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**Testimony presented by Nancy Wackstein
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**Before the Youth Services Committee of the New York City Council
Lew Fidler, Chair**

Oversight Hearing on Out of School Time (OST) Initiative

February 27, 2006

Good morning. My name is Nancy Wackstein, and I am the Executive Director of United Neighborhood Houses of New York (UNH). Founded in 1919, UNH is the nonprofit membership organization for 35 settlement houses and community centers in New York City. Our member agencies comprise one of the largest human service systems in New York City and the largest group of such agencies in the nation. Eight thousand employees operate programs and activities in over 300 locations, reaching 500,000 New Yorkers each year. Services provided by UNH members include: early childhood education, after-school programs, teen centers, English for Speakers of Other Languages (ESOL) classes, immigration legal services, GED classes, job training, recreation, meals and supportive services for the elderly, mental health counseling, drug prevention, and art, music and drama programs

I am pleased to appear before you today to discuss DYCD's Out-of-School Time (OST) initiative. Since October 2003, UNH has participated in the extensive citywide planning process for the OST initiative. As part of the OST planning process, I served as one of the co-chairs of the Provider Leadership Team, and many UNH member agencies participated in numerous workgroups and planning sessions. UNH members devoted a great deal of time, and thoroughly engaged in the planning process since youth services are a core component of the programs and services they offer. Prior to OST, nearly all of our member agencies had ACS school age child care (SACC), DYCD TASC, or YDDP funding that served approximately 8,000 young people within our network. Currently, 26 of our member agencies have 95 contracts to provide OST programs to nearly 5,000 young people in the first phase of OST. Year One OST programs began on September 1, 2005, and have been operating for 6 months. When Phase Two begins on September 1, 2006, UNH members will serve approximately 6,000 young people through OST programs.

Throughout the OST planning process, UNH advocated that any new youth initiatives must:

- Maintain services for the same number of youth that were served through the combined YDDP, DYCD TASC, and ACS school age child care (SACC) programs. According to Commissioner Mullgrav's testimony at a previous City Council hearing, 80,000 children were served through these funding streams.
- Provide adequate funding to hire and retain qualified staff.
- Ensure that highly utilized programs remain stable, and that access to programs in underserved communities is expanded.
- Not disrupt the integrity of the ACS child care system
- Allow for a variety of program offerings in both school-based and center-based settings, as our members work in both settings

Although OST programs have been operating for only a short time, we would like to share some lessons learned and suggest some areas that need improvement. We offer the following recommendations:

Increase the participant reimbursement rate

Several of our member agencies report that it is difficult to deliver a quality year-round program at the \$2800 per participant rate or the \$2000 per participant rate for school-year only programs. This is particularly true for those agencies formerly running ACS school age child care programs at the \$5-6000 per participant rate. Those agencies have had to negotiate with exasperated union staff about cuts to their salaries and benefits as OST rates can't cover staff sick time and vacation time accruals. Union busting has been alleged by these staff. As a result, several of our members have had difficulty in retaining this experienced and trained workforce. These programs have also had to cut services, for example eliminating field trips and music instruction classes.

In addition, our members report that the year-round and school-year OST rates don't allow them to adequately cover overhead costs (e.g. administrative and fiscal oversight, utilities, IT staff, office equipment, insurance) or the expense of providing services for the 20 holidays and school vacation days that are now required. As we have discussed many times, national research on quality out of school time programs consistently states that \$4000 per participant is the minimum needed to run quality services. Many of our agencies have worked hard to raise additional private funding to cover the overhead costs and provide the required hours of OST services. Given the City's unrealistically low cap per participant, agencies that can raise private money to supplement the rate are able to provide quality; those that cannot are not able to offer the type of quality experience for children that was the most important goal of the OST plan.

As DYCD articulated at a December 2005 OST forum at The New School there is a clear expectation that OST providers are expected to raise private dollars to support these programs. However, competition for private dollars is intense, and is time consuming. Not providing a higher cost per participant rate for year round programs puts the stability of these critical services at risk, thereby putting the employment of working parents at risk. We urge that the cost per participant rates be increased to reflect the actual cost, including agency administrative expenses, of providing these services.

