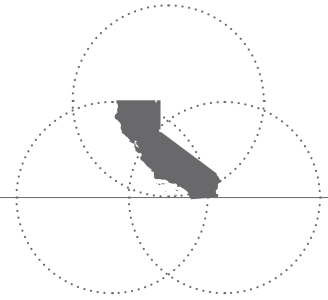


CHILDREN NOW

# CALIFORNIA'S EARLY LEARNING & DEVELOPMENT SYSTEM

A REVIEW OF FUNDING STREAMS  
AND PROGRAMS



JUNE 2010



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## INTRODUCTION

The need for quality early learning and development opportunities in California remains largely unmet, despite investments made to the effort. Just 6% of spaces in licensed child care and development centers are available for infants and toddlers under age two.<sup>1</sup> Only half of three- and four-year-old children in economically disadvantaged families attend center-based preschool programs.<sup>2</sup> And the quality of these settings runs the gamut, from poor to excellent. The well-being of the state's youngest children depends on increased access to more quality early learning opportunities and the development of a coordinated, comprehensive system of services that can assist young children and their families.

California has begun to take some important steps in improving access and quality. With prompting and funding from the federal government, the state established the California State Advisory Council on Early Childhood Education and Care (ELAC) in November 2009 to expand on the work of the California Early Learning Quality Improvement System Advisory Committee. ELAC will make recommendations in several important policy areas, including identifying opportunities for state agencies

that administer various early learning and development programs to improve coordination; increasing access for more young children to existing programs; and establishing an early learning data system that can help inform and monitor the progress of programs and services for young children.

In taking on such a task, the ELAC and policymakers must first map out the state's current early learning and development system. California invests nearly \$4 billion annually in state and federal funds on early learning and development programs and support services.\* Other large-scale initiatives, such as Head Start, Early Head Start, and First 5 state and county commissions invest nearly \$1.4 billion annually in the state's young children and their families. Additionally, a large private market of non-publicly-funded programs and providers plays an important part in the state's overall early learning and development infrastructure.

This guide is intended as a resource for ELAC and California policymakers, to help them navigate the state's numerous early learning and development programs and services, and range of available funding streams.

\*Estimate based on the latest years of funding available for individual programs. See Appendix 4 on page 24 for more information. In addition to funding for programs dedicated primarily to children, birth to age five, this estimate includes some funding for children through age 12, or up to age 21 for those with special needs. As much as available data allows, this guide will focus on children, birth to age five.

## BASIC TERMS

### Publicly-funded Early Learning and Development

This term includes direct services and services that support the safety and quality of early learning environments. Direct services are subsidies that pay for infant and toddler care and preschool for three- and four-year-olds in a variety of private and public settings, as well as special education and nutrition services for young children. Services that support the safety and quality of early learning environments include investing in licensing child care facilities, professional development for teachers and providers, providing parents resources and referrals to find child care, and other services. See facing page for all programs and services covered in this guide.

### Types of Care

The ways in which early learning and development services can be delivered to a family are generally categorized as either center-based or home-based care and as either licensed or license-exempt care.

[ 1 ].

### Early Learning and Development Centers

A child care facility with structured hours of operation that typically serve larger numbers of children than a family child care home.

[ 2 ].

### Family Child Care Home

Child care provided in a home can either be licensed as large (for up to 14 children) or small (for up to eight children) depending on the number and ages of children served.

[ 3 ].

### Licensed Care

Services delivered by a provider that has been licensed by the state. Licensing requirements include staff ratios, training and health and safety conditions. Most centers and family child care homes must be licensed.

[ 4 ].

### License-Exempt Care

Child care by a provider that is not licensed by the state. A license is not required in the following cases: care by relatives, care provided in a child's own home, care in some public recreation programs and care in a provider's home, if that individual only cares for children from one other family.

### Eligibility Requirements

State early learning and development programs are targeted to specific groups of children with first priority given to families who receive Child Protection Services, but to be eligible for federal and state subsidized services, families generally must be low-income and those families with the lowest-in-

comes are served first. Additionally, some programs require families to demonstrate the need for services.

[ 1 ].

