

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Colorado Department of Public Health and Environment
Priority Number:	3
Change Request Title:	TGYS Program Additional Funds

SELECT ONE (click on box):

- Decision Item FY 08-09
- Base Reduction Item FY 08-09
- Supplemental Request FY 07-08
- Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

This is a request for \$1,000,000 in General Fund monies to expand the Tony Grampas Youth Services program (TGYS) at the Colorado Department of Public Health and Environment (CDPHE) Prevention Services Division.

Background and Appropriation History:

The TGYS Program was created by the legislature in 1994 in response to the “summer of violence” in order to provide State support for local programs to reduce youth crime, violence, child abuse, and other high-risk behaviors. When the TGYS Program was moved from Department of Local Affairs (DoLA) to the CDPHE in 2000, the program had approximately \$9.2 million in funding and 7.5 FTE. In FY 2000-01, TGYS supported 186 grantee organizations throughout Colorado and served 84,092 individuals, primarily children and youth. To support such a large number of local programs, the TGYS team was comprised of a program director, fiscal staff, administrative staff, and program specialists (monitors) to work with grantee programs to monitor and strengthen program implementation. In 2002, the TGYS Program’s funding was eliminated as part of the state’s budget reduction.

The TGYS Program was reintroduced in FY 2003-04 with \$4 million in one-time federal funding from the Job & Growth Tax Reconciliation Act. The program's state appropriation was reinstated in FY 2004-05 with \$3.5 million in Master Settlement Agreement Tobacco funding. One FTE was allocated to the program and a program director was hired. This funding level continued for FY 2005-06 and a Decision Item was submitted for two additional FTE. One FTE was added to the program as a result of that request.

In FY 2005-06, the TGYS Board approved a three-year funding cycle and selected 54 grantees, representing 114 agencies serving 27,931 individuals. The TGYS Board also implemented a statewide evaluation of the effectiveness of the TGYS Program. Evaluators demonstrated a statistically significant, positive impact on 13 out of the 16 participant outcomes measured including: improving school performance and parenting practices, increasing life skills and reducing bullying and substance use.

In FY 2006-07, TGYS continued to receive \$3.5 million in Master Settlement Agreement Tobacco funding. Additionally, a one-time General Fund appropriation of \$4 million was made at the end of FY 2005-06 with spending authority through June 2007. No additional FTE was allocated. The TGYS Board approved grants for an additional 72 agencies for the FY 2006-07 fiscal year. In FY 2006-07, the TGYS Program funded a total of 186 agencies.

In FY 2006-07, the TGYS Program served 39,059 individuals representing a 38% increase over FY 2005-06. This increase was made possible by the one-time \$4 million appropriation. The statewide program evaluation continued in FY 2006-07 showing more positive results than the prior year. Out of 23 pre-/post-test measures, 20 were statistically significant and two additional measures were moving in the desired direction. The evaluation produced additional results: TGYS was equally effective across age and gender; girls and boys benefit equally from TGYS Programs; and both younger children and adolescents were positively impacted by the program. Participants in TGYS-funded local programs experienced improvements in grades, school attendance, reading and math skills, self-efficacy, self-esteem, conflict resolution, decision-making skills, school

readiness, and parenting skills. Decreases were seen in bullying, substance use and recidivism.

For FY 2007-08, TGYS has received \$3.5 million in Master Settlement Agreement Tobacco funding and \$300,000 in cash funds exempt¹ from the, Colorado Student Before and After School Project Fund earmarked by §25-20.5-205, C.R.S for after school programs for 6th – 8th grade students. The program staffing level is still two FTE.

General Description of Request:

The Department requests an additional \$1 million in General Fund to expand the TGYS Program For FY 2008-09. This request would enable TGYS to expand grant making to reduce youth crime, violence, child abuse, and other high-risk behaviors.

Increased funding for the TGYS Program would increase both the number of agencies providing services and the number of individuals who can access services through existing agencies. At its peak, the TGYS Program spent \$9.2 million and served 85,000 individuals. Currently, the TGYS Program spends \$3.8 million to serve 27,000 individuals.

The demand for TGYS dollars in local communities clearly outpaces available funding. In FY 2005-06, during the last open competitive application process, only 114 out of 348 agencies that applied received TGYS funding. While an additional appropriation will not completely satisfy the demand for funds, it will clearly help address the significant fiscal need at the local level.