Improve the OST database to make it user-friendly

Aside from funding adequacy, the prime concern about OST operations amongst our members has been the new online database, where providers are required to record attendance levels of their OST programs. The database is not user-friendly for some of the following reasons:

- Only DYCD program managers can revise certain categories of data once it has been entered.
- Information regarding OST participants cannot be easily transferred to internal agency databases to use for reporting requirements of other funding streams. The result is that staff are duplicating efforts, and entering the same information about participants into several databases.
- Updating attendance information and or other participant information is time consuming since multiple screens need to be accessed online to enter the data. The database is also often slow due to the huge volume of users.

Our members have relayed their concerns to us about whether DYCD will move towards a performance based payment system using attendance levels and other information from the OST database beginning next year. They are concerned that the imperfect database will result in an inaccurate portrayal of how OST programs are being utilized. Such an inaccurate picture would have an impact on any performance-based payments: agencies would not be compensated in a timely manner for the services that have been delivered. We urge that efforts to make the OST online database more user friendly continue, and to re-examine whether it is a valid basis for implementing a reliable performance based payment system.

Ensure smooth implementation of OST Phase Two

As we move towards the implementation of Phase Two in September 2006, we urge DYCD to provide parents with early and complete information regarding their choices and options. The failures of the Phase One implementation must be avoided. As we learned this year, this is especially critical for parents losing their ACS school age child care programs. Parents must have adequate time to determine whether they want to apply for an ACS voucher or apply for a spot in a nearby OST program.

Invest an additional \$100 million over the next 3 years into the OST system

We support the expansion of OST programs to underserved communities AND the maintenance of existing programs that demonstrate their effectiveness. While DYCD has proudly reported that certain communities without publicly-supported OST programs now have them, because this shift occurred under a restructuring that did not add new money to the system this expansion came at the expense of de-funding some highly utilized programs in other communities. These programs were long standing ones that parents knew, and trusted, and depended on. For example, several areas where need remains high, including the Lower East Side, and Westside of Manhattan, lost partial or total youth funding.

In the absence of additional funding, the unintended effect of re-organizing and consolidating 3 existing funding streams (YDDP, DYCD TASC, ACS SACC) to support OST was to move resources from highly utilized programs and services in communities that depended on them to underserved communities that needed them too. We believe that new resources are needed to increase current cost per participant rates and expand programs to additional communities. ***If DYCD is going to achieve its goal of universal access to OST programs, more money must be invested into the OST initiative, to ensure access and quality in every community.***

Conclusion

We believe that community based organizations like settlement houses and neighborhood centers have a critical role as partners with the City in continuing to implement OST. But our partnership must be supported adequately. A greater investment in the OST system is needed to achieve universality, and to move towards fully funding these programs with public resources, including both programmatic and administrative support. This will ensure program consistency, stability and success over the long term, and solidify the reputation of NYC's OST programs as being highly accessible and offering quality. UNH and our members are committed to working with DYCD to move the OST system forward this way.

We appreciate the attention that both the City Council and the Mayor have given to the vital role that youth services play in the academic and social development of our City's young people. We look forward to continuing to work with the City Council and DYCD in achieving excellence for the City's OST programs. Thank you.

United Neighborhood Houses is the federation of 35 settlement houses working to improve the lives of New Yorkers by speaking out and working for progressive change in social and public policies. We partner with our members to address critical needs of youth, senior citizens and families, and to create communities where people thrive.

UNH Members: *Boys & Girls Harbor-CAMBA-Center for Family Life in Sunset Park - Chinese American Planning Council - Citizens Advice Bureau - Claremont Neighborhood Centers - Cypress Hills Local Development Corporation - East Side House Settlement - Educational Alliance - Forest Hills Community House - Goddard Riverside Community Center - Grand Street Settlement - Greenwich House - Hamilton-Madison House - Hartley House - Henry Street Settlement - Hudson Guild - Jacob A. Riis Neighborhood Settlement House - Kingsbridge Heights Community Center - Lenox Hill Neighborhood House - Lincoln Square Neighborhood Center - Mosholu Montefiore Community - Riverdale Neighborhood House - SCAN New York - School Settlement Association - Shorefront YM-WHA of Brighton-Manhattan Beach, Inc - Southeast Bronx Neighborhood Centers - St. Matthew's and St. Timothy's Neighborhood Center - St. Nicholas Neighborhood Preservation Corporation - Stanley M. Isaacs Neighborhood Center - Sunnyside Community Services - Third Street Music School Settlement - Union Settlement Association - United Community Centers - University Settlement Society*