### Low-income

For federal programs: Up to 100% of the federal poverty guideline (\$18,310 for family of three)

For state programs: Up to 75% of the state median income (\$45,228 for family of three)

[ 2 ].

### Need

Parent(s) meet any of the following:

- > are employed;
- > are seeking employment;
- > are in vocational training/education program;
- > are seeking permanent housing;
- > are incapacitated.

### Applying for Services

CalWORKs-eligible families apply at their local county welfare department to receive child care services, while Non-CalWORKs-eligible families apply for services using their county Centralized Eligibility List (CEL) or local "waiting list." Currently, there are nearly 150,000 eligible children, birth to age five, waiting on county CELs throughout the state.<sup>3</sup>

### Funding Mechanisms

California state government funds the delivery of early learning and development programs through two primary mechanisms: vouchers for families and contracts with public and private providers.

[ 1 ].

### Contracts

Public and private nonprofit and for-profit agencies throughout the state contract with CDE's Child Development Division (CDD) to administer various early learning and development programs to low-income families. CDD reimburses these agencies for children served based on a state standard reimbursement rate.

[ 2 ].

### Vouchers

Vouchers are issued via Alternative Payment Programs (APPs) to pay for parent-selected child care services provided by programs and providers who do not contract directly with CDE. These entities include licensed center-based programs, licensed family child care homes and license-exempt home-based care.

## SUMMARY OF PUBLICLY-FUNDED PROGRAMS

### SERVING INFANTS AND TODDLERS

- › Early Head Start
- › General Child Care and Development
- › Early Intervention — 1) Early Start Early Intervention, 2) Special Education Infant Program, 3) Early Start, 4) Prevention Program

### SERVING THREE- TO FIVE-YEAR-OLDS

- › Head Start
- › California State Preschool Program
- › Special Education — 1) Special Education Preschool Grant, 2) Preschool Local Entitlement

### SERVING BIRTH TO AGE FIVE (AND BEYOND)

#### Programs

- › CalWORKs Child Care — Stages 1, 2 and 3
- › Cal-Learn
- › Non-CalWORKs Alternative Payment Program
- › California School Age Families Education Program (Cal-SAFE)
- › Title I, Part A Preschool
- › Migrant Child Care and Development
- › Education for Homeless Children and Youth
- › Child and Adult Care Food Program
- › Even Start Family Literacy Program
- › Striving Readers (formerly Early Reading First)
- › Severely Handicapped Program
- › Community Colleges CalWORKs Child Care Stage 2
- › Community Colleges Cooperative Agencies Resources for Education
- › Community Colleges Early Learning Laboratory Schools (95 campuses)
- › Community Colleges Child Care Tax Bailout
- › Campus-based Early Learning Development Centers and Child Care Subsidy Programs funded by Child Care Access Means Parents in School Program

### Quality Improvement and Other Support Services

- › CDE Early Learning Quality Improvement Activities (37 programs including Resource and Referral Programs, Local Child Care and Development Planning Councils, Program for Infant Toddler Care and California Early Childhood Mentor Program)
- › Community Care Licensing
- › County Centralized Eligibility Lists
- › Child Care Facilities Revolving Fund

### Birth to Five Systems Development Efforts

- › First 5 California (including Power of Preschool, School Readiness and CARES programs)
- › First 5 County Commissions (including Quality Rating and Improvement Systems, Preschool and Infant/Toddler Care, Workforce Development and Support Services, School Readiness Programs, Home Visitation Programs, Developmental Screening Initiatives, Preventative Health and Oral Health Services)
- › The California Early Learning Advisory Council and California Early Learning Quality Improvement System Advisory Committee

## SECTION I: FUNDING STREAMS

### OVERVIEW

California's public early learning and development programs and related services are funded through a range of federal, state and local sources. The purpose and scope of these funding streams vary broadly: some sources are dedicated primarily to serving children, birth to age five, and their families, while others can also be utilized for assisting older children and adults. In addition to age, there are other eligibility requirements, including but not limited to income, special needs and mental health status, or homelessness. Some funding sources directly finance child care or preschool opportunities, others fund support services for children and families, quality improvement efforts and professional development initiatives for the workforce. It is common for state and local agencies, community-based organizations, institutions of higher education and other entities to braid (coordinate) and/or blend (integrate) a variety of funding sources in order to provide early learning and development programs and services.

