, yes. But I am hopeful that the sector—through conversations like this—will get the help it needs.

"Colliding," continued from page 21

Altman says he has participated in conversations with several agency executives about the possibility of discontinuing their preventive programs. "All of us are hearing from our boards about whether we can continue," says Altman.

"The stress from the increasing deficit is tremendous," agrees Norma Martin, assistant executive director at the Brooklyn Bureau of Community Service, which is paying for almost a quarter of its \$2.5 million preventive program with its own funds. The agency has cut back some expenses. "Social workers have to wait longer to get photocopies. It takes longer to get stuff sent out. We used to have food pantries, but now we don't because we couldn't afford administrative help to keep the pantry open," says Martin.

Meanwhile, state budget cuts promise to tax the preventive system further. In August, Governor Pataki vetoed more than \$6 million in funding for preventive programs that contracted directly with the state, rather than with ACS. These programs served 3,140 families statewide, most of whom are in the city and will either get services from the other preventive programs or not receive services at all.

The preventive service sector has been able to handle some of the increased load without additional funding because preventive agencies were not at full capacity in the past, according to ACS. And some families can be served for a shorter period, because they have been identified sooner, according to ACS's Martin. "Some families are going to preventive at an earlier stage than they were five or ten years ago, and perhaps being served more effectively as a result," she says.

But the Jewish Board for Children and Family Services has frozen budget lines, grudgingly choosing to serve fewer cases rather than lower its salaries. Other agencies, particularly those without the money or fundraising ability to supplement

WHAT ADVICE WOULD YOU OFFER THOSE WORKING IN NEW YORK CITY'S CHILD WELFARE SYSTEM TODAY?

I would say to executive directors that organizational capacity building, workforce training and basic operating systems are not luxuries. They're necessities. You should stop talking about them with funders as luxuries. There is a race to the bottom where nonprofits will compete against each other to prove that they're the leanest, the least well-equipped but most committed. It's destructive.

It's essential that government and nonprofit leaders talk about what's needed. I don't think we're on the verge of a meltdown, but if you don't address these questions in the near term, we do face a serious problem in providing services over the long haul. And I don't think anybody wants that. New York City has come a long way in improving how it delivers services. It's taken the better part of 20 years of investment and hard work. You don't want to squander that. It is progress that can be easily squandered through neglect. ♦

city budgets, have simply had to keep salaries low, and have suffered as a result.

Like Graham Windham, Neighborhood Youth and Family Services in the Bronx has had a hard time retaining qualified staff. "In the last year, either the staff we have had haven't been able to perform their job responsibilities at the standard we need them to, or people get higher salaried jobs and they leave to take them," says Lael Telfeyan, director of programs at the agency. The turnover has been difficult for clients, she adds. "Once they get attached to their worker, their worker isn't there anymore and they have to start all over again."

So it was for Chrystal M. at Graham Windham, who returned to the preventive program almost a year ago. At first, Chrystal seemed mistrustful of the workers, according to Ruth Candelario, the senior case planner who took over her case. But Candelario has tried to be a consistent and helpful presence, and Chrystal is now reunited with Christopher and working toward her GED.

Though dedicated to her work, Candelario herself is in a somewhat precarious position. She has three children, and after seven years at the agency she makes only \$34,178. She is considering taking a half-time job in addition to her full-time job.

Advocates for preventive programs say the strain caused by growing caseloads and stagnant funding could reverse the substantial progress the city has made toward keeping families together whenever possible.

"If your goal is to reduce foster care, which everyone applauds, it's irresponsible not to invest in the services that keep children safe with their families," says Edith Holzer, director of public affairs at COFCCA. "If you don't fund [preventive programs] at adequate levels, more kids will end up in foster care." ♦

—SHARON LERNER

WATCHING THE NUMBERS

A six-year statistical survey monitoring New York City's child welfare system.

