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Hearing on the Fiscal 2014 Preliminary Budget & the Fiscal 2013 Preliminary Mayor's Management Report

Administration for Children's Services

March 18, 2013

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Table of Contents

Administration for Children's Services Overview	1
Fiscal 2014 Preliminary Plan Highlights.....	1
ACS Financial Summary.....	4
Program Areas.....	5
Child Care Services.....	5
Protective Services.....	8
Preventive Services	10
Preventive Homemaking Services	12
Foster Care Services	13
Foster Care Support.....	15
Adoption	16
Head Start.....	17
Child Welfare Support	18
Department of Education Residential Care.....	19
General Administration.....	20
Juvenile Justice Program Areas.....	21
Alternatives to Detention	22
Juvenile Justice Support.....	23
Secure Detention	24
Non-Secure Detention	26
Office of Children and Family Services (OCFS) Residential Placements.....	27
Capital Program.....	28
Preliminary Budget Highlights.....	29
Appendix A.....	31
Budget Actions in the November and Preliminary Plans.....	31
Appendix B.....	32
Contract Budget	32
Appendix C:.....	33
Reconciliation of Program Areas to Units of Appropriation.....	33

Administration for Children's Services Overview

The Administration for Children's Services (ACS) is responsible for protecting and strengthening the City's children, youth and families by quality child welfare, juvenile justice, early child care and education services. The Child Care and Head Start Division provide quality child development services for children from birth to school-age for low-income working families and for children whose parents are entering the work force from public assistance. These services are purchased from private non-profit agencies or informal private providers.

The Youth and Family Justice Division is charged with protecting public safety by detaining and providing short-term assistance to delinquent youth and their families while their cases are being processed by the courts, developing alternatives to incarceration for youth 15 years and under who have been found delinquent, and for helping families whose youth are out of control by using evidence-based programs involving the whole family.

The Child Welfare Division is charged with protecting the City's children from abuse or neglect within their families. The direct services for children and families are provided through contracts with private providers of foster care and adoption services.

This report provides a review of the Administration for Children's Services' Preliminary Budget for Fiscal 2014. The first section presents highlights from the Fiscal 2014 expense budget for the City, the Fiscal 2013-2014 State Executive Budget, and City Council Initiatives. Following highlights, the report outlines ACS' budget by program area and provides analysis of significant program areas. Further, it provides information on actions included in the November and Preliminary Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2013. Finally, the report provides a review of the proposed Capital Budget for ACS with a discussion of significant changes proposed to the Capital Plan.

Fiscal 2014 Preliminary Plan Highlights

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Personal Services	\$2,463,065	\$2,418,267	\$2,479,002	\$2,343,309	(\$74,959)
Other Than Personal Services	391,461	406,808	393,117	403,565	(3,242)
Agency Total	\$2,854,526	\$2,825,075	\$2,872,119	\$2,746,874	(\$78,201)

The Administration of Children's Services total Fiscal 2014 Preliminary Budget is \$2.7 billion, a reduction of \$78.2 million when compared to the Fiscal 2013 Adopted Budget. The change in funding is largely attributed to one-time funding provided by the City Council for child care services.

The following actions reflect some of the most notable changes and proposals in the Fiscal 2014 Preliminary Plan.

- **Exclusion of Council funding from the Fiscal 2014 Preliminary Budget.** In Fiscal 2013, the City Council allocated \$60.7 million to ACS. Additions to the budget for child care totaled \$58.5 million, comprising the bulk of this restoration. This funding was not baselined and therefore excluded from the Fiscal 2014 Preliminary Budget. See the Council

Initiatives section of this report for more details on the potential impact of the exclusion of this funding in Fiscal 2014.

- **Juvenile Justice.** The former Department of Juvenile Justice has been fully integrated into the Administration for Children's Services. The Fiscal 2014 Preliminary Expense and Capital Budgets reflect this full integration. In addition, in the Fiscal 2013-2014 State Executive Budget, the State continues its efforts to realign the juvenile justice system by reducing State facility capacity and expanding the Close to Home program. See the Juvenile Justice Program Areas section of this report for more details on the realignment of the State and City juvenile justice systems.
- **Superstorm Sandy Relief.** ACS has received an estimated \$3.2 million in FEMA Reimbursement funding to support the damages caused by Superstorm Sandy. The FEMA funding will support the following expenses for ACS: overtime; replacement of vehicles; supplies; generators; and the renovation of child care centers.
- **Proposed Programs to Eliminate the Gap (PEG) to Services.** The Fiscal 2014 Preliminary Budget proposes several PEGs totaling \$70.4 million in Fiscal 2013 and \$46.5 million in Fiscal 2014. The impacts of these PEGs are outlined in the appropriate program areas.

Fiscal 2013-2014 State Executive Budget Analysis

The Fiscal 2013-2014 State Executive Budget was released on January 22, 2013. The following are major proposals which would impact services to children and families.

- **Eliminate Support for Settlement Houses and Supplemental Child Welfare Funding.** While maintaining funding for core child welfare programs, the Fiscal 2013-2014 State Executive Budget proposes to eliminate \$1 million in State support for settlement houses and supplemental funding for preventive services which fund post-adoption services.
- **Pay for Success.** Also known as "Social Impact Bonds," "Pay for Success" contracts are an innovative program to achieve better Human Services outcomes while saving taxpayer money. Program ideas will attract private funding for preventative programming with a promise to investors of a return on investment based on savings the programming achieves. The Executive Budget authorizes the State to undertake up to \$100 million of Pay for Success initiatives over the next five years. The initiative will offer the opportunity to invest in programs in the areas of health, education, juvenile justice, and public safety.
- **Defer 2013-14 Cost of Living Adjustments (COLAs) and Trends.** Currently, COLAs and trend factors increase State spending without any link to actual cost growth or performance outcomes. The Executive Budget defers the planned 1.4 percent COLA scheduled to take effect in 2013-14 for OCFS programs. This proposal would also defer administrative trends in various programs including Foster Care.
- **Expand the Close to Home Initiative.** Close to Home will be expanded to include youth from counties outside of New York City who would otherwise be placed in non-secure OCFS facilities. This action reflects State investment to expand the Close to Home Initiative. The OCFS juvenile justice system capacity will be reduced by 88 beds and 15 after care slots to

reflect the impact of expanding the Close to Home initiative to counties outside of New York City.

- **Safe Harbor Act.** New York City was recently allocated \$622,000 in State funding to address the needs of youth who may be or have been sexually exploited. The \$1.5 million State contribution was eliminated in the Fiscal 2013-2014 State Executive Budget.

Council Initiatives

The City Council has routinely funded initiatives that support child care, child protection, child welfare, and preventive programs. In Fiscal 2013, the Council provided nearly \$61 million to ACS. Additions to the budget for child care totaled \$58.5 million, comprising the bulk of this restoration. Combined with funding from the Administration, funding for child care services averted the loss of over 3,400 child care slots and 1,000 family child care slots. This funding also saved over 4,400 child care vouchers for working families. Details on the Council initiatives can be found in the corresponding program areas.

