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**Testimony by the  
Community Service Society of New York**

**Submitted to the New York State Legislature  
February 10, 2015 Joint Budget Hearing**

Thank you for the opportunity to submit testimony for today's joint budget hearing. The Community Service Society of New York (CSS) is a 170 year-old organization that addresses the root causes of economic disparity through research, advocacy, and innovative program models that strengthen and benefit all New Yorkers. CSS is a member of the Fostering Youth Success Alliance (FYSA), a statewide coalition dedicated to improving the socioeconomic, health, housing, and educational outcomes of foster youth in New York.

**Challenges Faced by Foster Youth**

New York State is home to approximately 20,000 young people living in foster care. In 2012, about 4,000 youth between the ages of 18 and 21 were either still in care or exited the system. Several studies across the nation have examined the outcomes of youth who have aged out of the foster care system, all of which reveal poor outcomes. When compared to young people in the general population, individuals who age out of foster care have been found to be less likely to graduate from high school, have lower levels of employment and earnings, and are more likely to rely on public assistance, be incarcerated, and suffer from mental health problems.<sup>1</sup>

In May 2014, we released a report discussing some of the unique challenges that thousands of New York foster youth face as they enter young adulthood. The instability of multiple home and school placements, a lack of emotional and financial support from parents, and the prospect of aging out of the foster care system at age 21 with no support system are just some of the barriers that prevent many foster youth from reaching their potential.

If New York is committed to preparing youth in its care to be successful, independent adults, it must provide them with the opportunity to take the most recognized step toward self-sufficiency: obtaining a college degree. Our initial report found that foster youth face significant barriers to college enrollment, retention, and graduation. These include widely divergent levels of information about applying to college; overly complex financial aid processes and packages that usually fall short of meeting foster youths' unique financial aid needs; and a lack of on-campus support, leading to poor rates of college completion.

**The Low Levels of College Participation among Foster Youth**

There is limited data available or collected by public agencies on post-secondary educational participation and outcomes for youth in or formerly in care in New York. Using data collected

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<sup>1</sup> Casey Family Programs. "Improving Outcomes for Older Youth in Foster Care." 2008.

from various sources, we find that a very small share of foster youth in New York attend college. We estimate that there are between 1,017 and 1,323 young people in or formerly in care in New York that are attending a post-secondary educational or training institution. If we define foster youth as those who were still in care at age 18 or older, and those who left care after their 16<sup>th</sup> birthday, then we estimate that between 18 and 24 percent of foster youth in New York are enrolled in college or a vocational training program. At public schools statewide, nearly 60 percent of all students enroll in post-secondary education the fall after they graduate.<sup>2</sup>

It is difficult to estimate rates of retention and graduation for New York foster youth who go to college; however, national estimates suggest that foster youth who enroll in college face difficulties completing their degree.<sup>3</sup> The low levels of college enrollment, retention, and graduation among foster youth are troubling given the challenges they have faced early in their lives and the poor outcomes detailed in national studies. If outcomes for youth who age out of care are to improve, greater participation in post-secondary education is essential.

### **Financial Aid for Youth in Care**

Youth in or formerly in care are eligible for various forms of financial aid; however they comprise a complex set of resources that can be difficult to piece together, and do not always add up to the costs young people face. The main forms of aid that foster care youth can use to help pay for college are Educational and Training Vouchers (ETV), a federal program administered by the State specifically for foster youth; Pell Grants, a federal program for low-income students; and the Tuition Assistance Program, a state program primarily for low-income students.

In some cases—particularly when receiving the maximum grant awards—it is possible for a foster youth to access enough financial aid from existing public resources to pay for tuition, but not other college related expenses. And to do so requires navigating an extremely complex system. Young people we spoke with also expressed concerns over where they would stay during breaks in school, and receiving grant payments too late to make tuition and other payments on time. And perhaps most importantly, the degree to which young people are aware of their financial aid options, including payments for room and board, are often contingent on the quality of their agency and caseworker, which can vary drastically. Given the stakes, there should be consistent access to the information and resources available to all foster youth.

### **Programmatic Supports: Inconsistent Access**

In addition to the issue of paying for college, foster youth face additional challenges in attending and succeeding in college associated with not having adequate family support. Parents can often be an invaluable resource for young people attending college, from helping navigate the application process to providing needed emotional and financial support once young people are enrolled.

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<sup>2</sup> CSS analysis of State Education Department data

<sup>3</sup> According to a 2010 Chapin Hall study, while 37.4 percent of the studies participants completed one year of college by age 23 or 24, only 6.2 percent attained an Associate's or Bachelor's degree. Other national statistics suggest only 2 percent of foster youth complete a Bachelor's degree. And ETV data in New York suggests low rates of retention, as the number of returning ETV recipients is far lower than the number who obtained ETV funding the previous year.

There are several programs across the state that can be beneficial to foster students who aspire to get a college degree. However, there is no centralized system by which all foster youth are made aware of the resources available to them and directed to services that would be most beneficial for them. Foster care agencies do have educational specialists on staff, but the extent to which these workers are engaged and knowledgeable enough to direct foster youth to the right programs varies dramatically. And for youth who have left the foster care system, their ability to access beneficial programs is even more limited.

### **Components of a Statewide College Success Initiative**

Learning from the examples of other states, as well as programs here in New York, we have developed a proposal that will enable foster youth in New York to obtain the necessary financial aid and supportive services they need to increase their rates of college enrollment, retention, and graduation.

