



Executive Summary

Invest in Success. Divest from Distress. *A Transformational Approach*

Families in their many shapes and forms are the keystone of our nation. The Family Success Institute (FSI) provides critical support to communities, policymakers, human service administrators, and - most importantly - families, to develop proactive, equitable and innovative policy and practice solutions to intractable social problems. Our approach and values are universal and apply to *all* families; our priority is to support vulnerable, primarily low-income children, youth, families and communities.

Why Family Success?

Despite all the money, resources and energy we spend, our country has some of the worst child and family outcomes in the developed world. Even after decades of trying to reduce the symptoms of family distress through an enormous outlay of public and private investments, we are mired in a vast number of disconnected, casualty-based, crisis-driven programs and services that do not adequately address the barriers to success that many families face. There are negative social and financial implications to sustaining a symptom-focused, crisis-driven approach. The national cost associated with childhood poverty, including public assistance, health care, reduced tax revenues, and criminal justice involvement, has recently been estimated at about \$1.03 trillion per year, or 5.4% of the GDP¹. The human costs are incalculable and unacceptable. We need a fresh approach.

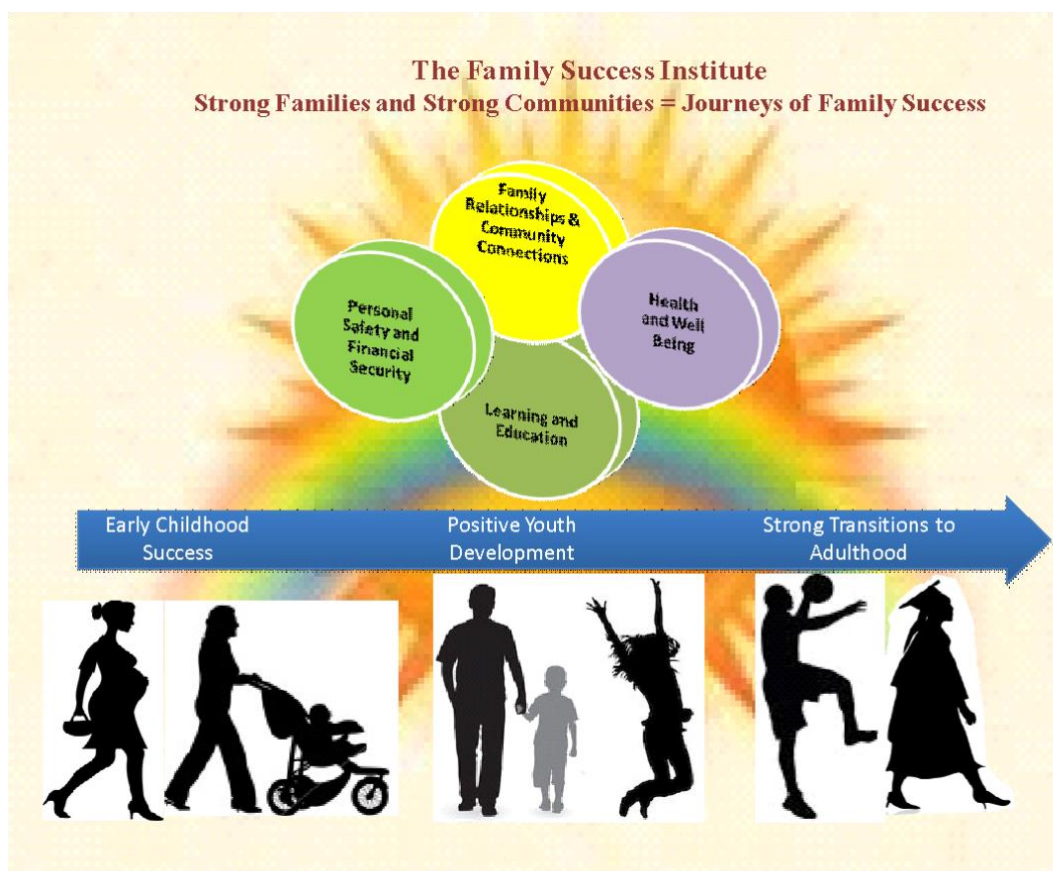
The Family Success Institute promotes a transformational shift in thinking, policy, funding and practice, away from a primary focus on reacting to symptoms of family distress toward investments in comprehensive, coordinated supports for child, youth, family and community success.

Our vision is for every family and community to have the resources, opportunities and support they need to successfully raise their children from birth to young adulthood.

¹McLaughlin, M. and Rank, M. (2017). Estimating the cost of childhood poverty in the United States. St. Louis, MO: Washington University. <https://confrontingpoverty.org/wp-content/uploads/2017/02/PAPER15.pdf> accessed 5/09/19

The Family Success Approach

There are three key components of our approach: 1) our developmental framework, Journeys of Family Success, spanning across the stages of child and youth development and four main pillars prerequisite to family success; 2) our commitment and support for family and community leadership and voice; and 3) our public policy stance, summed up in our mantra, “Invest in success. Divest from distress.”



