

**STATEMENT FROM THE CHICAGO DEPARTMENT OF FAMILY & SUPPORT SERVICES
TO THE CITY COUNCIL COMMITTEE ON BUDGET AND GOVERNMENT OPERATIONS
November 8, 2019**

Good morning Chairman Dowell, Vice Chair Silverstein and honorable members of the City Council. Thank you for the opportunity to appear before you today to present the Department of Family and Support Services' (DFSS) 2020 budget.

I want to thank Mayor Lightfoot for her leadership and her strong support of social services that impact the lives of vulnerable Chicagoans every day. Mayor Lightfoot's proposed 2020 budget aims to strengthen these vital resources, providing additional means to address homelessness and domestic violence and increasing the resources available for youth enrichment programs, youth employment and violence prevention.

Through our citywide network of more than 360 community-based delegate agency partners and through direct assistance DFSS will serve over 300,000 Chicagoans this year. Many who come to us are those most in need and most vulnerable, and for whom, whether because of personal circumstances or those beyond their control, life has become especially difficult and challenging. Helping these individuals and families is our primary mission, and we try to respond as effectively, respectfully and compassionately as we can.

Our dedicated staff, and our dedicated service provider partners – community-based and faith-based, for-profit and non-profit – deliver critical assistance, ranging from transitional housing and wrap-around support for homeless individuals and families; a safe place to start anew and guidance towards a stable future for adult and child victims of domestic violence ; life-enriching activities and a helping hand for seniors; high-quality early learning so children from low-income Chicago families can attain kindergarten readiness and improve their chances for lasting success in school and beyond; life-changing summer employment opportunities and after-school engagement programs for youth; direction and aid for our veterans; and for returning citizens, a fresh start.

Our department's budget is an investment in the communities and residents that we serve. The proposed budget that I am presenting to you today will allow us to effectively maintain and extend our level of year-around service delivery for Chicagoans while giving the flexibility needed to address unforeseen situations such as last winter's polar vortex.

Moving forward, DFSS will continue providing trainings, coaching and tools for our providers and our staff to support outcomes-based RFPs, active contract management and improved program coordination. These tools help us meet our obligation to annually generate, execute and administer DFSS' more than 1,600 grant awards.

I would like to review with you some of our major activities in 2019 and preview some of our proposed 2020 projects and pilots across our divisions.

CHILDREN'S SERVICES

Our Children's Services Division manages the community-based sector of Chicago Early Learning. We partner with community-based organizations to provide services to children birth through age five and their families. As you know, earlier this year, DFSS released two early education RFPs issued in conformance with city, state and federal procurement guidelines and early learning standards. The need to improve early learning outcomes for Chicago children is essential: the latest Illinois Kindergarten Individual Development Survey (KIDS) reported that just 22% of African American students and 15% of Hispanic students show up ready for kindergarten on day one. The RFPs represented an effort to align the early childhood learning system and ensure that all children and families receive the same standard of service at programs that receive DFSS funding.

Funder and City requirements typically stipulate that DFSS competitively bids the funding that it distributes. Our RFPs covered all five early learning funding streams: Head Start, Early Head Start, Preschool for All, Prevention Initiative, and Head Start Partnership and Expansion funds. Chicago asked early childhood education respondents to submit proposals that embraced key evidence-based policy goals such as: kindergarten readiness, increasing credentials for early learning staff, raising salary minimums for pre-school teachers and the blending of federal and state dollars in order to fund community-based early learning at the level necessary to deliver quality education.

Accepted standards for early childhood care and learning have evolved substantially in the last seven years to reflect evidence-based best-practices in the field, and our Children's Services Division is fully committed to these higher standards. DFSS's role has also evolved beyond supporting high-quality, community-based services to include building a citywide integrated system across multiple separate program models and funding streams. For the last several years we have been planning, analyzing, and talking with our current early learning delegates in preparation for this significant shift in the city's early learning landscape. Additionally, since the fall of 2018, we have been meeting with our early learning providers, funders, and advocates to examine the essential educational and administrative changes these updated standards and practices signaled, and to hear issues and concerns as the City prepared for the required 2019 early learning procurement.

We received close to 250 proposals from over 150 different agencies. As we reviewed RFPs in both the first and second round, we looked at how each respondent addressed our policy goals through the lenses of city-wide early learning accessibility, maximization of leverage for city, state and federal funding streams, adherence to participant eligibility criteria, density-capacity factors, alignment with upgraded quality standards, and proposal evaluation scores. At the end of the process we were pleased to offer contracts to 101 provider partners, which included many smaller providers, providers of color and 27 new provider organizations around the City.

As a result of the RFP, significant additional resources were directed to Chicago community-based early learning organizations including:

- DFSS will fund 21,325 early childhood slots in the 2019-2020 school year;
 - This is an increase of 1,631 early learning slots in Chicago, meaning more opportunities for children and families;
- A \$42.4M increase in early learning funding distributed among community-based organizations;
- Significant increases in providers' reimbursement rates for all early learning programs so that early learning providers have an equal foundation for providing high-quality services.

