March 1st, 2024

Recommendations to the Children's Fund Supports for Youth Impacted by the Foster Care System

MEMO

To: The Planning and Oversight Commission of the Sacramento Children's Fund

- Cc: Jackie Beecham and Rene Kausin, YPCE Maya Kageyama, Third Plateau Mayor Steinberg and Members of the City Council
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 (* for identification purpose only)
- Re: Recommendations for the Youth Impacted by Foster Care Priority

Over the last several months, we have gathered as a group of leaders active in policy work related to youth impacted by the foster care system to develop recommendations for you as the Oversight Commission for the Children's Fund. As you know, Measure L specifically mentioned youth in foster care as a priority for the measure, both in the short ballot statement and in the full text. In our view, given this promise to the voters, we believe it is imperative that the Children's Fund contribute to improving the lives of foster children and youth. Investments in this vulnerable population can help improve educational outcomes, decrease the chances of involvement with the juvenile justice system and criminal justice system, and prevent future homelessness.

We are very pleased to be part of this important moment as we all come together to advance the safety, health and wellbeing of children and youth. Thank you for your leadership and for your willingness to consider these recommendations. As we discussed various strategies, we realized that some of our recommendations would likely not be possible to implement in the first year of the Fund as they require more planning and collaboration among governmental entities. With that in mind, we decided to present you with two sets of recommendations, one set for year 1 and another for years 2-3. One of the great advantages of the Children's Fund is that it is a long-term funding stream that allows for this kind of planning.

Additionally, the group developed a set of principles that guided their recommendations. We hope these are useful to the Planning and Oversight Commission in your work.

- System-impacted youth need support through at least their mid 20's, based on what we now understand about brain development. State law currently provides support to foster youth only up to age 18 and under certain conditions, up to age 21.
- Efforts to support foster youth should prioritize prevention, early intervention, traumaresponse healing modalities, building opportunities for youth to develop and maintain strong, supportive relationships, and access to services that prioritize healthy development.
- The perspectives of youth who are system impacted should be valued and included in decision making— "Nothing About Us, Without Us."
- To maximize support, the city should leverage its funds with state, federal, county and other funding to serve more youth and provide more comprehensive services.
- System impacted youth with the highest outcome disparities, as compared with nonimpacted youth, should be prioritized for support. This includes Black, Indigenous, LGBTQ, criminalized, disabled and sexually trafficked youth.
- Services must be culturally and identity relevant, meet quality, evidence-based standards, and mitigate community stigma.
- To support the needs of the whole child, it is imperative that services be coordinated, and that jurisdictional and institutional boundaries not impede supports for system impacted youth.
- Youth should have multiple ways to access supports and resources. All youth-serving professionals must be able to direct foster and other system impacted youth where to get help. This may require a clearinghouse or hotline for resources.

At the end of this document, you will find two appendices: one that provides you with definitions, context and data on youth in foster care and intersection with homelessness and juvenile justice, and another that gives you a more detailed analysis of how the city could fund a guaranteed income program for youth aging out of the foster care system.

Thank you for your leadership and for your willingness to consider these recommendations.

Strategies the City Could Fund and Implement in Year 1

Guaranteed Income for Youth Aging out of the System

Our first recommendation is that you consider funding a guaranteed income program that supports youth aging out of the foster care system. These young people are particularly vulnerable to become homeless. In the 2022 Point in Time Count, about half of unhoused young adults indicated that they had been in the foster care system. Clearly, if we are to slow growth in homelessness in Sacramento, we must address this reality. Our community already has considerable experience with launching and managing guaranteed income programs. The city is currently supporting a guaranteed income program for low-income families in partnership with United Way. To support youth aging out of the foster care system, the city could allocate funds to foster youth ages 18-25 in the form of guaranteed income support. These funds could supplement supports for youth ages 18-21 who are in AB 12 (the state program for youth who age out of foster care at 18 up until age 21). AB 12 is not sufficient to cover the costs of living in Sacramento. Funds could also go to support youth ages 21-25 who are currently not eligible for any financial support as they transition to independence. On average, 75 young people living in the city limits exit foster care each year. Over the long-term, this strategy will be key to efforts to prevent homelessness.