Most importantly, the TGYS Program positively addresses a myriad of issues facing Colorado's children and youth. Our 2005 Youth Risk Behavior Survey and the Colorado Healthy Kids Survey tells us that Colorado's children and youth experience poor school performance, bullying in schools, and high rates of substance use. Many of these issues, such as school performance, affect African-American, Hispanic, and low-income youth

¹ \$300,000 was appropriated from the General Fund into the Colorado Student Before and After School Project Fund, and expenditures will occur from the fund.

disproportionately when compared to Caucasian, Asian, or high-income youth. To address this disparity, the TGYS Program has focused the last two fiscal years (2006-07 and 2007-08) on these specific populations, with Hispanics comprising 52% and African-Americans 9% of the children and youth served (currently, Hispanic children and youth comprise 21% of Colorado's population, and African American children and youth comprise 4% of the state's population.) Statewide TGYS Program evaluations for these two fiscal years showed participants demonstrated improved school grades and attendance, decreased bullying, and decreased use of alcohol, tobacco, and marijuana.

Over the past three years, the TGYS Program infrastructure has been strengthened to ensure accountability and results. Planning and processes explicitly link the resources and activities of the program with its goals and outcomes; the grant application process has become more thorough and standardized; and applicant organizations are required to demonstrate they meet the Uniform Minimum Standards created by the Prevention Leadership Council and adopted by the State Board of Health in April 2004 (guidelines for implementing effective prevention and intervention programs for children and youth). The TGYS Program and the Prevention Leadership Council have a strong partnership and together ensure that TGYS funds are used effectively and efficiently throughout the state system and the community.

Consequences if Not Funded:

If additional funds are not appropriated to the TGYS Program, the program will not be able to expand grant making to reduce youth crime, violence, child abuse, and other high-risk behaviors.

Calculations for Request:

Summary of Request FY 08-09	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
Increased Appropriation	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0

Summary of Request FY 09-10	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
Increased Appropriation	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0

In the past three years, the ratio of administrative expenses in the program has been low:

FY	Grants Allocation	Administrative Costs	Total Appropriation	Percentage Administrative Expenditures
04-05	\$3,306,005	\$111,861	\$3,417,866	3.3%
05-06	\$3,353,819	\$118,994	\$3,472,813	3.4%
06-07	\$6,932,116	\$259,200	\$7,191,316	3.6%
FY 2007-08 Estimated expenditures	\$3,623,066	\$253,089	\$3,876,155	6.5%

08-09 - With the addition of \$1 million, administrative costs will be near 5% with an estimated \$5.3 million in appropriation.

Impact on Other Government Agencies: Not Applicable

Cost Benefit Analysis: In FY 2008-09, with the addition of \$1 million, TGYS would be able to fund 25 to 30 more agencies and serve approximately 5,000 to 6,000 more children and youth with effective prevention and intervention services. Since the TGYS Program is statutorily mandated to fund a diverse array of programs including early childhood, student dropout prevention, mentoring, after school, and other violence prevention strategies, it is

difficult to provide a cost-benefit analysis of the program overall. However, based on the statewide TGYS Program evaluation and cost-benefit research in the prevention field, it is anticipated that the benefits and cost-savings of these services will outweigh their cost.

One study conducted by the Washington State Institute for Public Policy, in partnership with the State of Washington, examined the benefit of several research-based prevention and intervention programs. (Benefits and Costs of Prevention and Early Intervention Programs for Youth, September 17, 2004, www.wsipp.wa.gov, queried March 17, 2006) Many of the Washington programs included in this study are also implemented in Colorado, and funded by the TGYS Program. The following programs were demonstrated to provide significant benefit per dollar of cost.

TGYS-Funded Program	Measured Benefit per Dollar of Cost
HIPPY (Home Instruction for Parents of Preschool Youngsters)	\$1.80
Parents as Teachers	\$1.23
Big Brothers / Big Sisters (taxpayer costs only)	\$3.28
Other Social Influence/Skill Building Substance Prevention Programs	\$70.34
Diversion Programs with Services	\$5.58

Also, as was demonstrated in the statewide TGYS Program evaluation, local TGYS-funded programs reduce delinquency and improve school performance (by improving attendance, school bonding, and grades, and thereby reducing dropout) among participants. The literature demonstrated that these issues draw significant costs through the loss of productivity in the workforce, healthcare and clinical treatment costs, and court costs.

Concerning school performance, a report entitled “The Costs and Benefits of Truancy Reduction Efforts in Colorado” produced by the Colorado Foundation for Families and Children (and funded by the Colorado Department of Public Safety) in August 2002

states that individuals who graduate from high school become productive citizens and contribute to the workforce and to the tax base. See Table 1.