Given that California's early learning and development system is pieced together from a myriad of funding sources, it is essential that policymakers and other leaders charged with strengthening the state's system, such as the members of the newly established Early Learning Advisory Council, carefully review all available resources as they begin the process of building a more efficient and coherent system.

Part A of this section describes the main federal funding sources that are currently utilized in California to support early learning and development programs and related services, while Part B reviews state and local funding streams.

### PART A: FEDERAL FUNDING SOURCES

Annual federal investments in early childhood programs have been relatively stagnant since 2004.<sup>4</sup> Spending on young children did increase under the American Recovery and Reinvestment Act of 2009 (ARRA), but not proportionately to other federal spending.<sup>5</sup> Experts project that as ARRA provisions expire, costs of mandatory federal programs like Social Security and Medicare expand, and interest on debt increases, expenditures directed toward children of all ages will shrink over the next decade,<sup>6</sup> pushing the cost of taking care of the nation's young children more and more on states and local entities. Given this reality, California must ensure

that it is efficiently using its current resources and effectively preparing for any potential new federal funding sources.

The six major federal funding streams that are currently utilized toward early learning and development in California are:

- > Head Start/Early Head Start
- > Child Care and Development Fund (also known as the Child Care Development Block Grant)
- > Temporary Assistance to Needy Families
- > Social Services Block Grant
- > Child and Adult Care Food Program
- > Individuals with Disabilities Education Act

The following section will provide a synopsis of each of these major funding sources, including information on their intended purpose, how funds are distributed to states and local entities, and levels of funding for California. There are several other smaller-scale federal funding sources that support state and local programs and services for young children in California, as indicated in *Appendix 1: Chart 1* on page 19. Information about these additional funding streams is available in *Appendix 2* on page 21.

#### Head Start and Early Head Start

Head Start provides educational, health, nutritional and social services to children, three to five years old, and their families, with incomes below the federal poverty guidelines (\$18,310 in 2010 for a family of three).<sup>7</sup> Early Head Start was established in 1994 to provide similar services for pregnant women and children younger than three years old. Through the Office of Head Start regional offices, funds are sent directly to local grantee agencies (such as nonprofit and for-profit community-based organizations, universities or county offices of education) rather than to state agencies.<sup>8</sup> There are currently 162 local grantee and delegate agencies in California administering Head Start and Early Head Start grants,<sup>9</sup> and many of these sub-contract with other community entities to provide services.<sup>10</sup>

#### Child Care and Development Fund

Also referred to as the Child Care Development Block Grant

### CALIFORNIA COULD SERVE MORE INFANTS AND TODDLERS WITH CCDF

Nationally, CCDF is most commonly utilized to serve children under age six. In 2008, 65% of the nation's children in CCDF-funded child care were birth to age five, while the rate for California was 60%.<sup>12</sup> With further data analysis, however, it is clear that the majority of young children served in California were of preschool-age. In fact, California, ranks last among the 50 states in the percentage of CCDF funds utilized to serve infants and toddlers.<sup>13</sup>

Given the U.S. Department of Health and Human Services compiles extensive national and state data on CCDF, it is possible to track how California annually distributes funds by children's age, type of program and more. Unfortunately, a similar level of disaggregated data is not available for other federal, state and local funding streams. Policymakers must ensure access to disaggregated data, so stakeholders can sufficiently monitor the state's progress in serving children, birth to age five.

