

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Child and Family Services Agency



Fiscal Year 2020 Budget Oversight Hearing

Testimony of
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Before the
Committee on Human Services
Brianna K. Nadeau, Chair
Council of the District of Columbia

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Good morning, Councilmember Nadeau, members of the Committee, and Committee staff. I am Brenda Donald, director of the Child and Family Services Agency. I am pleased to testify before you today.

Two weeks ago, Mayor Bowser presented the Fiscal Year 2020 (FY2020) Budget and Financial Plan, the District's 24th consecutive balanced budget. This budget does more to make Washington, D.C. a place where people of all backgrounds and in all stages of life are able to live and thrive by making key investments in families, affordable housing, education, public safety, infrastructure, economic opportunity, and seniors. These investments reflect the key priorities identified by District residents at Budget Engagement Forums and telephone town halls held during the budget formulation process.

The Mayor's proposed budget for CFSA, which I will present today, demonstrates her leadership and continued commitment to ensuring the agency is well-equipped to provide supportive programs and services, including critical and strategic community-based services, to help families keep their children out of foster care; ensure safe, supportive, and loving placements are available for children in care who are not safe at home; and to create forever homes and positive, life-long connections for children who cannot be reunited with their birth families.

Before presenting our budget overview, I want to acknowledge April as National Child Abuse Prevention Month. The CFSA staff who are present in the audience today are wearing blue in support of this observance. Protecting children and strengthening families are key aspects of our mission, and we are pleased to join with the Mayor's Commission on Child Abuse and Neglect to heighten awareness on the importance of reporting child abuse and neglect and keeping children safe.

FY2020 Focus and Priorities

CFSA's proposed FY2020 budget reflects the District's longstanding commitment to child welfare prevention and early intervention services, quality services for children in foster care, as well the final push to exit the *LaShawn v. Bowser* lawsuit.

My testimony today will provide an overview of what CFSA's FY2020 budget supports, where we have made important investments, and where we have made strategic reductions.

Proposed Budget Overview

The overall FY2020 budget request for CFSA is \$220.2 million, which includes \$160.2 million in local funds, \$57.2 million in federal funds, and \$2.8 million in special purpose revenue and intra-District funds. This budget reflects our exercise from prior years to make proactive and thoughtful adjustments to the resources we need to support our children and families.

To start the discussion on the CFSA proposed budget, it is important to provide a context to the most impactful and complex change from FY2019 to FY2020, which is our transition from the Federal Title IV-E Foster Care Waiver Demonstration Project, which ends on September 30, 2019, to the start-up of our activities under the Family First Prevention Services Act which begins on October 1, 2019. As I will discuss further, the end of the Title IV-E Waiver Demonstration means a loss in Federal funding from FY2019 to FY2020. New claiming opportunities are provided for under the new federal Family First legislation; however, determining the revenue for these claiming opportunities was difficult initially, given the lack of information provided by the federal government. The impact of this loss of Title IV-E waiver revenue, along with the initial uncertainty the revenue to be gained by the Family First legislation, and other increased costs that all agencies must absorb, made our internal FY2020 budget formulation challenging. In addressing this challenge, we focused primarily on efficiencies and savings as well as programmatic shifts to ensure we are supporting children and families.

The Mayor's FY2020 budget for CFSA is being driven by four critical factors. The first critical factor is right-sizing, meaning realigning the budget to reflect the current populations we serve and the demand for programs and services. The next critical factor is savings, which resulted from finding efficiencies in the delivery of our programs and services. The third critical factor, and addressed briefly already, is the winddown of our federal Title IV-E Demonstration Waiver program, as we transition to a new set of federal requirements under the *Family First Prevention Services Act*. The final critical factor is the launch of a new city-wide prevention strategy,

Families First DC, and the investment into CFSA's Comprehensive Child Welfare Information System (CCWIS). I will discuss these in more detail later in my testimony.

Let me now provide you with more context on the four critical factors.

Continuous Right-sizing

Similar to FY2019, we are staying the course on right-sizing our budget. We made significant placement-related cuts to our budget based on efficiencies gained from full implementation of the Temporary Safe Haven Redesign, reducing private family-based placement providers from seven to two, and projecting savings based on the solicitation and award of new congregate care contracts during FY2020. Together, these reductions total \$4.2 in our FY2020 budget.

Other examples of right-sizing:

- \$2.2 million reduction in adoption and guardianship subsidy payments due to a lower projection in the number of families who will need to receive these subsidy payments.
- \$500,000 for housing programs due to receipt of 136 federal Family Unification Vouchers that also can be used for youth aging out of foster care.
- \$2.5 million in reductions based on more precise projections of the number of families served by the Healthy Families/Thriving Communities Collaboratives.

Title IV-E Waiver Winddown

The Mayor's FY2020 budget acknowledges an overall reduction of \$3 million in all federal grants. While this reduction in total appears to be relatively minor in the context of the overall budget, as I discussed earlier, its significance is actually greater because of the impact of the winddown of the Title IV-E Foster Care Waiver Demonstration Project. The impact to our overall federal revenue is being off-set by two factors: \$5 million for implementing the Families First legislation and \$4.5 million for the development of the Comprehensive Child Welfare Information System or CCWIS project. Let me explain more about the impact of the Title IV-E waiver winddown.