City Employment Programs

Currently, the city runs various youth and young adult employment programs. We suggest that the city develop targeted outreach to youth and young adults (ages 16-25) in the foster care system, or who have been impacted by the system, to recruit them for local employment programs, including employment into city positions. We also suggest that, as the city receives county, state and/or federal grant funds for employment training and for jobs programs, the city incorporate a targeted outreach strategy to these youth and young adults. In addition to targeted outreach, we recommend the city include more wraparound supports and career readiness skills as part of the employment program. To identify and to provide supports to young people recruited for these programs, we would encourage the city to develop partnerships with local Community Based Organizations (CBOs), the County's Independent Living Program, local school districts and our community colleges.

Mentoring

Mentoring is a proven strategy to help youth become resilient and overcome obstacles to their lives. Young people impacted by the foster care system need more caring and supportive adults in their lives. We recommend the city issue a RFP to fund local CBO's that provide mentoring supports to youth to expand their programs to reach more current and former youth in the system. As with the earlier recommendations, we would encourage this work to occur through partnerships with the city, CBO's, County Child Protective Services, school districts and community colleges.

Strategies the City Could Fund and Implement in Years 2-3

Free RT for Youth Impacted by Foster Care up to age 25

The City currently provides free transportation to students $Tk - 12^{th}$ grade through RydeFreeRT. We recommend that this support be expanded to young adults who have been impacted by the foster care system up to age 25. As some of these young adults are not students, the city and RT would need to create a new method through which these young adults could gain access to a free RT pass. By increasing transportation access, the city would increase access for these youth to employment and support services.

Housing Access:

Through its Independent Living and Extended Foster Care programs, the County has housing vouchers for young people in the foster care system but these youth often struggle to find landlords who will rent to them. We recommend the city form a planning committee to focus on how to educate and incentivize landlords so that more landlords are willing to rent to these young people. We also suggest that the city create a fund to support young people with first and last month rent, as this initial rent payment is often a barrier to securing housing.

Hubs: Co-location of Services

We recommend that as part of its overall strategy to serve foster youth, the city form a planning committee made up of the County, service providers, and the library system to explore how to create hubs through which youth in foster care can more easily access services. This planning process could focus on the co-location of services (physical one-stop centers and virtual hubs) through which young people could access information and applications to an array of services, including benefits.

Appendix A: Definitions, Data and Context related to youth in foster care and system impacted youth

Context and Definitions

The perils awaiting system impacted youth—including staggering rates of unemployment, incarceration, homelessness, and vanishingly low college attainment—are well documented. Yet society does not do enough to support these youth in ways that change those outcomes. As experts advocating for the fair and just inclusion in society of foster youth and other system-impacted children and youth, we bring to this analysis the stories, needs, dreams and solutions to help change their health and life outcomes.

According to University of CA Berkeley's California Child <u>Welfare Indicators Project</u> (CCWIP), as of October 1, 2023, there were more than 50,000 children in foster care or under probation supervision in California. The number of system-impacted children in our state, however, is far higher.

A narrow definition of system impacted youth is youth who have had direct or indirect involvement with the child welfare and criminal justice systems. These include:

- Foster youth who are currently or formerly in placement
- Youth in families with current or past Child Protective Services (CPS) cases
- Currently or previously detained or incarcerated youth, including those under probation supervision
- Youth dependents of currently or formerly incarcerated or probation-supervised parent(s)

A broader definition includes those youth who are impacted by inequities in other deeply entrenched systems in our society that are adjacent or intersect with the foster youth system, including our economic, educational and health care systems. This definition includes:

- Low-Income Youth
- Youth Without Safe, Stable, Sustained Housing
- Gang-Involved Youth
- Commercially Sexually Exploited Children / Sexually Trafficked (CSEC)
- Youth Experiencing Mental Health Crises (including 5150 holds)
- Youth Receiving Mental Health / Substance-Use Treatment Services

Within these definitions, there are youth who have specific identities that further impact their outcomes due to societal structural exclusionary policies and perceptions that have been embedded for generations. Disparities can be found in the data when disaggregated. These identities include:

- LGBTQ youth
- Black / African American youth

- Latino/a/Hispanic youth
- Indigenous youth
- Neurodivergent and Disabled youth

All of these youth are at far greater risk of experiencing disparities in educational, employment and healthy life outcomes than other youth.