FY 2013 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Child Care	
Early Learn Child Care Restoration	\$39,304
Child Care Voucher Restoration	12,100
Child Care Summer Gap	7,000
Job Training and Placement for Day Care Workers	100
TOTAL	\$58,504

FY 2013 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Protective Services	
Child Protective Staffing PEG Restoration	\$1,864
TOTAL	\$1,864

FY 2013 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Preventive Services	
CONNECT, Inc. -- Community Empowerment Program	\$300
TOTAL	\$300

ACS' budget consists of 16 program areas which are identified by units of appropriation. This report analyzes ACS' budget through these program areas. Please see Appendix C for a chart reconciling the funding for each program area by units of appropriation. The following table, "ACS Financial Summary," provides an overview of the Agency's total budget from Fiscal 2012 to the Preliminary Plan for Fiscal 2014.

ACS Financial Summary

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
Budget by Program Area					
Adoption Services	\$317,774	\$320,604	\$304,604	\$320,604	\$0
Alternatives To Detention	1,863	1,800	4,580	1,030	(770)
Child Care Services	866,707	841,253	878,515	775,038	(66,215)
Child Welfare Support	44,901	46,986	46,986	46,986	0
Dept. of Ed. Residential Care	97,981	95,072	95,072	95,637	565
Foster Care Services	558,506	523,886	518,869	509,268	(14,618)
Foster Care Support	38,530	46,293	46,293	46,293	0
General Administration	128,502	136,252	139,519	129,948	(6,304)
Head Start	209,526	178,978	212,617	178,978	0
Juvenile Justice Support	11,332	9,120	10,215	10,321	1,201
Non-Secure Detention	17,481	17,453	18,518	18,503	1,050
OCFS Residential Placements	99,037	120,778	120,768	128,469	7,691
Preventive Homemaking Services	18,486	18,486	18,486	18,486	0
Preventive Services	201,476	217,550	221,343	216,883	(667)
Protective Services	215,877	223,384	209,693	223,347	(37)
Secure Detention	26,546	27,179	25,956	27,083	(96)
TOTAL	\$2,854,525	\$2,825,074	\$2,872,034	\$2,746,874	(\$78,200)
Funding					
City Funds		\$880,208	\$842,436	\$809,844	(\$70,364)
Other Categorical		0	21	0	0
State		657,514	669,936	648,165	(9,349)
Federal - Community Development		2,963	2,963	2,963	0
Federal - Other		1,283,284	1,303,475	1,284,797	1,513
Intra City		1,105	53,205	1,105	0
TOTAL	\$2,854,525	\$2,825,074	\$2,872,036	\$2,746,874	(\$78,200)
Positions					
Full-time positions	7,081	6,574	6,501	6,566	(8)
TOTAL	7,081	6,574	6,501	6,566	(8)

*The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.

Program Areas

Child Care Services

ACS Division of Child Care and Head Start oversees the largest municipal childcare system in the country. Most children are served through contracts with hundreds of private, non-profit organizations that operate childcare programs in communities across the City. Children, ages two months through 12 years, are cared for either in group child care centers that are licensed by the Department of Health or in the homes of child care providers that are registered by the Department of Health. ACS also issues vouchers to eligible families that may be used by parents to purchase care from any legal childcare provider in the City. In order for a family to receive subsidized childcare services, the family must meet specific financial and social eligibility criteria that are determined by federal, State, and local regulations. The proposed budget for child care for Fiscal 2014 is approximately \$66 million less than the Fiscal 2013 Adopted Budget. This can be attributed to a large decrease in City funding (including City Council funds).

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$18,232	\$18,896	\$18,896	\$18,896	\$0
Other Than Personal Services	857,641	822,357	859,619	756,143	(66,214)
TOTAL	\$875,873	\$841,253	\$878,515	\$775,039	(\$66,214)
Funding					
City		\$302,971	\$307,292	\$240,189	(\$62,782)
State		41,159	41,329	41,210	51
Federal - Community Development		2,963	2,963	2,963	0
Federal - Other		493,395	506,978	489,912	(3,483)
Intra City		765	19,953	765	0
TOTAL	\$875,873	\$841,253	\$878,515	\$775,039	(\$66,214)
Positions					
Full-Time Positions	284	324	324	324	0
TOTAL	284	324	324	324	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Financial Plan Actions

Since the Fiscal 2013 budget was adopted last June, specific actions affecting child care funding are highlighted below:

- Child Care Provider Fraud Detection.** The Fiscal 2014 PEG actions for ACS include \$6 million in savings from child care provider fraud detection in Fiscal 2014 and in the outyears. This initiative is spearheaded by the Deputy Mayor’s Office which maintains data on fraud. The office has configured the probability of fraud using a formula based on outliers.

- Revised Eligibility Process for Post Transitional Child Care.** The Fiscal 2014 PEG actions also include \$5.2 million in savings from the revised eligibility process for post transitional child care in Fiscal 2014 and in the outyears. This is an effort by ACS to provide contracted slots for children completing a one-year transition period after leaving the public assistance rolls. This action will impact a number of families and could result in a loss of child care services for some.

Child Care and NYC Early Care and Education

On October 1, 2012, ACS rolled out the new EarlyLearn NYC program. Its goal is to better integrate Head Start and other child care programs provided through contracts with the City into a standardized and improved system for subsidized care.

The implementation of the new system was challenging for providers and consequently, thousands of families stood to lose child care services. Through the collaboration of the City Council and the Administration, the crippling of the child care system’s capacity was averted and several thousand seats were restored through discretionary funding and an increase to the baseline funding for Early Learn NYC.

In the Fiscal 2013 Adopted Budget the Council restored \$39.3 million for discretionary child care slots and family child care network slots throughout all five boroughs in an effort to maximize the number of children served. The Council also restored \$12.1 million for 4,400 child care vouchers for school-age children, who would have been displaced by the proposed reduction in Priority 5 and 6 child care vouchers. All school-age vouchers were offered to eligible families at a rate of \$2,748 per voucher.

The NYC Early Care and Education system is a one billion dollar system, with the capacity to serve 110,400 children, including contracted care (EarlyLearn NYC), vouchers, discretionary child care seats (4,400 seats) and family child care network slots. As current discretionary contracts expire June 30th, the Council will continue to work closely with the Administration and the agency to find the best possible remedy for maintaining child care capacity throughout New York City.