Table 1 Lifetime Savings in Public Social Programs, Increases in Tax Revenues, and Increases in Disposable Income Associated with High School Graduation versus Dropping Out, by Gender and Ethnicity					
Race and Gender	Government Costs Avoided		Additional Tax Revenues Paid to Government	Total Government Savings*	Additional Lifetime After-Tax Income for HS Graduates
	Total Costs Avoided	% Due to Criminal Justice Savings			
Men					
White	\$ 72,274	48%	\$115,812	\$ 188,086	\$ 223,647
Black	203,329	70%	93,859	297,188	176,130
Asian	145,541	56%	110,848	256,390	208,906
Mexican	112,333	60%	89,856	202,189	170,406
Other Hispanic	129,966	60%	94,427	224,393	176,517
Women					
White	\$ 60,663	4%	\$129,695	\$ 190,359	\$ 254,007
Black	126,283	9%	98,169	224,452	187,149
Asian	100,961	10%	134,441	235,402	255,631
Mexican	90,876	7%	102,484	193,360	194,738
Other Hispanic	123,942	4%	104,921	228,863	199,749

* Total government savings equals government expenditures saved plus additional tax revenues earned.

Source: Data provided by Dr. Richard Krop, as calculated for Vernez, Krop and Rydell, 1999.

Additionally, it has been shown that the TGYS Program prevents youth from entering the judicial system through restorative justice and diversion programs, therefore lowering county-level court costs. Table 2 demonstrates the cost of juvenile courts in FY 2000-01 in three counties in Colorado. The TGYS Program serves over 50 counties per year in Colorado with a variety of services, and it is expected that the cost-savings will occur at many levels throughout the state.

Table 2			
Estimated Court Costs Associated with Juvenile Delinquency in Adams, Denver, and Pueblo Counties, 2000-01			
	Adams	Denver	Pueblo
Personnel costs	\$705,426	\$1,893,459	\$170,422
Operating expenses	\$104,316	\$280,000	\$25,202
Total cost for all types of juvenile cases	\$809,742	\$2,173,459	\$195,624
Total of all types of juvenile cases	2,912	5,803	1,357
Number of juvenile delinquency cases	1,226	2,323	591
Percent of juvenile cases that are delinquents	42%	40%	44%
Court costs attributable to delinquency	\$340,092	\$890,207	\$85,197.85

Source: Colorado State Judicial Department, and the Denver, Adams, and Pueblo County courts.

Implementation Schedule:

Task	Month/Year
Funding	
Request for Applications Process (The TGYS Program will be holding an open, competitive application process for its current appropriation early next year. If additional funds are received through this decision item, the Board will use this process to allocate the additional funds as well.)	January – March 2008
Application Review Process	April – May 2008
Board decision-making process	May – June 2008
Recommendations sent to Governor’s Office	June 2008
Contracting Process	July – September 2008
TGYS grants begin	September – October 2008

Statutory and Federal Authority:

Section 25-20.5-201, C.R.S.: In addition, the division shall monitor the effectiveness of programs that receive funds through the Tony Grampas youth services program.

Section 25-20.5-202, C.R.S.: (c) In addition to the guidelines and criteria developed pursuant to paragraphs (a) and (b) of this subsection (2), the board shall develop result-oriented criteria for measuring the effectiveness of programs that receive grants under the Tony Grampsas youth services program as deemed appropriate to the nature of each program including, but not limited to, requiring grantees to evaluate the impact of the services provided by the program. Any criteria developed pursuant to this paragraph (c) for measuring the effectiveness of student dropout prevention and intervention programs established pursuant to section 25-20.5-204 shall include the implementation of a method by which to track the students served by the program to evaluate the impact of the services provided, which tracking shall continue, if possible, for at least two years or through graduation from a secondary school, whichever occurs first.

Section 25-20.5-203, C.R.S.: In relationship to youth mentoring programs, grantees must: VII) Implement a method of evaluating the effectiveness of the community-based youth mentoring program and tracking the youths served by the program to evaluate the impact of the services provided through the program; and (VIII) Report annually to the board concerning the results of the entity's evaluation of youths served by the community-based youth mentoring program as well as the fiscal contributions made by the entity to the program and such other information that the board may require.

Section 25-20.5-204, C.R.S.: In addition, the division shall monitor the effectiveness of programs that receive funds through the student dropout prevention and intervention program.

Section 25-20.5-205, C.R.S.: This legislation passed in 2007 and has not been published as of yet. However, it states in article (3)(a) that the division shall monitor the effectiveness of programs that receive money from the before-and-after-school project.

Performance Measures:

This Decision Item does not specifically support any of the Department's performance measures as described in the Strategic Plan. However, the Decision Item is necessary in order that the Department continue to provide support for quality programs across the state that help prevent youth violence.