DATA OVERVIEW

Our job is not done when youth turn 18.

Scientific findings concur that brain development occurs at different rates per youth and growth does not complete until our mid-twenties. As a community we need to implement evidence-based supports and programs to help youth have access to positive supports and opportunities as they develop and receive help transitioning into healthy adulthood. The current systems do not focus on prevention or healthy development practices. The lack of investment in these upstream supports and opportunities results in communities facing exponential cost impacts when that youth needs to enter the system, drops out of school or graduates unprepared and then, as these youth become adults. Every person incarcerated, unhoused, and low income was once a child. The Center for Economic Policy Research reports that close to one-fifth of the prison population in the US is comprised of former foster children (Bureau of Justice Statistics 2016) and about 70% of youth who exit foster care as legal adults are arrested at least once by age 26 (Courtney et al. 2011). When looking at some situations from a child's perspective, at least half of the people incarcerated have minor children who are now missing a parent and at greater risk of becoming foster placed. The below evidence categorizes data points showing that we have a lot of work to do if we are to change the trajectory of the lives of youth and the quality of where we live and work.

CHILD WELFARE SYSTEM

Sacramento County data reveals the devastating intersections of disparities and implores our urgency of supporting system-impacted youth.

The CCWIP Child Database reveals that in the October 2023 Point in Time Count, there were 1,526 children and youth in foster care placement in Sacramento County. Of these, 314 were transition-age youth between the ages of 18-21 years old, comprising 21% of those in foster care. <u>Kidsdata</u> shows a more dismal total in 2018 at 2,359 youth experiencing foster care.

Although the 5 year total has dropped, due to reforms in the system to keep children with family members and out of group homes, we must not let that particular part of the plight for SI youth become the narrative considering the rise in youth homelessness, high school graduation challenges, and this year's uptick in youth who have been criminalized. Foster youth placed in group homes, or prescribed psychotropic medication without long-term mental health support, become labeled and criminalized.

Local data reflect national findings showing that Black, American Indian (Indigenous) and Alaska Native (Indigenous) children continue to be overrepresented among those entering foster care. Sacramento County shows that although Indigenous children represent only one-half of one percent of the county's child population, Indigenous youth disproportionately represent almost 2% of those who are CPS-impacted. Data from any one of the many systems intersecting with foster care (FC), including CPS, probation, carceral facilities, mental health facilities, housing status, economic indicators, and educational institutions, show striking disparities in outcomes for system-involved children and youth. Looking at them all together spotlights the fierce urgency of finding ways to create healthier life outcomes for system impacted youth.

ECOSYSTEM IMPACTS

The ecosystem of living conditions including employment and housing insecurity perpetuates the generational cycle of community unhealth and educational failure. According to the Legislative Analyst's Office, nearly 50% of foster youth are unemployed within four years of exiting foster care; more than 25% are incarcerated; and 20% experience homelessness.

According to the 2022 Sacramento Point in Time Count 7% of Sacramento's unhoused population are youth between 18-24 years of age. During the night of the 2022 Count, approximately 636 transitional age youth were experiencing homelessness in Sacramento County. This shows a 53% increase since the 2019 Point in Time Count. Of this population, 59% were unsheltered and 41% were considered sheltered. Unsheltered may include sleeping in vehicles and tents (23% and 31% respectively), while sheltered includes youth in emergency shelters, motels/hotel programs or transitional housing. The report also identified unique challenges experienced by unsheltered youth. These included, 49% indicated that they had been in foster care or a group home before the age of 18, 42% reported a Mental Disability, and 43% reported fleeing domestic violence as a factor. This data reflects the need for more housing supports for our FY, wrap around support services provided to youth where they are at, and not criminalizing our youth who are insufficiently sheltered. It also verifies that our youth could benefit from more relationship management skills and how to navigate when they find themselves in unsafe relationships.