FY 2013 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Child Care	
Early Learn Child Care Restoration	\$39,304
Structural Deficit -- Voucher Restoration	12,100
Child Care Summer Gap	7,000
Job Training and Placement for Day Care Workers	100
TOTAL	\$58,504

Performance Measures

<i>Performance Statistics</i>	FY 09 Actual	FY 10 Actual	FY 11 Actual	Target FY 12	Target FY 13	4 Month Actual FY 11	4 Month Actual FY 12
*Total Head Start enrollment	18,563	18,423	18,351	*	↑	17,857	15,701
*Head Start capacity filled (%)	96.1%	95.4%	95.0%	95.0%	95.0%	92.5%	81.2%
*Total enrollment in subsidized child-care (low-income working/other families and TANF)	102,246	98,643	95,979	110,000	110,000	94,345	93,283
*Total enrollment in subsidized child-care (low-income working/other families and TANF)	102,246	98,643	95,979	110,000	110,000	94,345	93,283
*Total contracted child care capacity filled (%)	90.6%	89.9%	87.6%	99.0%	99.0%	83.4%	81.1%
Contracted Family Child Care capacity filled (%)	102.5%	94.0%	89.6%	99.0%	99.0%	88.7%	88.3%
Contracted Group Child Care capacity filled (%)	85.6%	88.1%	86.7%	99.0%	99.0%	81.0%	84.2%
Total Number of Children using Vouchers for Child Care (Low-Income Working/ Other Families)	20,801	18,595	17,238	*	*	17,008	16,890
Total Number of Children using Vouchers for Child Care (TANF)	51,399	49,889	51,782	*	*	51,260	51,486
Total Number of Children using Vouchers for Child Care (TANF and Low-Income Working /Other Families)	71,532	72,200	68,484	*	*	69,791	68,268
Cost per child care slot - Group child care (voucher) (\$)	9,767	9,926	10,052	*	*	N/A	N/A
Cost per child care slot - Family child care (voucher) (\$)	8,590	8,124	8,207	*	*	N/A	N/A
Cost per child care slot - Group child care (contract) (\$)	13,672	13,995	14,021	*	*	N/A	N/A
Cost per child care slot - Family child care (contract) (\$)	7,910	8,044	8,185	*	*	N/A	N/A
Cost per Head Start slot (\$)	10,359	11,271	11,271	*	*	N/A	N/A

**Critical Indicator*

As indicated in the Preliminary Mayor's Management Report, the Head Start utilization rate declined 11.3 percentage points from 92.5 percent to 81.2 percent. During this period Head Start enrollment declined by 12.1 percent and contracted child care capacity declined by 2.3 percent. The transfer of services to new providers, with the launch of EarlyLearn NYC on October 1, 2012, caused enrollment to lag during the changeover from the prior providers. Enrollment is expected to be on par with previous fiscal years as the new portfolio of contractors complete the process of recruiting and enrolling eligible children.

Protective Services

Protective Services investigates child abuse, maltreatment, and neglect reports and, if necessary, removes the children from their homes and places them into foster care until such time as it is deemed safe for them to return. Protective Services also provides rehabilitative services to children, parents, and other family members involved, preventing further abuse. The proposed budget for protective services for Fiscal 2014 remains relatively unchanged when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$190,132	\$191,397	\$177,706	\$191,359	(\$38)
Other Than Personal Services	25,746	31,988	31,988	31,988	0
TOTAL	\$215,878	\$223,385	\$209,694	\$223,347	(\$38)
Funding					
City		\$37,967	\$32,375	\$37,949	(\$18)
State		74,583	68,764	74,571	(12)
Federal - Other		110,835	108,554	110,827	(8)
TOTAL	\$215,878	\$223,385	\$209,694	\$223,347	(\$38)
Positions					
Full-Time Positions	3,068	3,216	3,216	3,208	(8)
TOTAL	3,068	3,216	3,216	3,208	(8)

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

FY 2013 Council Changes at Adoption

Dollars in Thousands

Protective Services	
Child Protective Staffing PEG Restoration	\$1,864
TOTAL	\$1,864

- **Child Protective Staffing PEG Restoration.** The Fiscal 2013 Adopted Budget restored \$1.8 million for child protective staff positions, proposed for elimination through attrition in Fiscal 2013. In the Fiscal 2013 November Plan, the restoration to Child Protective Staffing was reversed, however, there is no problematic impact from this action as staffing levels for child protective services will remain unchanged.

Performance Measures

Performance Statistics	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	Target FY 14	4-Month Actual FY 12	4-Month Actual FY 13
*Number of State Central Register consolidated investigations	59,228	59,982	57,453	*	*	15,924	15,352
*Abuse and/or neglect reports responded to within 24 hours of receipt from the State Central Registry (%)	95.8%	93.5%	92.1%	100.0%	100.0%	91.1%	87.7%
Substantiation rate	41.9%	40.1%	39.6%	*	*	39.3%	40.1%
Abuse and/or neglect reports for children in foster care and child care that are substantiated (%) (preliminary)	32.5%	33.9%	30.1%	*	*	33.3%	30.7%
☐Children in substantiated investigations with repeat substantiated investigations within a year (%) (preliminary)	16.9%	17.1%	16.2%	14.0%	12.0%	15.2%	15.2%
Children in complete investigations with repeat investigations within a year (%)	23.0%	24.2%	23.8%	*	*	23.3%	24.5%
Abuse and/or neglect reports for children in foster care and child care	2,548	2,416	2,223	*	*	727	785
*Average child protective specialist caseload	9.1	9.4	8.7	12.0	12.0	7.5	6.7

**Critical Indicator*

As indicated in the Preliminary Mayor’s Management Report, comparison of the first four months of Fiscal years 2012 and 2013 suggest that the upward trend of child abuse and/or neglect investigations are continuing to slow as the number of consolidated investigations declined by 3.6 percent. Nevertheless, the percentage of abuse and neglect reports during the first four months of the year that were responded to within 24 hours continued to decline from 91.1 percent to 87.7 percent. In December 2012, ACS began using an automated system to record and report the 24-hour response rate to improve monitoring of these contacts. Through clear policy guidance and improved routine reviews. ACS expects that these efforts will improve 24-hour response rates during Fiscal 2013 although not reflected in the first four months of Fiscal 2014.

Preventive Services

General Preventive Services are intended to avert the need for foster care placement and to expedite discharge of children from foster care and reunite them with their families. The proposed budget for preventive services for Fiscal 2014 reflects a decrease of \$667,000 in City, State, and federal funding when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$12,288	\$10,923	\$10,923	\$10,922	\$0
Other Than Personal Services	189,188	206,626	210,420	205,960	(666)
TOTAL	\$201,476	\$217,549	\$221,343	\$216,882	(\$667)
Funding					
City		\$44,776	\$36,702	\$44,476	(\$300)
State		81,094	92,811	80,834	(260)
Federal - Other		91,339	91,469	91,232	(107)
Other Categorical		0	21	0	0
Intra City		340	340	340	0
TOTAL	\$201,476	\$217,549	\$221,343	\$216,882	(\$667)
Positions					
Full-Time Positions	175	161	161	161	0
TOTAL	175	161	161	161	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

FY 2013 Council Changes at Adoption

Dollars in Thousands

Preventive Services	
CONNECT, Inc. -- Community Empowerment Program	\$300
TOTAL	\$300

- **CONNECT, Inc. – Community Empowerment Program.** A total of \$300,000 was restored for the Community Empowerment Program at CONNECT, which provides domestic violence education, outreach, technical assistance and training to community and school-based organizations.

Performance Measures

<i>Performance Statistic</i>	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	Target FY 14	4 Month Actual FY 12	4 Month Actual FY 13
Families entering purchased preventive services	10,207	7,865	10,124	*	12,000	2,867	3,372

As indicated in the Preliminary Mayor’s Management Report, during the first four months of the fiscal year, the number of families receiving preventive services through ACS contracted programs increased from 2,867 to 3,372.