In short, more Chicago children and families will be served and community-based organizations that do this work will see their reimbursement rates increase, enabling them to improve the overall quality of care and education by investing in children, families and staff.

Unfortunately, as in virtually every RFP process, some existing providers saw reductions in funding and some were not successful at being re-funded. The reasons for this ranged from simply earning lower final evaluations than other respondents, to failure to commit to the major evidence-based early-learning policy goals, to non-submittal of proposals. However, since questions were raised about the RFP process, we have requested a third-party review of the process by the law firm of Baker and McKenzie LLP Chicago. In addition to the already-planned transition-period assistance to support significantly-reduced and non-refunded providers, Mayor Lightfoot has recently slated transitional funding for any existing early learning agencies that saw reductions of 20% or more of their current funding to maintain them on a per-site basis at the 80% level through next June 30th. Finally, Civic Consulting Alliance has agreed to work with the Mayor's Office to assess the effectiveness of the universal pre-K policy and implementation plan in order to chart a path forward under our new administration.

YOUTH SERVICES

Our Youth Services Division designs and funds programs and initiatives to leverage the assets and strength of Chicago youth ages 6-24 and support their growth, development and success. The proposed 2020 Youth Services budget of \$54 million provides an \$8 million boost and includes increases to expand successful existing pilot programs, begin new initiatives, increase youth employment opportunities and wages for DFSS summer job participants, and broaden the reach of mentoring and violence reduction programs.

The Youth Division has realigned its work in Prevention and Intervention services to deliver more resources to youth ages 12-24 who may require additional supports because they are not connected to school, may have been touched by the juvenile justice system, may be homeless or have mental health needs. The Youth Division has joined with other youth-oriented organizations

to embrace a youth “risk pyramid” concept (see one-pager) to help identify the provision of appropriate services and produce an individualized strategy that guides each young person’s engagement in programming.

This year, Prevention and Intervention programming will be delivered to more than 10,000 youth through more than 100 nonprofit agencies across Chicago. DFSS Prevention and Intervention programming includes the Mayor’s Mentoring Initiative; continued funding for reconnection hubs – places where opportunity youth, or those not working or in school, can be connected to a variety of programs and services; and other services targeted at youth with complex needs. In the 2020 budget, Prevention and Intervention will receive additional funding of \$1 million to carry out violence reduction activities in conjunction with the new Mayor’s Office of Public Safety.

In addition to the investments in the Youth Services Prevention & Intervention Portfolio, the Mayor’s 2020 budget also invests an additional \$2.5 million in the Enrichment (out of school time) Portfolio to raise cost per slot levels for service provider agencies to sustain quality programming. The Mayor is also investing \$4.4 million to raise wages for DFSS One Summer Chicago participants in 2020. DFSS’s OSC wages will now be at \$14 thanks to new funding to accomplish this in the 2020 Budget. This a major increase that we are excited to offer the youth who come to work with us, especially since so many of them typically save their wages for school and related expenses and/or share all or some of their pay to help out with family or sibling needs.

HOMELESS SERVICES

As the lead agency in Chicago’s efforts to reduce and prevent homelessness, DFSS administers and manages services for homeless individuals and families, including a system of more than 3300 overnight shelter beds and interim housing.

Mayor Lightfoot has proposed an additional \$5 million in 2020 to expand services and housing opportunities for homeless youth, with the goal of reducing youth housing instability and homelessness by 25%. We anticipate using this funding via the City’s Flexible Housing Pool (see one-pager) to increase the supply of transitional and permanent supportive housing and rapid re-housing capabilities for this target population, working in coordination with the Department of Housing, the Chicago Continuum of Care, and the Flexible Housing Governance Council. The 2020 budget also provides additional funds for the City’s mobile outreach homeless services, a critical front-line point of contact. The Mayor also wants to expand housing resources, a critical determinant in decisively reducing homelessness, through increased funding for the Low Income Housing Trust Fund.

The youth housing initiative will join other new homeless programs being piloted by DFSS like the Targeted Encampment Response Strategy. This 2019 initiative includes a targeted encampment response/navigation team which works with other City and service provider agencies to develop a customized plan for each location and incorporates overnight outreach staffing, a dedicated nurse

practitioner and the establishment of a no-barrier shelter for those leaving the encampment. The Encampment Response Strategy is intended to protect the legal rights of homeless persons, while protecting their health and safety of the community at large as well.

DFSS is a founding partner in Chicago's best-of-class homelessness dashboard, administered by the Chicago Continuum of Care. The dashboard collects continuous data about progress helping Chicagoans experiencing homelessness connect with services and permanent housing. More than 98 agencies citywide enter information, and the dashboard is updated weekly to allow for real-time analysis. No other jurisdiction in the country provides the public with this much data and is as transparent.

The results of Chicago's 2019 Point In Time Count (see one-pager), part of the federally-mandated national homeless census every January using a uniform methodology, showed an overall decrease of 3%, following a 4% decrease in 2018. Part of this decline may be due to the City's initiatives and targeted programs, and to improved homelessness prevention services such as lengthening the duration of emergency rental assistance from one to three months to allow more participants to stabilize their situations and remain housed. The PIT Count is by definition a "snapshot" of local homelessness while ongoing dashboard data is more cumulative.