EDUCATION

California Department of Education's findings show that efforts are being made for foster youth, but there is an ecosystem surrounding foster youth that makes it more likely they will become unhoused, have multiple placements and lack educational stability, or become incarcerated. Unless we provide coordinated, wholistic supports, early and just in time interventions and transition services, we will perpetuate the cycle of harm which leads to school failure.

- 61.4 percent of foster youth students graduated compared to a rate of 87.3 percent for non-foster students.
- 46.5 percent of foster youth students in grades kindergarten through twelve were chronically absent compared to a rate of 29.9 percent for non-foster students.
- 22.2 percent of foster youth students dropped out compared to a rate of 7.7 percent for non-foster students.

• The Legislative Analyst's Office shows that only 3% of former youth in foster care earn a college degree.

Youth who have their basic needs met-housing, food access, health care, are better able to learn in school settings. Additionally, schools that provide students with safe and welcoming spaces and access to school based mental health supports, restorative practices, social and emotional learning, individual learning plans, and connections to community services, can positively impact students' academic success in spite of the external challenges they face. As a community we need to identify and assess youth's needs and develop comprehensive and coordinated tools, evidence based practices, interventions, and approaches necessary to meet their basic and whole child needs.

We must invest in keeping students in school versus recovering them when out of school.

• During the 2021-22 school year: 12.6 percent of foster youth students were suspended for at least one day compared to a rate of 3.1 percent for non-foster students.

Foster youth who become disproportionately excluded from the classroom are more likely to end up in the justice system, unemployed and unhoused.

Due to external advocacy to expose the challenges and needs of foster youth, this number has improved. We want to continue the improvement. This can only happen if we support policies and practices like AB 740 that protect the educational rights of students in foster care by requiring their court-appointed attorney to be notified of disciplinary proceedings to ensure the student has a qualified person advocating on their behalf. A New law also now prevents suspensions for willful defiance.

Additionally, providing engaging and relevant education through career tech programs and career pathways that help students find a sense of purpose and direction is essential for keeping students in school. The City can help students explore careers through work-based learning activities like job shadows, paid internships, and apprenticeships. Exposing HS students to college courses and visits and helping them understand the benefits of post-secondary educational options like college or trade schools before they leave middle and high school is also essential.

Transition support, whether to a career, job or post-secondary experience is key. Recent legislation has created more access to college campus support programs for foster youth and youth who are unhoused (Guardian Scholars for example) making sure we are connecting our students to these programs before they transition.

CRIMINALIZING TRAUMATIZED YOUTH

Sacramento County Probation is responsible for <u>5% of the state's 10,000</u> electronically monitored youth and the reliance on this practice as a perceived alternative to incarceration is ever increasing.

The <u>Juvenile Law Center</u> states, "According to the latest data, there are 437,500 children in America's foster care system, who...face a disproportionate risk of being incarcerated. The problem is so severe that one quarter of foster care alumni will become involved with the criminal justice system within two years of leaving care."

Electronic monitoring is a new form of incarceration, but with devastating, long-term implications. "There are far more young people in the justice system under the supervision of probation departments than there are in any other aspect of the system," says <u>David Muhammad</u>, a former deputy probation commissioner in New York City who is now executive director of the National Institute for Criminal Justice Reform. He continues to cite data, "reformers have now pivoted to the plight of young people placed on probation by juvenile courts, where they are more likely to be trapped in a cycle that makes it virtually impossible to escape further involvement in the justice system."

Currently, 1,473 youth are under <u>law-enforcement oversight</u> in Sacramento County. This is a notable uptick after a decade of continuous declines.

Appendix **B**

<u>What is Guaranteed Income?</u> Guaranteed income (GI) programs are grounded in the values of trust and respect for recipients, and provide recurring, no-strings attached cash payments directly to participants. Payments are meant to supplement, rather that replace the existing public social safety net benefit programs that families may already be receiving.