As previously reported in prior fiscal years, the number of new families entering preventive services have replaced the average daily number of children receiving preventive services to reflect a new policy change of offering more intensive services for children and families.

Preventive Homemaking Services

Homemaking Services provide childcare and household management services to families who need help providing a safe, nurturing environment for their children. Through training and support, homecare service providers help families to manage their households independently. The proposed budget for preventive homemaking services for Fiscal 2014 remains unchanged when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Other Than Personal Services	\$18,486	\$18,486	\$18,486	\$18,486	\$0
TOTAL	\$18,486	\$18,486	\$18,486	\$18,486	\$0
Funding					
City		\$2,535	\$0	\$0	(\$2,535)
State		2,535	0	0	(2,535)
Federal - Other		13,416	18,486	18,486	5,070
TOTAL	\$18,486	\$18,486	\$18,486	\$18,486	\$0
Positions					
Full-Time Positions	0	0	0	0	0
TOTAL	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Financial Plan Actions

- Revenue Realignment.** The Fiscal 2013 PEG actions include \$2.5 million in savings from revenue realignment in the homemaking program. The realignment does not impact the programmatic aspect of the homemaking funding because programs are funded by private, State and federal funding sources. The PEG is strictly City tax-levy funding, therefore avoiding a service reduction.

Foster Care Services

In cases where children are removed from their homes due to abuse or neglect, ACS contracts with private foster care agencies that place children either with a foster family or in a congregate care (group home) facility. Contract Foster Care (CFC) payments to service providers are given for per diem care and maintenance for foster care children along with other miscellaneous payments. Funding covers such costs as food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel arrangements, i.e. to the child's home for visitation.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Other Than Personal Services	\$558,506	\$523,885	\$518,869	\$509,269	(\$14,616)
TOTAL	\$558,506	\$523,885	\$518,869	\$509,269	(\$14,616)
Funding					
City		\$165,094	\$161,927	\$153,930	(\$11,164)
Other Categorical		0	100	0	0
State		211,348	209,399	208,602	(2,746)
Federal - Other		147,443	147,443	146,737	(706)
TOTAL	\$558,506	\$523,885	\$518,869	\$509,269	(\$14,616)
Positions					
Full-Time Positions	0	0	0	0	0
TOTAL	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Financial Plan Actions

- Foster Care Tuition Reestimate.** The Fiscal 2013 PEG actions include a savings from foster care reestimates, of \$3.2 million in Fiscal 2013 and in the outyears. Foster Care enrollment has been declining since 2009. Consequently, there has also been a significant decrease in the number of children in residential foster care attending a specialized school, resulting in savings.

Performance Measures

Performance Statistics	FY 11 Actual	FY 12 Actual	FY 13 Actual	Target FY 13	Target FY 14	4-Month Actual FY 12	4-Month Actual FY 13
*Children who re-enter foster care within a year of discharge to family (preliminary)	11.0%	11.2%	10.4%	10.0%	10.0%	9.4%	10.6%
*Children placed in foster care in their community	31.2%	35.1%	33.5%	*	33.0%	32.8%	30.4%
*Children in foster care (average)	15,896	14,843	14,013	*	*	14,201	13,458
Children in foster kinship homes	5,559	5,178	4,843	*	*	4,960	4,657
Children in nonrelative foster boarding homes	8,367	8,144	7,896	*	*	7,979	7,573
Children in residential care	1,970	1,521	1,274	*	*	1,262	1,229
Children placed in foster care in their borough	58.8%	60.4%	57.9%	*	*	57.9%	58.8%
Children in foster care who had one or fewer transfers from one facility to another (%)	58.2%	57.9%	57.8%	*	*	57.6%	57.5%
Cost per foster care case \$ - Congregate care by level of need - Level 1	221.42	252.76	272.44	*	*	N/A	N/A
Cost per foster care case \$ - Congregate care by level of need - Level 2	231.76	240.69	316.09	*	*	N/A	N/A
Cost per foster care case \$ - Congregate care by level of need - Level 3	306.51	311.59	336.53	*	*	N/A	N/A
Cost per foster care case \$- Congregate care by level of need - Foster boarding home	68.35	63.69	66.57	*	*	N/A	N/A
All children entering foster care (preliminary)	7,108	6,356	5,698	*	*	1,915	1,645
Abuse and/or neglect reports for children in foster care	2,170	2,040	1,902	*	*	621	657
Abuse and/or neglect reports for children in foster care that are substantiated (%)	33.3%	34.7%	31.0%	*	*	35.4%	31.1%
Siblings placed simultaneously in the same foster home (preliminary)	83.0%	85.0%	86.3%	*	*	87.3%	90.3%
*Children entering foster care who are placed with relatives (preliminary)	25.0%	27.0%	27.1%	*	30.0%	29.5%	28.8%

*Critical Indicator

As indicated in the Preliminary Mayor's Management Report, the number of children entering foster care continued to decline in Fiscal 2013 from 1,645 during the first four months of Fiscal 2012 to 1,915. This decrease was driven by improved placement decisions as a result of child safety conferences, leading to a reduction in very short stays in foster care (stays of less than thirty days). Persons In Need of Service (PINS) diversion and alternatives to detention programs helped reduce juvenile delinquent (JD) placements.

Foster Care Support

Funds for Foster Care Support provide services related to foster care, including pre-placement, child evaluation, contract agency assistance and foster-parent recruitment. The proposed budget for foster care support for Fiscal 2014 remains unchanged when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012	2013	2013	2014	*Difference
	Actual	Adopted	Prelim. Plan	Prelim. Plan	2013-2014
Spending					
Personal Services	\$38,530	\$46,292	\$46,292	\$46,292	\$0
TOTAL	\$38,530	\$46,292	\$46,292	\$46,292	\$0
Funding					
City		\$10,492	\$10,492	\$10,492	\$0
State		15,118	15,118	15,118	0
Federal - Other		20,682	20,682	20,682	0
TOTAL	\$38,530	\$46,292	\$46,292	\$46,292	\$0
Positions					
Full-Time Positions	524	625	625	625	0
TOTAL	524	625	625	625	0

Adoption

Adoption Services staff recruit potential adoptive parents, evaluate their suitability and coordinate the adoption process from initial planning, to finalizing court proceedings and provides subsidies to qualified adoptive families. Adoption subsidies are given to families to help with the costs of care of “special needs” children. Special needs children are those who, for various reasons, are harder to match with adoptive parents. The subsidy provides monetary support for the adopted child’s care without imposing an undue financial burden on the adoptive family. The proposed budget for adoption for Fiscal 2014 remains unchanged when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$1,938	\$1,927	\$1,927	\$1,927	\$0
Other Than Personal Services	315,836	318,677	302,677	318,677	0
TOTAL	\$317,774	\$320,604	\$304,604	\$320,604	\$0
Funding					
City		\$70,061	\$54,061	\$70,061	\$0
State		114,597	114,597	114,597	0
Federal - Other		135,946	135,946	135,946	0
TOTAL	\$317,774	\$320,604	\$304,604	\$320,604	\$0
Positions					
Full-Time Positions	38	26	26	26	0
TOTAL	38	26	26	26	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Performance Measures