The shift from distress-focused to comprehensive, success-focused approaches requires the mobilization of policymakers, leaders of public and private organizations and individuals towards a common holistic vision that guides policies and procedures, organizational structure, program and funding strategies, and evaluation and public dialogue. Ultimately, the realization of transformative, systemic change will require horizontal and vertical policy and funding realignment.

A Review of the 2018 New Jersey State Budget Appropriations, including Federal Funds, from the Family Success Framework Perspective, and Recommendations

We are informed by a rich and expanding research literature on the effects of early supportive and preventive programs and best practice interventions that mitigate the probabilities of a panoply of distressful life outcomes for children and youth as they grow to adulthood, especially

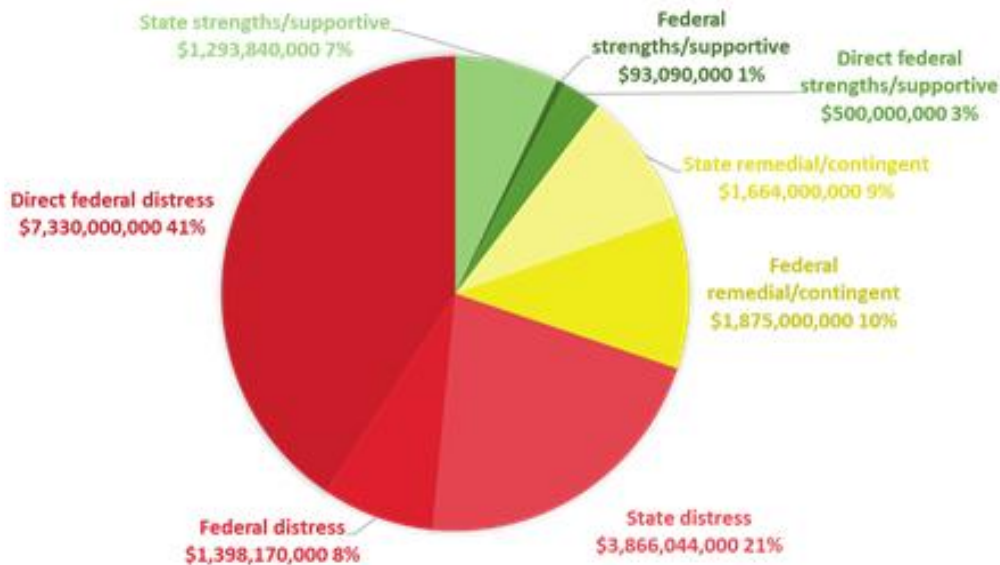
those in disadvantaged neighborhoods. These outcomes include educational failure and incarceration, which are painful, humiliating, and costly. Distressful negative life outcomes not only create the need for expensive governmental responses but also reduce the productivity and overall well-being of society.

Perhaps the clearest starting point in moving toward positive change is to understand how we currently spend scarce and dear taxpayer resources to support children, youth and families. To this end, we have undertaken an analysis of state spending in the 2018 New Jersey budget, including federal dollars flowing through state agencies, as well as direct federal payments to individuals in New Jersey.

Summary Findings and Recommendations

The Family Success Institute endeavored to determine how public spending in New Jersey relates to children, youth and families by applying the Family Success framework to the state budget and to federal funds flowing to the state - a developmental perspective not typically applied to governmental fiscal documents. Studying governmental budgets from this perspective shed clear light on the extent to which taxes appropriated for people-facing social programs are heavily weighted toward distress-based programs primarily for adults - programs that do little to actually solve the problems of families or society.

Of the \$18 billion spent on programs and services, nearly \$13 billion state and federal dollars go toward human distress.



Only 10%, or about \$1.9 billion, goes toward strengths-based, supportive or preventive programs.

State and federal funds. Summary. New Jersey 2018 State and Federal Appropriations by the FSI Framework.

		NJ state and federal 2018 appropriations by developmental stages				
Appropriations by category		Early childhood	Youth	Adult and transitions to adulthood	Family context	Totals
Supportive/preventive	State	\$667.47M	\$10.5M	\$483.82M	\$132.05M	\$1.294B
	Federal	\$42.86M	\$48.48M	\$0	\$1.75M	\$93.09M
	Direct federal payments, if any			\$500M estimated Pell grants		\$500M
	<i>Total, state plus federal</i>	<i>\$710.33M</i>	<i>\$58.98M</i>	<i>\$983.82M</i>	<i>\$133.8M</i>	<i>\$1.887B</i>
Contingent/remedial	State	\$141.82M	\$895.96M	\$569.58M	\$56.42M	\$1.664B
	Federal	\$192.29M	\$735.04M	\$657.37M	\$290.25M	\$1.875B
	Direct federal payments, if any					
	<i>Total, state plus federal</i>	<i>\$334.11M</i>	<i>\$1.631B</i>	<i>\$1.227B</i>	<i>\$346.67M</i>	<i>\$3.539B</i>
Distress	State	\$623.60M	\$558.86M	\$2.684B	\$0	\$3.866B
	Federal	\$274.2M	\$120.95M	\$1.003B	\$0	\$1.398B
	Direct federal payments, if any			estimated \$7.33B total direct SNAP, TANF, SSI/SSDI and Section 8 vouchers		\$7.33B
	<i>Total, state plus federal</i>	<i>897.8M</i>	<i>\$679.81M</i>	<i>\$11.017B</i>	<i>\$0</i>	<i>\$12.594B</i>
Totals	State	\$1.433B	\$1.465B	\$3.737B	\$188.47M	\$6.823B
	All federal	\$509.35M	\$904.01M	\$9.542B	\$292M	\$11.247B
	State plus all federal	\$1.942B	\$2.369B	\$13.279B	\$480.47M	\$18.07B

