



April 29, 2009

To: Members of the House Appropriations Subcommittee
for the Department of Human Services

From: Jack Kresnak, President & CEO

RE: FY 2010 Department of Human Services Budget

On behalf of Michigan's Children and its Board of Directors, I am pleased to be able to share with you our priorities as you consider the Fiscal Year 2010 budget for the Department of Human Services. Michigan's Children is a statewide child advocacy organization that provides a voice for vulnerable children from around the state. Michigan's Children is independent; it does not receive any government funding or represent professionals who receive government contracts.

Michigan's Children's work is based on a set of core beliefs, including:

- *Equal opportunity:* We believe *all* children need equal opportunities to thrive.
- *Prevention:* We believe that Michigan can and must prevent problems facing children and families, rather than intervene after children are harmed and families destroyed.
- *Civic engagement:* We believe everyone has a stake in ensuring the success of our future generations and we work to engage a range of stakeholders, including community leaders, parents and youths.
- *Collaboration:* We believe that neighborhood and community partnerships that include both the public and private sectors are critical.

Unfortunately, we again find ourselves in the position of trying to protect basic services for our most vulnerable citizens in the face of devastating economic problems at the state and federal levels. We respect the tough choices that you need to make, and ask you to remember that the state budget is the vehicle through which you will express what we value as a state. We trust that you will make decisions that reflect first and foremost the needs of the most vulnerable children who will ultimately determine the state's future.

We have five issues that we bring to your attention today, asking you to take the following actions as a Subcommittee:

Protect funding for child abuse and neglect prevention services. The state has no greater responsibility than protecting its children, and we are pleased to see that Michigan is committing the resources needed to improve the state's foster care and protective services systems, including the funding needed to reduce caseloads.

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However, we believe that much more needs to be done to prevent child abuse and neglect from occurring in the first place. Of critical importance is the increasing number of children living in poverty in Michigan. Two thirds of all recipients of welfare payments through the Family Independence Program are children, and most of these children live in extreme poverty, making them vulnerable to a wide range of poor outcomes, including poor health, school failure and child neglect. In this very difficult economy, we are concerned about the Governor's and Senate's recommendation to eliminate the scheduled Family Independence Program (FIP) grant increase, as well as the Senate action to reduce the annual clothing allowance for poor children.

The state's child abuse and neglect victimization rate increased by 14 percent between 2000 and 2007, and almost half of the victims were under the age of six. Sadly, during that same period, funding for child abuse and neglect prevention services was cut, and the Governor's proposed budget continues to squeeze off funding for prevention services. For example:

- *Zero to Three Secondary Prevention:* The program, which funds local services to prevent the maltreatment of the state's most vulnerable children, infants and toddlers, was funded at \$7.75 million in 2001. The Governor's budget removes all funding for the program, including \$3.84 million in the DHS budget. In 2007, the total cost per family of Michigan's 0-3 secondary prevention programs was less than \$10 per day, compared to \$57 per child per day for the direct costs associated with child abuse and neglect. Further, virtually none of the children whose families received services were referred to the DHS for suspected child abuse and neglect, so the programs have kept children safe.
- *Teen Parent Counseling:* The Governor removes \$3.8 million in funding for the program, funds that are used to provide services in 20 Michigan counties that capture nearly 75 percent of the births to teens in Michigan. Since 1993, approximately 2,500 high risk pregnant and parenting teen families have been served each year, including both teenage mothers and fathers. Evaluations show that the services have been effective in keeping children out of the protective services system, delaying subsequent pregnancies, and getting teen parents reengaged in educational activities.
- *Marriage and fatherhood initiatives:* Funding for marriage and fatherhood initiatives that include parenting education, substance abuse counseling, and workforce development supports that was included in the current fiscal year budget is not included in the fiscal year 2010 Executive Budget.

The Senate recommended continuation funding for the 0 to 3 Secondary Prevention program, Teen Parent Counseling and the marriage and fatherhood initiatives, and we urge you to do the same.

Other prevention programs that were not reduced in the Governor's budget, but have nonetheless lost ground since 2000, include:

- The Families First program, which was cut from \$21 million in 2000 to just under \$17 million in the current fiscal year.
- The Strong Families/Safe Children program, which was reduced from \$16.9 million in 2000 to just under \$13 million this year.

We believe that this continued erosion of funding for prevention services will subject more children to needless suffering, and will ensure that there is an ever-growing need for more costly--in dollar and human terms--foster care and protective services.

Improve the quality of child care services. As Michigan continues to expand its efforts to move low-income families from welfare to work, child care becomes even more critical, yet too little has been done to improve access to high quality care. Reimbursement rates for child care providers remain low, affecting child care quality and access. And, because Michigan's child care consultants carry some of the highest caseloads in the country, the Michigan Auditor General has found that the state is not effectively performing on-site visits and cannot guarantee that licensed child care settings are safe. We urge the committee to begin to invest in additional child care licensing consultants as a first step in creating a baseline for quality.

Protect funding for high quality before- and after-school programs. High quality after-school programs have been shown to improve school attendance and achievement, and to reduce youth violence and other risky behaviors. Funding authority for before- and after-school pilot programs was reduced from \$16 million in fiscal year 2001 to \$5 million in fiscal years 2005 through 2009, and the Governor has now recommended that all funding be eliminated. The Senate has recommended restoring this cut and we urge this Subcommittee to also protect funding for before- and after-school programs.

Protect funding for Communities in Schools. Michigan Communities in Schools (MCIS) has 7 community affiliates serving 255 schools sites and 89,558 students. MCIS is the nation's largest dropout organization, with a mission to connect young people with the community resources needed to successfully learn, stay in school, and prepare for life. MCIS ensures that students have: 1) personal one-on-one relationships with caring adults; 2) safe places to learn and grow; 3) a healthy start and a healthy future; 4) marketable skills to use upon graduation, and 5) chances to give back to peers and the community. Proven outcomes include improved attendance and behavior, fewer suspensions, and better academic performance. The Governor proposed to eliminate all state support (\$200,000) for MCIS, which is used mainly for funding MCIS services. Without this funding fewer students will be helped and more will find themselves in poor situations and experience less than desired outcomes. Additionally, research done on a national level has show that for every \$1 a state invests in CIS, up to \$37 is leveraged in private funding—this could be a significant loss in private investment if MCIS is not funded. The Senate has restored the funding and we ask you to also protect funding for MCIS.

Encourage local collaboration. Michigan's Children has long supported state and local collaboration for the benefit of children and their families, including the work of local community collaboratives and local Great Start collaboratives. We believe that collaboration, including the involvement of the public and private sectors, is a key to improved outcomes for children. As such, we support the new funding provided by the Senate for community-based collaborative projects for assist at-risk children, and ask for your support as well.

Again, thank you for this opportunity to have input into the budget process. I am available to address questions now and throughout the budget process. Please feel free to contact me at 517/485-3500 or by e-mail at kresnak.jack@michiganschildren.org.