GI is a tool to advance equity for communities that have been overly impacted by poverty and wealth disparities. GI is an assistance to rectify a broken and inequitable system and provides flexible funding to recipients, giving the freedom of choice and dignity to recipients that allows them to make decisions that are best for their family. *GI is based upon the assumption that when people have their basic needs met, they can go beyond surviving and begin thriving.*

<u>Research shows the potential for impact is massive!</u> Literature on the effectiveness of cash transfer programs shows "unconditional cash transfers give people the agency to use funds to best fit their lives and meet their needs. Evidence shows that, when people receive cash, they spend it in ways that benefit themselves and their families, experience more financial stability and better health, and have more time and capacity for family engagement and self-care." <u>Economic Security</u> <u>Project</u>

Some highlights of impacts are below, however this list is not exhaustive.

- Increase in financial security, food security and nutrition
- Increase in full-time & part-time employment and/or more stable employment
- Improvement in both time and quality of parent-child interactions
- Improved mental health (reduced stress, anxiety, depression & anger, increased sleep, etc.)
- Gains in physical health outcomes
- Increased ability to pay off debt
- Increase in positive educational outcomes Increased access to stable childcare
- Increase in stable housing

Foster Youth or Youth at Risk for Homelessness in Sacramento County Snapshot

As approved in Measure L, the Sacramento Children's Fund establishes 40 percent of the total revenue generated from the existing cannabis business operations tax to be allocated towards positive youth development and youth violence prevention programs such as mental health counseling, substance abuse treatment, early prevention and intervention, after-school activities, and services for homeless youth and foster children.

According to the California Child Welfare Indicators Project Database¹There are 1,525 children and youth in Foster Care in Sacramento as of July 2023 Point in Time Count. *Disaggregated by age group, Sacramento County has 319 youth between the ages of 18-21 years old in foster care*. According to the 2022 Sacramento Point in Time Count² 7% of Sacramento's unhoused population are youth between 18-24 years of age. *During the night of the 2022 Count, approximately 636 transitional age youth were experiencing homelessness in Sacramento County. This shows a 53% increase since the 2019 Point in Time Count.* Of this population, 59% were unsheltered and 41% were considered sheltered. Unsheltered may include sleeping in vehicles and tents (23% and 31% respectively), while sheltered includes youth in emergency shelters, motels/hotel programs or transitional housing. The report also identified unique challenges experienced by unsheltered youth. These included, 49% indicated that they had been in foster care or a group home before the age of 18, 42% reported a Mental Disability, and 43% reported fleeing domestic violence as a factor.

Program Impact: GI can make a profound impact for participants. Significant momentum is building here in the City and County of Sacramento. The first GI program which was privately funded and administered by United Way California Capital Region was launched in Sacramento in 2021, with 100 families receiving \$300 a month for two years. Since then, interest and commitments to expand GI to members of the community has expanded. United Way launched a second cohort with the City of Sacramento for 80 families receiving \$500 a month for one year starting July 2023, and a third cohort with the County is currently being selected where 130 households will receive \$500 a month for a year starting January 2024. Sacramento County DCFAS-CPS is also planning to launch a GI program offering \$725 a month for one year to 200 families, slated to start hopefully in the Spring of 2024.

The fiscal investment required depends upon the number of intended participants, the monthly amount provided and the duration of the program, along with administrative costs, and any funded evaluation activities. As of October 30, 2023, an average of 75 non-minor dependent youth exited foster care each year from a placement within the City of Sacramento boundaries.

The table below represents a general estimate for a potential GI program offering different funding amounts to 75 and 150 participants over two different timeframes (12 or 24 months). *Administrative funding covers activities such as developing and hosting the application, participant selection and enrollment, benefits counseling, and fund distribution, and could likely require between 7-15% of the total funds distributed to participants. If there were to be an evaluation of the GI program, there would need to be additional funding for those activities in addition to the below.*

Funding Directly to	Administrative Funding	Scale	Duration
Participants	Estimate	Scale	Duration

¹<u>https://ccwip.berkeley.edu/childwelfare/reports/PIT/MTSG/r/ab636/l</u>

² <u>https://sacramentostepsforward.org/continuum-of-care-point-in-time-pit-count/2022-pit-count/</u>