As reflected in the summary table above, it is clear that, by far, the preponderance of state and federal appropriations for social programs go toward dealing with adults who are in distress. Approximately \$3.866 billion of New Jersey's state tax dollars are spent on distress-related programs, of which \$2.864 billion go toward adults. Adding in federal dollars, another \$8.7 billion goes toward adults in distress, for an overall total of \$12.594 billion dollars.

Recommendations

Our primary recommendations are:

Recommendation #1

We strongly recommend full implementation of those positive supports and earlier interventions that are known to prevent distress and increase the success of vulnerable children, families and youth, at enough capacity to serve all in need, along with stronger support for those contextual programs that provide all families with a sense of community and well-being. Doing so, our state policies can at least begin to shift state dollars, and perhaps even some federal dollars, toward more cost-effective, research-informed and kinder approaches to solving our most pressing social problems. Rigorous research informs us that substantial economic returns to New Jersey taxpayers will follow. This approach alone, however, is necessary but insufficient.

Recommendation #2

Changing this situation will require much more than increasing the capacity of known best practice programs like those mentioned above. While individual high quality programs are necessary, the challenges faced by New Jersey's families today are often multi-faceted, complex, inter-generational and exacerbated by the contextual environment. These problems often cannot be solved with one narrowly focused program. We strongly recommend that a state-local systems approach for integrated planning, service delivery and evaluation that is resolutely focused on family success as an urgent objective is required. This system should be cross-agency, multi-contextual, interdisciplinary and collaborative. New Jersey must more comprehensively invest in success by bending all policy efforts together toward the support of family success, especially for the state's most vulnerable people, so that, going forward, social challenges are less likely to become complex, embedded and inter-generational.

Recommendation #3

What are the steps to bring these changes to fruition? We strongly recommend the formalization of a new comprehensive state Family Success policy with the establishment of a Family Success Council appointed by the governor and the legislature, to align various policies and resource allocation with the overall family success policy, to organize and integrate state and local partnerships in support of the overall policy, and to oversee local demonstration initiatives in which policies may be piloted on the ground. The Family Success Council could be comprised of state and county agency leadership, community stakeholders, parents and youth, advocates, private sector leaders and public figures.

Recommendation #4

We strongly recommend that local demonstration initiatives could be created in geographic jurisdictions that are willing to serve as demonstration sites for new state policies. Qualified backbone, anchor or intermediary organizations could lead these efforts. Sites could be chosen

based on the level of need in the local communities, local capacity, and the commitment of the community stakeholders. Each initiative should establish measurable goals for outcomes and impact, and each should be independently evaluated with process and summary approaches.

Recommendation #5

Finally, the work of this new family success system would eventually be financed through savings to distress-based programs as families and individuals reap the benefits of stronger earlier supports and subsequent levels of need for distress-based programs decrease. However, an allocation of funds would be required to catalyze statewide coordination with the new overall policy and local strategic plans, and to development the necessary infrastructure. We strongly recommend that a phased in redirection of 2 percent of what is currently spent in state and federal dollars on distress through New Jersey's governmental programs, estimated at approximately \$5.264 billion, go toward the creation of a new Family Success fund of about \$100 million. This fund would be created with existing funds drawn from across multiple agencies. Mainly those agencies would be the Department of Children and Families, the Department of Corrections, and the Department of Human Services, although other departments such as the DOE, the DOH, the DCA and the DLWD would also be critical partners in this effort. These agencies would benefit from those redirected funds through the implementation of mission-related, best practice, supportive policies and programs that would impact the people that those departments serve.

Taken altogether, these recommendations would be a potent remedy to the human distress in our state and the cost of that distress, offering powerful, positive alternatives to the current mode of operation. A growing body of research indicates that earlier, high quality supportive/preventive, integrated programs and policies for children, youth and families are smart investments that produce measurable benefits that save costs down the road. Indeed, it has been estimated that ending child poverty would return between \$7 and \$12 dollars to society per dollar invested in the effort². We need to get serious about family success in New Jersey.

² McLaughlin, M. and Rank, M. (2017). Estimating the cost of childhood poverty in the United States. St. Louis, MO: Washington University. <https://confrontingpoverty.org/wp-content/uploads/2017/02/PAPER15.pdf> accessed 5/09/19