<i>Performance Statistics</i>	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	Target FY 14	4 Month Actual FY 12	4 Month Actual FY 13
Children adopted	1,156	1,186	1,295	*	*	316	369
Median length of stay in foster care before child is adopted (months)	53.1	52.9	53.2	50.0	50.0	N/A	N/A
Median length of stay for children entering foster care for the first time who are returned to parent (months)	5.3	6.4	5.5	6.0	6.0	N/A	N/A
Children returned to parent(s) within 12 months (%) (preliminary)	64.2%	61.5%	62.2%	64.0%	64.0%	64.2%	63.4%
Children eligible for adoption (average)	1,780	1,697	1,675	*	*	1,691	1,566
Children eligible for adoption who are adopted (%)	64.9%	69.9%	77.3%	*	80.0%	N/A	N/A
Average time to complete adoption (years)	3.2	3.0	3.1	3.0	3.0	3.2	3.0

As indicated in the Preliminary Mayor’s Management Report, the number of children adopted has increased from 316 children during the first four months of Fiscal 2012 to 369 children during the same period of Fiscal 2013. During this same period, the number of children eligible for adoption declined by 7.4 percent from 1,691 to 1,566.

Head Start

The Head Start program is a federally funded, family-centered child development program for low-income children ages three to five, which promotes intellectual, social, emotional and physical growth in order to develop each child’s potential for successful living. Head Start offers educational programs and a wide variety of opportunities and support services for their families. Head Start is one of ACS’ oldest programs, begun in 1965. The agency sponsors more than 250 Head Start centers in neighborhoods throughout New York City, offering an environment where both children and parents come to learn, grow and achieve. The proposed budget for Head Start services for Fiscal 2014 remains unchanged when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Other Than Personal Services	\$209,526	\$178,978	\$212,617	\$178,978	\$0
TOTAL	\$209,526	\$178,978	\$212,617	\$178,978	\$0
Funding					
City		\$0	\$975	\$0	\$0
Federal - Other		178,978	178,830	178,978	0
Intra City		0	32,812	0	0
TOTAL	\$209,526	\$178,978	\$212,617	\$178,978	\$0
Positions					
Full-Time Positions	0	0	0	0	0
TOTAL	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Performance Measures

<i>Performance Statistics</i>	Actual FY 11	Actual FY 12	Actual FY 13	Target FY 13	Target FY 14	4 Month Actual FY 12	4 Month Actual FY 13
*Total Head Start enrollment	18,563	18,423	18,351	*	*	17,857	15,701
*Head Start capacity filled (%)	96.1%	95.4%	95.0%	95.0%	95.0%	92.5%	81.2%

*Critical Indicator

As aforementioned in the report, the Preliminary Mayor’s Management Report highlights the decrease in enrollment in Head Start programs largely due to the implementation of EarlyLearn NYC.

Child Welfare Support

Child Welfare Support funding supports all areas of child welfare, including protective, preventive, and foster care services. The proposed budget for child welfare support for Fiscal 2014 remains unchanged when compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$44,901	\$46,986	\$46,986	\$46,986	\$0
TOTAL	\$44,901	\$46,986	\$46,986	\$46,986	\$0
Funding					
City		\$10,419	\$10,419	\$10,419	\$0
State		14,606	14,606	14,606	0
Federal - Other		21,961	21,961	21,961	0
TOTAL	\$44,901	\$46,986	\$46,986	\$46,986	\$0
Positions					
Full-Time Positions	661	680	680	680	0
TOTAL	661	680	680	680	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Department of Education Residential Care

Department of Education Residential Care funding provides room and board for non-foster care children placed by the Committee for Special Education into residential facilities. The Fiscal 2014 budget for this program area includes slight increases in both City and State funding.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Other Than Personal Services	\$97,981	\$95,072	\$95,072	\$95,637	\$565
TOTAL	\$97,981	\$95,072	\$95,072	\$95,637	\$565
Funding					
City		\$77,556	\$77,556	\$78,017	\$461
State		17,516	17,516	17,620	104
TOTAL	\$97,981	\$95,072	\$95,072	\$95,637	\$565
Positions					
Full-Time Positions	0	0	0	0	0
TOTAL	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

General Administration

General Administration funding supports all administrative functions, such as the agency’s budget and contract offices. The proposed budget for general administration for Fiscal 2014 is approximately \$6.3 million less than the Fiscal 2013 Adopted Budget. This can be largely attributed to a decrease in both City and State funding for administrative services.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$57,814	\$64,093	\$64,092	\$59,253	(\$4,840)
Other Than Personal Services	70,688	72,160	75,427	70,695	(1,465)
TOTAL	\$128,502	\$136,253	\$139,519	\$129,948	(\$6,305)
Funding					
City		\$28,487	\$28,508	\$26,435	(\$2,052)
State		46,001	45,911	42,049	(3,952)
Federal - Other		61,765	65,100	61,464	(301)
TOTAL	\$128,502	\$136,253	\$139,519	\$129,948	(\$6,305)
Positions					
Full-Time Positions	879	917	917	917	0
TOTAL	879	917	917	917	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Financial Plan Actions

- **Personal Services Accrual.** The Fiscal 2013 PEG actions include \$3.7 million in savings from delays in hiring for Fiscal 2013 only.
- **Administrative Savings.** It also includes \$606,000 in savings from administrative savings by consolidating administrative leases for Fiscal 2014 and in the outyears.
- **One Time Revenue Settlements.** The Fiscal 2013 PEG actions include \$33.3 million in one-time revenue settlements.
- **Fringe Benefits Reimbursement.** The Fiscal 2013 PEG actions include \$27.65 million fringe benefits reimbursement which is generated by an increase in the federally negotiated fringe reimbursement rate in Fiscal 2013 and Fiscal 2014.

Juvenile Justice Program Areas

On December 7, 2010, Mayor Bloomberg signed legislation fully merging the Department of Juvenile Justice into ACS, with the goal of serving overlapping youth populations more efficiently. This section of the report will outline proposals within the State Executive Budget that impact juvenile justice programs, as well as the program areas for alternatives to detention, juvenile justice support, both secure and non-secure detention, and Office of Children and Family Services (OCFS) residential placements.

Fiscal 2013-2014 State Executive Budget Analysis

The Fiscal 2013-2014 State Executive Budget continues to expand the "Close to Home Initiative" through the closure of costly State facilities and the provision of more appropriate placements and services to youth from New York City within City-based facilities. Under this proposal, such youth would be placed in facilities administered by voluntary agency providers that can offer more appropriate and cost-effective care closer to their home communities. Consistent with these changes, the Executive Budget proposes to reduce capacity in OCFS operated youth facilities. Thus far, ACS has taken over responsibility from the State with regard to youth in non-secure placements and are preparing for the limited secure placements that are planned to occur in the summer of 2013.

