

**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: May 18, 2010

SUBJECT: Fiscal Impact Statement – “Safe Children and Safe Neighborhoods
Educational Neglect Mandatory Reporting Amendment Act of 2010”

REFERENCE: Bill Number 18-529, Draft Committee Print

Conclusion

Funds are not sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation. Implementing the legislation is estimated to cost \$229,000 in FY 2010 and \$8.5 million over the budget and financial plan period.

Background

The proposed legislation would amend D.C. Official Code § 4-1321.02 to require that any person required under current law to report abuse and neglect of children¹ report to CFSA any child who is age 5 through 13 and who has 10 or more days of unexcused absences within a school year.²

¹ Pursuant to § 4-1321.02 (b). This includes CFSA employees, agents, and contractors, and every physician, psychologist, medical examiner, dentist, chiropractor, registered nurse, licensed practical nurse, person involved in the care and treatment of patients, law-enforcement officer, humane officer of any agency charged with the enforcement of animal cruelty laws, school official, teacher, athletic coach, Department of Parks and Recreation employee, public housing resident manager, social service worker, day care worker, domestic violence counselor, and mental health professional.

² As defined in section 1(4) of An Act To provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes, approved February 4, 1925 (43 Stat. 806; D.C. Official Code § 38-201(4)).

It also would amend D.C. Official Code § 38-201 *et seq.* to require that each public, independent, private, or parochial school, within 60 days of the end of a school year, report to the Mayor and make publicly available data on the number of minors who had unexcused absences and the number of minors that were reported to CFSA.

In 2005, CFSA and District of Columbia Public Schools (DCPS) signed a Memorandum of Understanding (MOU) regarding educational neglect for children under 12. It required DCPS to contact the parents after one unexcused absence, conduct an absence investigation after three unexcused absences, refer the student to the local school attendance committee for the development of an Attendance Intervention Plan and invite the parent to attend a truancy conference after five unexcused absences, and to call the CFSA Hotline to report allegations of educational neglect after 10 unexcused absences.³

In November 2009, the Office of the State Superintendent (OSSE) published revised state attendance and truancy regulations⁴ governing all Local Education Agencies (LEAs), which includes both DCPS and charter schools,⁵ to refer students between the ages of 5 and 13 to CFSA after the accrual of 10 consecutive unexcused absences or 20 unexcused absences within one school year. The regulations also detail steps LEAs should take as the numbers of absences begin to accrue.⁶

The process CFSA follows for these cases has remained the same regardless of the maximum number of allowed unexcused absences: 1) CFSA hotline workers receive calls (referrals) from the schools or other individuals notifying them of the child and then determine whether there is enough documentation and/or evidence to support an investigation. CFSA estimates that 90% of calls lead to investigations; 2) CFSA conducts a 30-day investigation on these cases. Each investigation results in either the case being deemed unfounded, inconclusive or substantiated. Data provided by CFSA shows that roughly 55% of investigations are substantiated; 3) According to CFSA, for those cases that are substantiated, the child in question either remains at home and is provided a social worker (~50% of cases), is referred to one of the Healthy Families/Thriving Communities Collaboratives⁷ (~10%) for case management, is placed in foster care (small amount) or is referred to other services (~40%).

³ As part of this process, DCPS was also required to provide documentation ("educational neglect package") showing that it carried out the above mentioned interventions.

⁴ The prior regulations stated that "Elementary and Secondary students attending D.C. Public Schools with ten or more unexcused absences will be referred to the Child and Family Services Agency for suspected educational neglect."

⁵ While the former regulations and MOU only referenced DCPS, the charter schools also followed them to varying degrees.

⁶ Because the rules were published mid-year, OSSE provided guidance to LEAs noting that full compliance was expected by August of the 2010-11 school year. DCPS phased in partial changes from the regulation beginning with the second semester of this school year and will complete LEA policy changes prior to the new school year.

⁷ The six Collaboratives are independent nonprofit organizations that operate across the District of Columbia in communities facing intergenerational economic, social and safety challenges. See <http://dccollaboratives.org/>.

Financial Plan Impact

Funds are not sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation. Implementing the legislation is estimated to cost \$229,000 in FY 2010 and \$8.5 million over the budget and financial plan period. This fiscal impact represents the estimated difference in cost to serve the number of children reported when the limit is 10 consecutive or 20 cumulative unexcused absences and when the limit is 10 cumulative unexcused absences, *assuming no changes in schools' reporting and CFSA service levels*. Any costs associated with the reporting requirement could be absorbed by the schools using existing resources. (A more detailed analysis of the costs follows in the Appendix.)