	FY '99	FY '00	FY '01	FY '02	FY '03	FY '04
Protective Services						
• REPORTS OF ABUSE AND NEGLECT <i>Number of abuse and neglect reports decreased again this year, a 10% decline since 2001.</i>	54,673	53,540	57,224	55,925	53,894	51,477
• REPORTS SUBSTANTIATED (%) <i>Consistent 3 year pattern of one-third of abuse and neglect reports being substantiated.</i>	36.9	37.3	34.1	33.6	33.6	33.7
• PENDING RATE <i>Monthly average of new cases per child protective worker remained consistent.</i>	7.8	6.7	6.9	5.4	5.2	5.9
• AVERAGE CHILD PROTECTIVE CASELOAD <i>Average protective caseload remained stable.</i>	12.8	13.3	13.2	11.6	11.2	12.1
• CHILD FATALITIES IN CASES KNOWN TO ACS	23	22	32	DNA	DNA	DNA
Preventive Services						
• FAMILIES RECEIVING PREVENTATIVE SERVICES (CUMULATIVE) <i>Number of families receiving preventive services declined slightly.</i>	27,124	25,564	27,399	30,313	31,692	30,033
• NEW FAMILIES RECEIVING PREVENTATIVE SERVICES (ACTIVE) <i>New families receiving preventive services remained at the same level.</i>	13,165	11,991	13,990	14,552	14,978	14,417
• REFERRALS FROM ACS (%) <i>Proportion of cases referred from ACS to contract agencies remained constant.</i>	43	50	51	53	52	50
Foster Care Services						
• NUMBER OF CHILDREN ADMITTED TO FOSTER CARE <i>Number of children admitted to foster care declined again by 11%.</i>	10,418	9,390	7,908	8,498	6,901	6,201
• NUMBER OF CHILDREN DISCHARGED FROM FOSTER CARE <i>Number of children discharged from foster care decreased by 14%.</i>	12,854	12,954	12,072	10,538	9,594	8,854
• TOTAL AVERAGE FOSTER CARE POPULATION <i>Number of children in foster care continued its sharp decline.</i>	38,440	34,354	30,858	28,215	25,701	22,082
• MEDIAN LENGTH OF STAY FOR CHILDREN BEFORE RETURN TO PARENTS (MONTHS) <i>Average time spent in foster care prior to reunification is steady.</i>	DNA	6.4	5.9	6.9	6.8	7.6
• CHILDREN WITH REUNIFICATION GOAL (%) (CALENDAR YEAR) <i>Fewer than half of children in foster care are scheduled to return home. This percent is steady for two years.</i>	53.9	52.2	47.4	46.3	43.8	44.0
• PERCENTAGE OF SEPARATED SIBLINGS (CALENDAR YEAR) <i>More than one-half of all brothers and sisters in foster care remained separated.</i>	54	54	52.1	51.6	52.4	51.4
• RECIDIVISM RATE (%) (CALENDAR YEAR) <i>Rate of re-entry into foster care within 2 year of discharge remains at the same level.</i>	11	11	12.1	13.8	13.6	12.8
• PERCENTAGE OF FOSTER CHILDREN IN KINSHIP CARE (%) <i>This indicator remains at a consistent level.</i>	29.9	27.2	26.2	25.7	26.1	26
• PERCENTAGE OF CHILDREN PLACED WITH CONTRACT AGENCIES <i>Percentage of children with contract agencies continues its upward trend to a ten year high.</i>	81	86	88.3	90.4	92	94.5
• PERCENTAGE OF FOSTER BOARDING HOME PLACEMENTS IN BOROUGH OF ORIGIN <i>Although a slight decline this year, this represents continued improvement.</i>	33.2	44.9	57.5	64.6	74.1	72.6
• PERCENTAGE OF FOSTER BOARDING HOME PLACEMENTS IN COMMUNITY DISTRICT <i>This represents continued, sustained improvement.</i>	4.9	7.7	13.7	18.2	22.9	23.7
Adoption Services						
• PERCENTAGE OF CHILDREN WITH ADOPTION AS A GOAL (CALENDAR YEAR) <i>The percentage of children with this permanency goal continues to increase.</i>	33.8	34.4	38.6	40.3	39.4	38.8
• NUMBER OF FINALIZED ADOPTIONS <i>Finalized adoptions remain nearly constant.</i>	3,806	3,148	2,715	2,694	2,849	2,735
• AVERAGE TIME TO COMPLETE ADOPTIONS (YEARS) <i>Another consistent indicator.</i>	DNA	3.9	3.5	3.6	3.6	3.5

All numbers above reported in NYC fiscal years unless otherwise indicated. DNA means data not available.

Sources: NYC Mayor's Management Reports, New York State Office of Children and Family Services Monitoring and Analysis Profiles.