Generally, advocates and stakeholders agree that the Close to Home Initiative represents a significant step toward restructuring New York's broken youth justice system. OCFS will have ongoing oversight and monitoring responsibilities for the City's expanded youth justice system. As stated above, details on the major State Executive Budget proposals include the following.

- **Expand the Close to Home Initiative.** Close to Home will be expanded to include youth from counties outside of New York City who would otherwise be placed in non-secure OCFS facilities. Youth will be provided more appropriate placements and services closer to their home communities. When fully implemented, this expansion of Close to Home, which provides a more effective alternative to inefficient facilities, will provide mandate relief and cost savings for both the State and localities. This action reflects State investment to expand the Close to Home initiative.
- **Rightsize the OCFS System.** The OCFS juvenile justice system capacity will be reduced by 88 beds and 15 after care slots to reflect the impact of expanding the Close to Home initiative to counties outside of New York City. Youth from counties outside of New York City who would otherwise be placed in non-secure youth facilities will be placed in residential settings that, in most cases, will be closer to their home community. To assist staff affected by this action, the State will implement a number of measures to place individuals in other vacant State positions, or provide re-training assistance if suitable State positions are not available.

Alternatives to Detention

Alternatives to Detention funding is for community-based programs that provide families with children in the juvenile justice process with support services to strengthen the caretaker’s ability to provide structure and guidance for youth at-risk of detention. The proposed budget for alternatives for detention for Fiscal 2014 is approximately \$770,000 less than the Fiscal 2013 Adopted Budget. This can be attributed to decreases in City funding for this program area.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Other Than Personal Services	\$1,863	\$1,800	\$4,580	\$1,030	(\$770)
TOTAL	\$1,863	\$1,800	\$4,580	\$1,030	(\$770)
Funding					
City		\$918	\$0	\$148	(\$770)
State		882	4,080	882	0
Federal - Other		0	500	0	0
TOTAL	\$1,863	\$1,800	\$4,580	\$1,030	(\$770)
Positions					
Full-Time Positions	0	0	0	0	0
TOTAL	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Juvenile Justice Support

Juvenile Justice Support funding is for programs that provide support to all areas of juvenile justice, including health and transportation services. The proposed budget for juvenile justice support for Fiscal 2014 is approximately \$1.2 million more than the Fiscal 2013 Adopted Budget. This can be attributed to increases in City funding for this program area.

<i>Dollars in Thousands</i>	2012	2013	2013	2014	*Difference
	Actual	Adopted	Prelim. Plan	Prelim. Plan	2013-2014
Spending					
Personal Services	\$4,456	\$3,285	\$3,285	\$3,285	\$0
Other Than Personal Services	6,877	5,835	6,930	7,036	1,201
TOTAL	\$11,333	\$9,120	\$10,215	\$10,321	\$1,201
Funding					
City		\$4,308	\$5,403	\$5,509	\$1,201
State		4,812	4,812	4,812	0
TOTAL	\$11,333	\$9,120	\$10,215	\$10,321	\$1,201
Positions					
Full-Time Positions	79	69	69	69	0
TOTAL	79	69	69	69	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Secure Detention

Secure Detention funding is for City-operated secure detention facilities that serve alleged juvenile delinquents and juvenile offenders whose cases are pending in Family or Criminal Court. The proposed budget for secure detention for Fiscal 2014 is approximately \$97,000 less than the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$21,899	\$19,631	\$19,631	\$21,266	\$1,635
Other Than Personal Services	4,646	7,548	6,176	5,817	(1,731)
TOTAL	\$26,545	\$27,180	\$25,808	\$27,083	(\$97)
Funding					
City		\$12,261	\$10,889	\$12,164	(\$97)
State		14,230	14,230	14,230	0
Federal - Other		689	689	689	0
TOTAL	\$26,545	\$27,180	\$25,808	\$27,083	(\$97)
Positions					
Full-Time Positions	401	501	501	501	0
TOTAL	401	501	501	501	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Performance Measures

	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	Target FY 14	4-Month Actual FY 12	4-Month Actual FY 13
*Total admissions	5,387	4,868	4,416	*	*	1,468	1,119
Average daily population (ADP)	388.2	337.4	326.5	*	300.0	314.0	276.8
Secure detention - ADP	244.0	210.3	188.4	*	*	188.9	158.4
Nonsecure detention - ADP	144.2	127.1	188.4	*	*	125.1	118.2
Average length of stay	26	26	27	*	*	25	32
Escapes from secure detention	1	0	0	0	0	0	0
Abscond rate in non-secure detention (average per 100 total ADP in non-secure)	0.02	0.02	0.02	0.02	0.02	0.03	0.05
Youth on youth assaults and altercations with injury rate (per 100 total ADP)	0.35	0.36	0.44	*	0.35	0.38	0.32
Youth on staff assault w/injury rate (per 100 total ADP)	0.02	0.03	0.04	*	0.03	0.03	0.06
Weapon recovery rate (average per 100 total ADP)	0.03	0.04	0.10	*	*	0.07	0.13
Narcotics recovery rate (average per 100 total ADP)	0.03	0.04	0.08	*	*	0.04	0.10
Child abuse and/or neglect allegation rate (internal) (average per 100 total ADP)	0.11	0.09	0.09	*	0.09	0.08	0.08
Child abuse/neglect allegations cases (internal) reported by the Office of Children and Family Services (OCFS) as Substantiated	22	13	5	*	*	0	0
*Average daily cost per youth per day (\$)	706	705	634	*	*	N/A	N/A
*Residents seen within 24 hours of sick call report (%)	100%	100%	100%	100%	100%	100%	100%
*General health care cost per youth per day (\$)	88	47	52	*	*	N/A	N/A
*In-care youth who were referred for and received mental health services (%)	44%	48%	55%	*	*	53%	52%
*In-care youth who were referred for mental health services (%)	48%	44%	43%	*	*	37%	42%
*Youth with previous admission(s) to detention (%)	53.0%	54.0%	59.5%	*	*	N/A	N/A

*Critical Indicator

As indicated in the Preliminary Mayor's Management Report, the rate of incidents where a weapon and where narcotics were recovered increased significantly. These increases were driven by a 7.7 percent increase in searches and enhanced training for new and existing staff that increased adherence to search protocols. Also highlighted, the number of youth on youth assaults and altercations with injury rate decreased from the first four-month period in Fiscal 2012 as compared to the first-four months in Fiscal 2013.

Non-Secure Detention

Non-secure detention funding is for non-secure group homes that are operated by the agency and not-for-profit organizations and serve alleged juvenile delinquents whose cases are pending in Family Court. The proposed budget for non-secure detention for Fiscal 2014 reflects an increase of \$1 million in City funding as compared to the Fiscal 2013 Adopted Budget.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013-2014
Spending					
Personal Services	\$2,494	\$3,377	\$3,377	\$3,377	\$0
Other Than Personal Services	14,988	14,076	15,290	15,126	1,050
TOTAL	\$17,482	\$17,453	\$18,667	\$18,503	\$1,050
Funding					
City		\$8,899	\$2,383	\$9,949	\$1,050
State		8,554	16,284	8,554	0
TOTAL	\$17,482	\$17,453	\$18,667	\$18,503	\$1,050
Positions					
Full-Time Positions	43	55	55	55	0
TOTAL	43	55	55	55	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Office of Children and Family Services (OCFS) Residential Placements

The New York State Office of Children and Family Services (OCFS) provide residential services for adjudicated juvenile delinquents and juvenile offenders. The proposed budget for OCFS Residential Placements for Fiscal 2014 includes funding for City youth placed in State facilities, and is approximately \$7.7 million more than the Fiscal 2013 Adopted Budget. This can be attributed to an increase in City and federal funding for Fiscal 2014.