Estimated Negative Fiscal Impact FY 2010 through FY 2013					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Personnel Costs ^a	\$148,033	\$2,349,716	\$2,497,403	\$2,497,403	\$7,492,556
Non Personnel Costs ^b	\$80,500	\$359,600	\$302,600	\$302,600	\$1,045,300
Total Costs	\$228,533	\$2,709,316	\$2,800,003	\$2,800,003	\$8,537,856

^a Includes costs for a Hotline Worker, Investigators, an Investigator Supervisor, a Social Service Assistant, Social Workers and Social Worker Supervisors

^b Includes costs for transportation (cars), one-time office supplies (i.e. furniture, etc), office spaces and services for in-home cases.

There are a number of issues that make determining this estimated difference in children and subsequent costs difficult.

1. Since the 10 consecutive/20 cumulative limit has yet to be fully implemented, there is no data to show how many children fall into this category. The only data available is the number of children that fell into this category when the limit was 10 unexcused absences: approximately 3800.
2. There is considerable underreporting. Based on data from DCPS and the Public Charter School Board, there are approximately 11,000 students between the ages of 5 to 13 who have 10 or more unexcused absences; however, based on data from CFSA, only 15% of these cases are reported.
3. At this time it is not possible to determine what effect this legislation would have on the behavior of the schools and CFSA.
 - If this led to a concerted effort by the schools to report every child⁸ that has 10 or more unexcused absences, there could be a substantial increase in cases reported. CFSA would likely not be able to meet this demand using *current* practices and as a result, would face a service pressure (e.g. longer wait on the hotline, for investigations and for services, and possibility of no service for some children).
 - If CFSA were able to continue to provide the same level of services to this *increased* caseload using current practices, they would likely incur a spending pressure.
 - Alternatively, CFSA could decide to change their current practices to more effectively deal with a much larger caseload given their existing resources. This may or may not

⁸ Currently the schools exercise a certain degree of discretion when deciding whether to report a student to CFSA.

lead to a spending pressure.

- If this legislation led to a concerted effort by the schools to reduce truancy, there could be a decrease in the number of cases reported to CFSA.

It is because of this uncertainty that the fiscal impact assumes there would no change in the behavior of schools and the level of service provided by CFSA.⁹

⁹ And as incorporated into CFSA's budget.

Appendix

Estimated Negative Fiscal Impact FY 2010 through FY 2013					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
<i>Personnel Costs</i>					
1 Hotline Worker	\$13,190	\$79,142	\$79,142	\$79,142	\$250,617
7 Investigators	\$40,761	\$570,658	\$570,658	\$570,658	\$1,752,734
1 Investigator Supervisor	\$0	\$101,615	\$101,615	\$101,615	\$304,844
1 Social Service Assistant	\$9,210	\$55,263	\$55,263	\$55,263	\$174,998
17 Social Workers	\$67,935	\$1,263,599	\$1,385,883	\$1,385,883	\$4,103,300
3 Social Worker Supervisors	\$16,936	\$279,440	\$304,844	\$304,844	\$906,063
<i>Total Personnel</i>	\$148,033	\$2,349,716	\$2,497,403	\$2,497,403	\$7,492,556
<i>Non Personnel Costs</i>					
6 Cars	\$0	\$33,600	\$33,600	\$33,600	\$100,800
One-time Office Costs people (furniture, computers, supplies, etc.)	\$30,500	\$57,000	\$0	\$0	\$87,500
Office Spaces (\$50 per sq. foot @100 sq. feet)	\$50,000	\$145,000	\$145,000	\$145,000	\$485,000
Services for in-home cases @ \$500 per child (vouchers for clothes, utilities, etc.)	\$0	\$124,000	\$124,000	\$124,000	\$372,000
<i>Total Non Personnel</i>	\$80,500	\$359,600	\$302,600	\$302,600	\$1,045,300
TOTAL COSTS	\$228,533	\$2,709,316	\$2,800,003	\$2,800,003	\$8,537,856

Assumptions

- Each Hotline Worker can handle 80-100 calls per month.
- Each Investigator can handle 12 investigations at any given time. An Investigative Supervisor and a Social Service Assistant is needed for every 5 Investigators.
- Each Social Worker can handle 15 cases at any given time. A Social Worker Supervisor is needed for every 5 Social Workers.
- The Hotline Worker, 3 Investigators, 1 Social Service Assistant, 5 Social Workers and 1 Social Worker Supervisor would be hired in August 2010 and would undergo 3 months of pre-service training. All remaining personnel would be hired in October 2010 (FY 2011) except for 6 Social Workers and 1 Social Worker Supervisor that would be hired in January 2011.
- There would be no cost to refer the approximately 50 cases to the Collaboratives, as these could be covered under their current contract with CFSa. If this is not possible, an additional \$100,000 per year starting in FY 2011 could be incurred.