

Child Care Pilot: Preliminary Analysis of Santa Clara County, FY 2018-2019

Assembly Bill (AB) 2368 authorizes an individualized child care subsidy plan (the pilot) for Santa Clara County to ensure that funding for child care subsidies in the county address local needs and priorities. The pilot aims to meet the early education and child care needs of families in Santa Clara County through policies that support low-income families and promote stable care. The pilot will also expand subsidized care by implementing policies that improve reimbursement rates for contractors, promote contractor retention, and reduce unearned contract funds. In 2018, Santa Clara’s Pilot Plan and Pilot Reimbursement Rate for CCTR and CSPP were approved. This analysis details preliminary findings from the first full fiscal year of the pilot’s implementation (2018-2019).

Of the Children Newly Enrolled in the 2018-2019 Fiscal Year, the Total Number in the Pilot Income Threshold Range:

1,380

Total Amount of Earned Pilot Contract Funds:

\$47,775,256¹

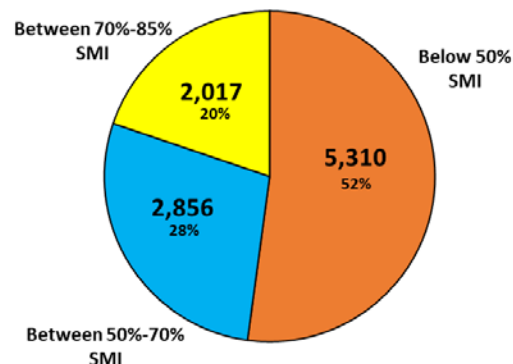
Key Findings from FY 2018-2019

- For the 2018-2019 fiscal year, the Santa Clara County pilot served a total of 10,228 children. There were 280 more children served than the previous fiscal year. Among the five contract types in the pilot, CMIG had the largest increase in the number of children enrolled.
- This year, more parents and guardians listed “seeking employment” as the primary reason for receiving care. Last year, 333 parents listed “seeking employment” compared to 582 parents this year, representing an increase of 75%.
- In the first full year of the pilot’s implementation, the County earned \$47,775,256 of its contracted funds, which was \$3,834,573 more than the previous year.

The largest share of children (4,309) were enrolled in Alternative Payment Programs.

Contract Type ²	Number of Children Receiving Care
California State Preschool Program (CSPP)	3,841
Center Based Child Care (CCTR)	1,667
Migrant Child Care (CMIG)	184
Family Child Care Home Education Network (CFCC)	227
Alternative Payment (AP)	4,309
TOTAL	10,228

About 20 percent of the children served had a family income between 70-85% of SMI.

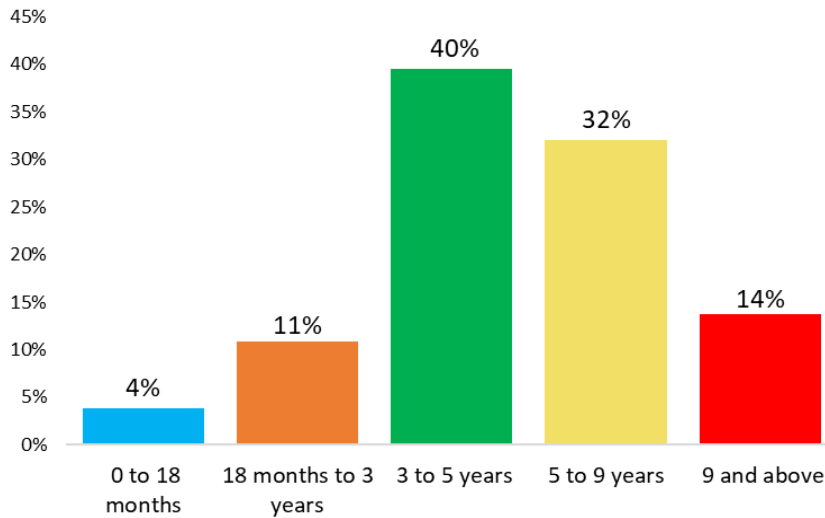


Source: April 801A data provided by contractors. Note: 45 children did not have data regarding income and are not included in the pie chart.

¹ This is a preliminary calculation using data from the 4th quarter attendance and fiscal forms. This calculation only contains dollars earned by CCTR and CSPP contracts.