<i>Dollars in Thousands</i>	2012	2013	2013	2014	*Difference
	Actual	Adopted	Prelim. Plan	Prelim. Plan	2013-2014
Spending					
Other Than Personal Services	\$99,037	\$120,778	\$120,768	\$128,469	\$7,691
TOTAL	\$99,037	\$120,778	\$120,768	\$128,469	\$7,691
Funding					
City		\$103,464	\$103,454	\$110,108	\$6,644
State		10,478	10,478	10,478	0
Federal - Other		6,836	6,836	7,883	1,047
TOTAL	\$99,037	\$120,778	\$120,768	\$128,469	\$7,691
Positions					
Full-Time Positions	0	0	0	0	0
TOTAL	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Capital Program

Agency Overview

The Administration for Children Services (ACS) provides services to protect and advance the interests of New York City's children. ACS investigates allegations of abuse and neglect, provides preventive services, and when necessary, foster care and adoption services. Services also include subsidized child care and early childhood education through Head Start.

The agency is responsible for approximately 550 facilities including the ACS Children's Center, child care centers and a network of program field offices and administrative sites.

Capital Program Goals

- ✓ Improve children's service facilities, including meeting code compliance and handicapped accessibility standards;
- ✓ Renovate child care facilities;
- ✓ Upgrade telecommunications and computer technology for improved connectivity within and between agency locations; and
- ✓ Upgrade field and central office facilities.

ACS Capital Budget Summary

The Preliminary 2013 Capital Commitment Plan includes \$124 million in Fiscal 2013-2016 for the Administration of Children's Services (including City and Non-City funds). This represents less than one percent (.003) of the City's total \$39.3 billion Preliminary Plan for Fiscal 2013-2016. The agency's Preliminary Commitment Plan for Fiscal Year 2013-2016 is roughly three percent less than the \$128 million scheduled in the September Commitment Plan, a decrease of \$3.8 million.

The majority of capital projects span multiple fiscal years, and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal Year 2012, the Administration for Children's Services committed \$13 million or 15 percent of its annual capital plan. Therefore, it is assumed that a portion of the agency's Fiscal 2013 Capital Plan will be rolled into Fiscal 2014, thus increasing the size of the Fiscal 2014-2017 Capital Plan. The total Capital Commitment Plan for Fiscal 2013 has increased from \$17.9 billion in the September Capital Commitment Plan to \$19 billion in the Preliminary Capital Commitment Plan, an increase of \$1.1 billion or 6.2 percent.

ACS 2013-2016 Commitment Plan: Adopted and Preliminary Budget

Dollars in Thousands

	FY13	FY14	FY15	FY16	Total
Adopted					
Total Capital Plan	\$104,907	\$8,808	\$7,541	\$6,439	\$127,695
Prelim					
Total Capital Plan	\$101,103	\$8,808	\$7,541	\$6,439	\$123,891
Change					
Level	(\$3,804)	\$0	\$0	\$0	(\$3,804)
Percentage	-3.63%	0.00%	0.00%	0.00%	-2.98%

Preliminary Budget Highlights

Major changes and highlights in the Department’s Preliminary Capital Plan for Fiscal 2013-2016 include:

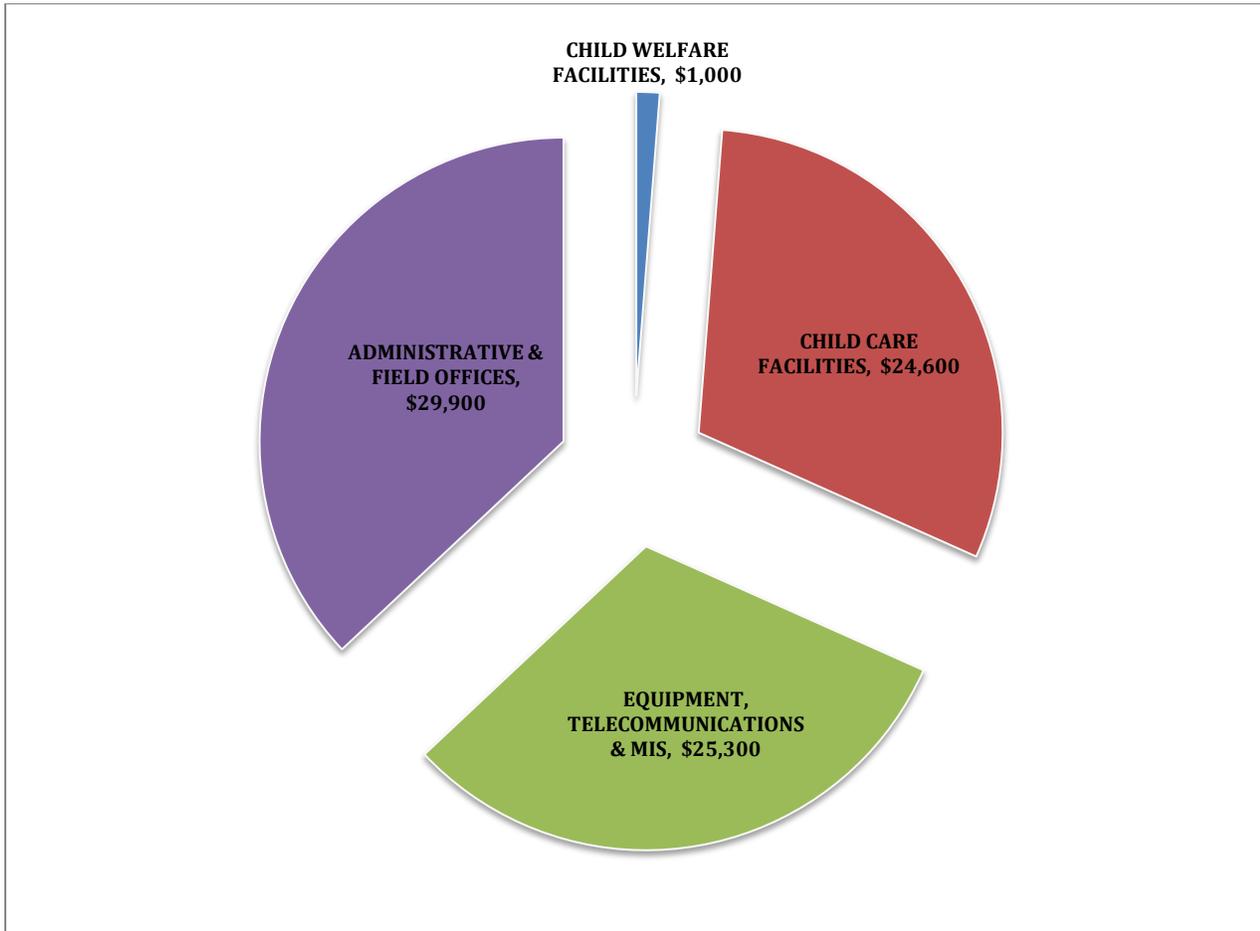
- **Child Care Facilities.** The Preliminary Ten-year Capital Strategy provides \$24.6 million for the construction of and renovation of daycare centers throughout the city.
- **Equipment, Telecommunications, and Management Information Systems.** The Preliminary Ten-Year Capital Strategy provides \$25.3 million for information technology. ACS is developing two case management systems for child care and juvenile justice.
- **Superstorm Sandy.** There is an additional \$273,000 in funding for telecommunication equipment due to Superstorm Sandy.
- **Juvenile Justice Facilities.** The ACS Capital Commitment Plan includes funding to support a library renovation at the Crossroads Juvenile Center and other facilities renovations.