Under the Title IV-E Waiver Demonstration program, which allowed us to use Title IV-E dollars for community-based child abuse prevention services, expenditures are reimbursed at 70 percent, the DC Federal Medical Assistance Percentage.

In practice, the *Family First Prevention Services Act* establishes narrower criteria for reimbursement than the Title IV-E Waiver. Under the Title IV-E Waiver, the agency has been reimbursed for costs to implement community-based prevention services, without requiring a per-family or per-child eligibility determination. Under Family First, the criteria for reimbursement transitions from program-specific (waiver programs) to child-specific (eligibility determination required). The Family First Act requires each child to be determined eligible to receive a service (candidacy) and that the service be within the scope of an evidence-based ranking criteria of promising, supported, or well supported.

During the five-year waiver period, we funded an array of community-based prevention services. Services provided were all designed to strengthen families and reduce risk factors for child abuse and neglect. It is imperative that we continue our investments in prevention programs, which have helped to significantly reduce the number of children in foster care. We have been thoughtful in planning for the end of the Waiver, using it as an on-ramp to Family First. However, while many of the District's prevention programs and services may be eligible for reimbursement under Family First, they must first be rated on the Children's Bureau's evidence-based clearinghouse. The District, along with many other child welfare jurisdictions, has been in discussions with the Children's Bureau to expand the list of approved Family First programs. Until further guidance is provided, CFSA's Family First plan is designed to incorporate as many services as possible to meet families' needs, while also making a case for programs that may not have the same level of rigor but have shown promise of long-term impacts for the families we serve. Target populations include children who are at imminent risk of entering foster care and their parents and kin caregivers, pregnant and parenting foster youth, and children at risk of re-entering foster care. This plan will be submitted to the federal government in early spring and will go into implementation this fall.

Savings

As part of the FY2020 budget development, we looked deeply into the costs of services and programs and our return on investments. From this review, we were able to identify savings including:

- \$300,000 in wrap-around services based on our Mental Health Redesign services, since we brought mental health services in-house.
- \$255,000 for Flexible Family Services where we found underutilization in the services offered to families.
- \$135,000 for Transportation Services, based on greater efficiencies from our relationship with DC Vehicles for Hire for contracted services to transport DC children in care to appointments and school.

New Programs

The FY2020 proposed budget includes two new programs. One is for the replacement of our federally-approved Comprehensive Child Welfare Information System, or CCWIS. The other reflects the Mayor's city-wide prevention build on CFSA's Family First Prevention Plan.

Our FY2020 proposed budget includes \$9 million for the replacement of our federally-approved Comprehensive Child Welfare Information System (CCWIS). This enhancement (including both local and federal dollars) breaks down into \$3.9 million in capital funds and \$5.1 million in operating funds. The system will be deployed on an incremental basis and transition to the new CCWIS will be a multi-year effort, with a completion goal date of FY2024.

Last June, we launched an extensive planning process to position the District to implement the new federal *Family First Prevention Services Act*. In convening this citywide work group with sister agencies, the Collaboratives, and advocacy and policy organizations that focused on prevention, we were clear the vision had to be broader than the federal legislation, which is quite prescriptive. The federal Family First act is really limited to families who come to the attention of CFSA and, absent an intervention, their children would be at risk of coming into foster care. That is one very important piece of prevention, but our aspirations are much bigger. We want children and families to thrive.

The charge to the group was to envision a citywide, upstream prevention continuum focused on stabilizing and strengthening families. The goals were to reduce child abuse and neglect, homelessness, untreated mental health and substance abuse – in other words, to knock down the barriers that keep families from succeeding. We are thrilled that Mayor Bowser has embraced this vision and added \$4.7 million in our FY2020 budget to implement a family strengthening initiative called Families First DC.

Families First DC builds on the Mayor's commitment to ensure that all District residents have a fair shot to live and thrive in the District. Families First DC will alter the way services are delivered in 10 communities in Wards 7 and 8 where barriers to opportunity, achievement, and well-being are most acute. This whole community, whole family approach will partner with neighborhood-based resource centers that will integrate government initiatives and programs to build on family and community strengths and meet families' complex, interconnected needs. In addition to a small staff, each center will have a \$250,000 fund to provide community-driven services that fill critical gaps identified by each community. Residents of the neighborhoods, led by a Community Advisory Committee, will determine the services offered at their center, as well as how the grant funds will be spent. These centers will be modeled after proven programs in other jurisdictions, including the Family Success Centers in New Jersey and Safe and Sound in San Francisco, California.

Conclusion

In closing, the FY2020 proposed budget ensures that we can continue to support our performance improvements, meet our mission and provide critical core services to children and families under our current priority agenda - our Four Pillars values, the Four P's strategies for implementing those values (Prevention, Practice, Placement Stability, and Permanence), and the *LaShawn v. Bowser* exit measures. Mayor Bowser, the DC Council and this Committee are critical allies in our efforts to support the District's most vulnerable children and their families. I look forward to our continued partnership to achieve our shared goals and to give all residents a fair shot at benefitting from Washington, D.C.'s continued prosperity.

Thank you for the opportunity to testify today. I am prepared to answer your questions.