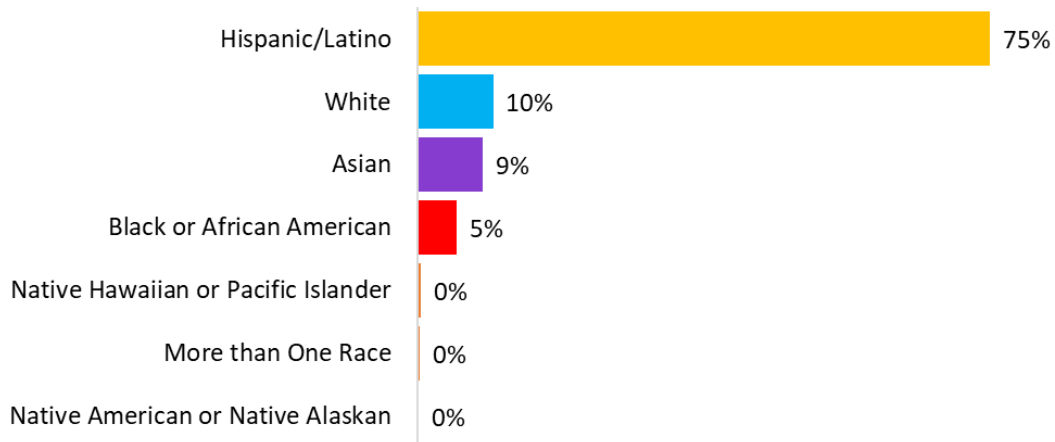
² See p.3 & 4 for a description of each contract type

The second largest share of children were enrolled in CSPP programs, which explains why the largest share of the children served (40%) are between three and five years old.



Source: April 801A data provided by contractors.

A majority (75%) of children that received childcare were Hispanic/Latino.



Source: April 801A data provided by contractors.

Most parents and guardians listed “seeking employment” as their primary reason for receiving childcare.

Reasons for Receiving Services	CSPP	CCTR	CFCC	CMIG	AP	Total
Both Employment and Education/Vocational Training	53	57	3	0	55	168
Child Protective Services or At-Risk	3	4	0	0	141	148
Education/Vocational Training	56	46	8	0	200	310
Employment	1,079	1,450	200	176	3,526	6,431
Parent/Caretaker Incapacitated	14	23	0	4	55	96
Part-Day CA State Preschool Program	2,469	0	0	0	0	2,469
Seeking Employment	159	85	16	3	319	582
Seeking Permanent Housing	8	2	0	1	13	24
Total	3,841	1,667	227	184	4,309	10,228

OVERVIEW OF CDE / CHILD CARE AND DEVELOPMENT PROGRAMS

The Budget Act of 2015 appropriated \$2.4 billion for the California Department of Education's (CDE) Child Development Programs in a mix of 76 percent state funds and 24 percent federal funds. Approximately 1,300 contracts are dispersed through approximately 713 public and private agencies statewide to support and provide services to almost 400,000 children.

Local Child Care and Development Planning Councils

Local child care and development planning councils (LPCs) support the overall coordination of child care services in each of the 58 counties. The LPCs are mandated to conduct assessments of county child care needs and to prepare plans to address identified needs. These assessments must contain information on the supply and demand for child care, including the need for both subsidized and nonsubsidized care.

General Child Care & Development: Center Based Child Care (CCTR) & Family Child Care Home Education

Networks (CFCC)

General child care and development programs are state and federally funded programs that use centers and family child care home networks operated or administered by either public or private agencies and local educational agencies. These agencies provide child development services for children from birth through 12 years of age and older children with exceptional needs. These programs provide an educational component that is developmentally, culturally, and linguistically appropriate for the children served. The programs also provide meals and snacks to children, parent education, referrals to health and social services for families, and staff development opportunities to employees.

Migrant Child Care and Development

Migrant child care and development programs provide services to families who earn at least 50 percent of their total gross income from employment in fishing, agriculture or agriculturally related work during the twelve month period immediately preceding the date of application.

Migrant Program (CMIG)

Migrant child care and development programs use centers and family child care home networks operated or administered by either public or private agencies and local educational agencies. These programs provide child development services for children from birth through 12 years of age and older children with exceptional needs. These programs provide an educational component that is culturally, linguistically, and developmentally appropriate for the children served. The programs also provide meals and snacks to children, parent education, referrals to health and social services for agricultural families, and staff development opportunities to employees.

California State Preschool Program (CSPP)

Assembly Bill 2759 (Chapter 308, Statutes of 2008) created the California State Preschool program. This program consolidated the funding for State Preschool, Prekindergarten and Family Literacy, and General Child Care center-based programs serving eligible three- and four-year-old children to create the California State Preschool Program, the largest state-funded preschool program in the nation. The program provides both part-day and full-day services that provides a core class curriculum that is developmentally, culturally, and linguistically appropriate for the children served. The program also provides meals and snacks to children, parent education, referrals to health and social services for families, and staff development opportunities to employees. The program is administered through local educational agencies, colleges, community-action agencies, and private nonprofit agencies.

Alternative Payment Program

Alternative payment programs (APPs), funded with state and federal funds, offer an array of child care arrangements for parents, such as in-home care, family child care, and center-based care. The APP helps families arrange child care services and makes payment for those services directly to the child care provider selected by the family. The APP is intended to increase parental choice and accommodate the individual needs of the family.