	(7-15% of funds distributed)	(# of Participants and Monthly Amount Provided)	
\$900,000	\$63,000 - \$135,000	150 participants receive \$500	12 Months
\$900,000	\$63,000 - \$135,000	75 participants receive \$500	24 Months
\$1,350,000	\$94,500 - \$202,500	150 participants receive \$750	12 Months
\$1,350,000	\$94,500 - \$202,500	75 participants receive \$750	24 Months
\$1,800,000	\$126,000 - \$270,000	150 participants receive \$1,000	12 Months
\$1,800,000	\$126,000 - \$270,000	75 participants receive \$1,000	24 Months

Considerations

- A) Public benefits can be reduced or lost as a result of receiving guaranteed income.
- There are toolkits (such as the <u>Thriving Providers Toolkit</u>) that identify strategies to minimize the reduction and/or loss of public benefits for people receiving GI. There has also been work at the local and state level in CA to protect certain benefits. For example: CDSS can approve exemption requests to protect CalFresh & CalWorks benefits for GI programs that meet certain requirements such as including some amount of private funding (not solely government funding and doesn't need to be a dollar for dollar match) and an evaluation component (likely will require some added funding). Learn more here: <u>CDSS Exemption</u>.
- When government funding is being used, consider the use of the IRS <u>General Welfare Exclusion</u> and building the program to meet specified criteria as an avenue to classifying the funding as nontaxable to recipients.
- Advocacy at the local, state and federal level for policy changes to support GI being exempt from other benefit eligibility calculations.

B) Political Will, Public Support & Myth Busting

There are unfortunate assumptions and a lack of knowledge among many in our community when it comes to Guaranteed Income. However, these are also invaluable opportunities to build bridges of awareness and reconciliation between community members.

C) Timelines

The timeline to develop & launch a guaranteed income pilot requires intentional design, planning and community engagement and can vary from 4-12 months depending on available expertise and resources.

D) Humans have more than just physiological needs - they have psychological and social needs as well that are just as important.

Combining social supports with guaranteed income could be an even more effective solution than simply guaranteed income alone. Reference: <u>Miracle Money Program Evaluation</u>

The Human Impact - Quotes from local GI Program Participants (Sacramento & San Francisco)

"The guaranteed income payments helped me pay for my child's dental work." - Single mom of three (United Way GI recipient)

"I used the money to purchase school supplies and clothing for my 8th grade son and he was happy with all the supplies he got for the school year. This GI payment is really helpful for families with low-income." - Masood (United Way GI recipient)

"I'm a single mother of 2. And I carry all the weight myself raising my children. The funds have helped me a lot! I was able to purchase all their school supplies and essentials needs. On top of that I was able to pay a family member to watch my children so I can work and not have to worry about looking for a babysitter every day." - Nancy (United Way GI recipient)

"I never realized I was homeless when I lost my housing, only when I lost my family and friends." - Adam, Unhoused neighbor (Miracle Money Program recipient)

Conclusion

Through the historic passage of Sac Kids First (Measure L), the Sacramento Children's Fund Planning and Oversight Commission has the unique and powerful opportunity to shift the realities of hundreds of transition age youth in Sacramento City, specifically foster youth and youth at risk of homelessness. Through innovative investments such as Guaranteed Income, the potential for impact is not only possible, it is within reach in our community, to support these historically underserved populations in a transformative way.

"Extensive social science research on cash transfer programs around the world shows that cash transfers increase expenditure on education and training, improve food security, increase durable good consumption (buying a car, a refrigerator, etc.), and improve measures of well-being. The positive impact of guaranteed income has been studied for decades, with evidence indicating that cash transfers are an effective anti-poverty measure with an array of welfare benefits. Empirical evidence also indicates that people keep their jobs and spend the extra money on groceries, utilities or other basic needs; those who work fewer hours largely invest that time in education, job training, or caring for children." - <u>Guaranteed Income in the U.S. Abridged Toolkit</u> by Jain Family Institute