Homeless Services actively contributes to DFSS external policy and advocacy efforts. In recent state legislative sessions, it played a key role in winning more state emergency and transitional shelter funding, and worked with other homeless advocates to increase homeless prevention funds. Currently the division is working with our policy and intergovernmental staff and advocate coalitions to address concerns over federal homelessness programs and funding priorities.

DOMESTIC VIOLENCE SERVICES

Nearly 16,000 Chicagoans are expected to seek DFSS domestic violence services this year. The Mayor is proposing to expand these vital programs in 2020 to provide funding for more bed units and wraparound services for domestic violence victims, and additional funding for the Chicago Children's Advocacy Center to combat child sexual assault and abuse.

Domestic violence services are available at all the DFSS Regional Community Service Centers and through 28 delegate agencies citywide. DFSS domestic violence programs include counseling and case management, legal services and advocacy, supervised visitation and safe exchange, resource information and courthouse advocacy and the 24/7 DV Hotline offering service and shelter referrals and crisis intervention. DFSS helps fund four domestic violence interim housing programs which provide 140 shelter beds and supportive services. The Children's Advocacy Center coordinates with law enforcement and health systems to investigate alleged assaults and provides individual therapy sessions for children. In 2018 the Center served over 2,000 children.

DFSS staff also work with the Salvation Army on emergency shelter placement for survivors of human trafficking and are planning training and technical assistance sessions for both homeless

shelter and domestic violence shelter personnel on trafficking identification and resources referral. Additionally, our homeless outreach teams will assist trafficking and sexually exploited victims.

DFSS is a partner in the DV Intergovernmental Task Force, which has piloted training for CPD officers in three districts to work directly with DV service providers and link DV incident victims to their services. More than 700 DV and family victims have been served and the program plans to expand to other districts in 2020.

SENIOR SERVICES

For the last several years, Chicago's senior population has grown, reaching over 470,000 in 2018, and census projections say that growth will continue. The 21 DFSS Regional and Satellite Senior Centers, which are the cornerstone of the City's senior service delivery network, receive more than 500,000 visits annually. Older Chicagoans come to participate in the center's numerous activities, informative events and the ongoing wellness, educational, recreational and other classes, lectures, special events and trips offered throughout the City.

Other seniors who may be frail or homebound request information and assistance through the Senior Services Division Aging and Disability Resource Network, which responds to requests from nearly 100,000 seniors and their caregivers annually about available benefits and services. Senior Services staff help arrange for home services for both seniors – such as the 3 million Home Delivered Meals provided each year – and their informal caregivers, frequently a relative, offering them Counseling and Support Groups, Respite Care and assistance with some unexpected costs.

Using the senior centers as anchors, the Division is continuing to build its Age-Friendly Villages initiative. Known as VICs -- Village Interdependent Collaboratives -- they identify and reach out to isolated seniors and bring resources through volunteer networks to reintegrate them back into their communities. A new pilot which grew out of this concept will train high-rise building managers and staff to help identify older residents at risk who want to age in their buildings. Both the VICs and the Age-Friendly High Rises pilot are based on the concept of NORCs, or Naturally Occurring Retirement Communities, which is becoming increasingly accepted as one of the most effective frameworks for senior program delivery.

This year DFSS Senior Services is completing the project approved in last year's Budget for sustainable staffing at the 15 Satellite Centers by providing stable funding for the nonprofit provider organizations that have been contracted through the RFP process to deliver programs and services there. Paralleling the Satellite staffing sustainability project is the ongoing partnership with the Department of Fleet and Facility Management to renovate and modernize the six Regional Senior Center facilities.

Beginning this year, DFSS Senior services staff and delegate agency satellite managers will be trained to assure the City's centers are inclusive and welcoming to LGBTQ seniors. In the fall of 2020, the Illinois Department On Aging has directed DFSS to operate the local Ombudsman Program

under a delegate agency model where we oversee a delegate organization to perform this work instead of through our current in-house ombudsman staff.

AN OUTCOME-ORIENTED AND DATA-DRIVEN APPROACH

DFSS has collaborated with our provider partners and stakeholders over the past two years to transition to a more outcome-oriented and data-driven approach that focuses on assessing how vulnerable Chicagoans are better off after receiving our services. Since most of our programs are delivered through partnerships with delegate agencies, we have been developing outcome-focused RFPs and service contracts with technical assistance from Harvard’s Kennedy School Government Performance Lab. I am pleased to report that when we surveyed RFP respondents earlier in the year nearly 90% agreed that the RFP’s output and outcome metrics were more meaningful for them, their participants and clients.

Your recommendations and ideas, and those of your Council colleagues, have helped us build and improve our services. We thank you for being our partner in serving the people of Chicago and, as Mayor Lightfoot urged, working to ensure that “every Chicagoan can thrive.”