#### ***Pre-college information***

Pre-college information should be made available to all foster youth through a website specifically designed to assist with questions about college preparation, application, and enrollment. New York should also work to create a web-based system that allows foster youth to fill in their financial aid information only once in applying for the common forms of financial aid for foster youth: the Tuition Assistance Program, Pell Grants, and ETVs.

#### ***Pre-enrollment summer transition program***

As part of the foster youth college success initiative in New York, all foster youth should be eligible to participate in a free summer college preparation program, designed to assist students to develop the habits of mind needed for college, prepare them to navigate on-campus systems, and provide preparation in reading, writing, and mathematics to students who need it.

#### ***On-campus support***

Supports for youth once they are enrolled and on campus would consist of three sets of services: advisement; tutoring and academic assistance; and transition and aging-out support.

- ***Advisement***  
At the core of New York's college success initiative for foster youth will be an assurance that every foster youth will have an on-campus advisor. This individual would serve as the individual point-of-contact and continuous source of personal support. The advisor's role would include providing one-on-one services to foster youth at both regular and drop-in meetings; acting as the hub of existing on-campus supports; assisting in managing crises through advocacy and ad-hoc use of a defined set of emergency resources.
- ***Tutoring and academic assistance***  
Along with strong advisement, tutoring and academic support is a core component of almost every program aimed at improving the post-secondary educational outcomes of students facing academic and other challenges. Advisors would refer foster youth to existing on-campus tutoring and academic support resources. For those students who

require extra help, advisors would manage a contract with a private tutoring provider, who would be available for a percentage of program participants.

- *Aging-out and transitional supports*

The two most critical components to a young person’s transition out of foster care are securing housing and employment. As part of New York’s College Success Initiative for foster youth, advisors should have relationships with both campus-based employment and internship offices, as well as job placement organizations off campus, so that they can help young people find employment and internships while they are at school and as they prepare to graduate. Similarly, the advisor must be able to work with a young person to ensure their housing needs are being met, particularly as they prepare to age out of care.

**A comprehensive financial aid package and a simple application process**

A key goal of the initiative would be to make financial aid as simple and comprehensive as possible. Foster youth should be able to simply receive the proper paperwork from their social service agency and present it to any public college to have tuition, fees, and year-round housing costs covered. The university would collect the amount they would normally receive from social service agencies for foster boarding payments as well as Pell, TAP, and ETV payments.

Students would then receive a stipend for indirect college costs such as books, transportation, and personal expenses. That amount would come from the state, using any leftover Pell, TAP, and ETV money, if any remains after covering tuition and housing costs. If a foster youth attends a private school, they would be awarded funding up to the amount it costs to attend a 4 year SUNY school.

**Fiscal Impact of College Success Initiative**

*Program Costs*

The program includes two components: a financial aid package that will cover the full cost of attendance for foster students, and on-campus supports that will help students succeed once they arrive on campus. The table below shows the cost of the program over the course of six years when factoring in retention and graduation rates of each cohort.

**Full Cost of Program, Years 1-6**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Cohort 1	\$2,917,328	\$2,098,989	\$1,596,798	\$1,035,754	\$648,131	\$310,099
Cohort 2		\$2,917,328	\$2,098,989	\$1,596,798	\$1,035,754	\$648,131
Cohort 3			\$2,917,328	\$2,098,989	\$1,596,798	\$1,035,754
Cohort 4				\$2,917,328	\$2,098,989	\$1,596,798
Cohort 5					\$2,917,328	\$2,098,989
Cohort 6						\$2,917,328
Total # of Students	375	375 new + 310 returning	375 new + 546 returning	375 new + 699 returning	375 new + 795 returning	375 new + 841 returning
Total	\$2,917,328	\$5,016,317	\$6,613,115	\$7,648,870	\$8,297,000	\$8,607,099

First year for new cohorts

Final year for first cohort

As the table above shows, the program will cost \$2,917,328 in its first year. The full cost of the program, with six participating cohorts is \$8,607,099. This figure is also equal to the cost of one cohort through an entire six years. The cost of the program for Years 7 and beyond will be equal to the cost of Year 6.

To determine the fiscal benefits of the program, we examine the changes in employment, earnings, tax contributions, and public expenditures that result in more students earning their Associate's or Bachelor's degree. We estimate that for every student who receives an Associate's degree as opposed to only having a high school diploma, the present value of the fiscal benefits to the public is \$155,629. For every additional Bachelor's degree, the present value of public fiscal benefit is \$387,255.

Setting modest goals for increases in graduation, we calculate that an investment of \$8,607,099 would yield a present value savings from increased tax revenues and decreased public expenditures of \$28,219,063 for a present value net fiscal benefit of \$19.6 million. These savings exist when we set a goal of a 40 percent completion rate for AA students and 50 percent for BA students; if we were to exceed that goal, the savings would increase.

It is clear from this analysis, that even if we adjust our estimates in either direction, the college success initiative has the potential to have a very strong positive public fiscal impact. And many of the impacts to the individual and their family from obtaining a college degree simply cannot be measured. With a college degree, these young people will be ready to be productive members of society, living in safer neighborhoods, and sending their children to better schools. Higher degrees of educational attainment have been proven to lead to better health outcomes, greater rates of marriage and family formation, and other positive, lifelong impacts that are, in some cases, unquantifiable.