Preliminary Ten-Year Strategy

The primary focus of the Preliminary Ten-Year Capital Strategy is to continue to improve the infrastructure of community based field offices and to enhance and better integrate management information systems that track child welfare outcomes. Major projects include case management systems for juvenile justice and child care and an upgrade for in-house network and computer capabilities to strengthen agency-wide communications.

ACS Preliminary Capital Commitment Plan by Ten Year Plan Category

(All Funds in 000's)



Appendix A

Budget Actions in the November and Preliminary Plans

<i>Dollars in Thousands</i>	FY 2013			FY 2014		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of Adopted 2013 Budget	\$880,209	\$1,944,866	\$2,825,075	\$828,570	\$1,938,051	\$2,766,621
Program to Eliminate the Gap (PEGs)						
Administrative Savings	\$0	\$0	\$0	(\$606)	(\$869)	(\$1,475)
Child Care Provider Fraud Detection	0	0	0	(6,000)	0	(6,000)
Foster Care Tuition Reestimate	(3,180)	(1,949)	(5,129)	(4,480)	(2,746)	(7,226)
Fringe Benefits Reimbursement	(27,650)	27,650	0	(27,650)	27,650	0
One Time Revenue Settlements	(33,310)	17,310	(16,000)	0	0	0
Personal Services Accrual	(3,728)	(5,345)	(9,073)	0	0	0
Revenue Realignment	(2,535)	2,535	0	(2,535)	2,535	0
Revised Eligibility Process for Post Transitional CC	0	0	0	(5,287)	0	(5,287)
Division of Child Protection Reductions	(1,864)	(2,754)	(4,618)	0	0	0
TOTAL, PEGs	(\$72,267)	\$37,447	(\$34,820)	(\$46,558)	\$26,570	(\$19,988)
New Needs						0
Lease New Need	\$252	\$371	\$623	\$213	\$314	\$527
TOTAL, New Needs	\$252	\$371	\$623	\$213	\$314	\$527
Other Adjustments			0			0
November Plan -- Other Technical Adjustments	\$29,103	(\$11,343)	\$17,760	\$27,599	(\$27,905)	(\$306)
Prelim Plan -- Other Technical Adjustments	5,140	6,259	11,399	20	0	20
UPK Intra City Funding for Child Care and Head Start	0	52,000	52,000	0	0	0
TOTAL, Other Adjustments	\$34,243	\$46,916	\$81,159	\$27,619	(\$27,905)	(286)
TOTAL, All Changes	(\$37,772)	\$84,734	\$46,962	(\$18,726)	(\$1,021)	(\$19,747)
Agency Budget as of Preliminary 2014 Budget	\$842,437	\$2,029,600	\$2,872,037	\$809,844	\$1,937,029	\$2,746,874

Appendix B Contract Budget

Category	Number	Budgeted	Pct of ACS Total	Pct of City Category Totals
Contractual Services General	62	\$80,143,963	5.03%	17.62%
Telecommunications Maintenance	2	640,623	0.04%	1.31%
Maintenance & Repair of Motor Vehicle Equipment	1	60,000	0.00%	0.45%
Maintenance & Repair, General	17	2,299,427	0.14%	1.97%
Office Equipment Maintenance	1	232,000	0.01%	1.84%
Data Processing Equipment	3	2,095,134	0.13%	1.06%
Printing Contracts	3	136,000	0.01%	0.43%
Security Services	7	741,714	0.05%	0.83%
Temporary Services	2	760,753	0.05%	2.13%
Cleaning Services	12	221,230	0.01%	1.01%
Children's Charitable Institutions	70	452,578,602	28.43%	100.00%
Child Welfare Services	341	210,962,403	13.25%	100.00%
Homemaking Services	9	18,485,761	1.16%	100.00%
Day Care of Children	681	685,482,293	43.06%	99.88%
Head Start	89	132,556,914	8.33%	100.00%
Training Programs for City Employees	2	486,769	0.03%	3.14%
Maintenance & Operation of Infrastructure	1	100,000	0.01%	0.05%
Payments to Delegate Agencies	1	10,000	0.00%	0.00%
Professional Services -- Accounting and Auditing	1	29,000	0.00%	0.11%
Professional Services -- Legal Services	4	367,840	0.02%	0.39%
Professional Services -- Computer Services	20	3,035,158	0.19%	3.09%
Professional Services -- Direct Educational Services	1	10,000	0.00%	0.00%
Professional Services -- Other	2	364,813	0.02%	0.21%
Bank Charges Public Assistance Acct	1	117,080	0.01%	29.61%
Fiscal 2014 Preliminary Budget	1,333	\$1,591,917,477	100.00%	35.21%

The Fiscal 2014 contract budget for ACS is comprised mainly of contracts for day care of Children and Head Start services, and children's charitable institutions. As ACS child care is not provided in-house, services are provided through licensed, contracted day care and Head Start centers.

Appendix C: Reconciliation of Program Areas to Units of Appropriation

<i>Dollars in Thousands</i>	Personal Services				Other Than Personal Services				Grand Total
	001	002	003	004	005	006	007	008	
Adoption Services	\$1,927	\$0	\$0	\$0	\$0	\$318,677	\$0	\$0	\$320,604
Alternatives To Detention								1,030	1,030
Child Care Services			18,896	756,143					775,038
Child Welfare Support	31,686				15,301				46,986
Dept. of Ed. Residential Care						95,637			95,637
Foster Care Services						509,268			509,268
Foster Care Support	46,293								46,293
General Administration		70,018			55,526		3,727	677	129,948
Head Start				178,978					178,978
Juvenile Justice Support							3,285	7,036	10,321
Non-Secure Detention							3,377	15,126	18,503
OCFS Residential Placements								128,469	128,469
Preventive Homemaking Services						18,486			18,486
Preventive Services	10,923					205,960			216,883
Protective Services	191,359					31,988			223,347
Secure Detention							21,266	5,817	27,083
Grand Total	\$282,188	\$70,018	\$18,896	\$935,121	\$70,826	\$1,180,015	\$31,655	\$158,155	\$2,746,874