## ANOTHER POTENTIAL FEDERAL FUNDING SOURCE FOR EARLY LEARNING AND DEVELOPMENT: TITLE I

Title I, Part A of the Elementary and Secondary Education Act provides flexible federal funding to high-poverty school districts and schools for school-wide and targeted assistance programs that are designed to improve student achievement. While Title I, Part A is used primarily for elementary and secondary education services, local education agencies can utilize these funds to finance direct services and related expenditures for children, birth to the age of school entry, in programs directly operated by schools or other entities in the community.<sup>14</sup>

In FY 2008-2009, less than 1% (\$9.5 million<sup>15</sup>) of Title I, Part A funds allocated to California LEAs served children, birth to age five.<sup>16</sup> Of the 1,538 LEAs that received these funds, only 43 (fewer than 3%) dedicated funds toward early learning and development.<sup>17</sup> Since LEAs are not required to report the specific ages of young children served or types of services provided, it is unclear how many children, birth through age two, were served. Consistent with national trends,<sup>18</sup> it appears that LEAs in California most commonly utilize funds used for early learning and development on preschool-age children.

(CCDBG),<sup>19</sup> the Child Care and Development Fund (CCDF) combines two federal funding sources (the Child Care Development Block Grant and the Child Care Entitlement to the States) to provide states grants to fund child care and development services for low-income children, birth through age 12, or up to age 19 for children with special needs. In California, CCDF funding is used to fund early learning and development programs and related quality improvement activities administered by California Department of Education.

### Temporary Assistance to Needy Families

Temporary Assistance to Needy Families (TANF) provides block grants to states to assist struggling low-income families with children through time-limited cash assistance and other support services, including child care. Each state qualifies annually for TANF funding, but must spend a specific amount of state funds to avoid penalty.<sup>19</sup>

California Department of Social Services (CDSS) administers the state's TANF entitlement program, California Work Opportunity and Responsibility to Kids (CalWORKs), which was established in 1996 to provide temporary cash assistance to low-income families. Recipients have access to a range of employment support services, including child care for children, birth through age 12 (see page 15 for more information on CalWORKs child care programs).

### Social Services Block Grant

Social Services Block Grant (SSBG) provides states flexible funding to spend on a variety of social services, including child care.<sup>20</sup> State allocations are based on population and do not require a state match, and each state determines the services to be provided, eligibility categories and populations to be served. Given this flexibility, SSBG funds are often allocated to a variety of state programs without being labeled as SSBG funding. In California, SSBG funds are administered through CDSS,<sup>21</sup> which directs approximately 22% of the state's SSBG allocation toward child care.<sup>22</sup>

### Child and Adult Care Food Program

Child and Adult Care Food Program (CACFP) provides funding to states for meals and snacks to children in early learning and development programs in licensed child care centers, preschools and family child care homes.<sup>23</sup> States can utilize CACFP funds to reimburse the costs of food and meal preparation, as well to provide training in the nutritional

needs of children and on-site assistance in meeting the program's nutritional requirements. In California, this program is administered by California Department of Education (CDE).

### Individuals with Disabilities Education Act

[ 1 ].

#### Individuals with Disabilities Education Act, Part B-619 (for preschool-age children)

The Special Education Preschool Grants Program, or Part B-619 of the Individuals with Disabilities Education Act (IDEA), assists states in providing special education and related services to children, ages three through five years, with disabilities. States must distribute the bulk of their grant awards to local education agencies (LEAs), but may retain a portion for state-level activities.<sup>24</sup> In California, CDE acts as the administering agency for IDEA, Part B-619.

[ 2 ].

#### Individuals with Disabilities Education Act, Part C (for infants and toddlers)

Established under Part C of IDEA, the Program for Infants and Toddlers with Disabilities assists states in providing early intervention services for children under age three with disabilities and their families. States may also provide services to infants and toddlers who are at risk of having substantial developmental delays. Funds are distributed to states based on the number of children, birth through age two, in the state. California Department of Developmental Services (CDDS) is the lead agency responsible for administering the state's Part C grant funds, but works in collaboration with CDE.

## ADDITIONAL FEDERAL FUNDING SOURCES THAT CAN BENEFIT MORE CALIFORNIA EARLY LEARNING EDUCATORS

### Teacher Quality Partnership Grants Program

This program seeks to improve the quality of new teachers by creating partnerships among institutions of higher education, high-need school districts and schools and/or high-need early childhood education programs. California institutions of higher education received nearly \$8 million in grant awards in FY 2009-2010, including \$1.9 million to a UCLA project that had an early learning and development training component.<sup>25</sup>

**TABLE 1: MAJOR FEDERAL FUNDING STREAMS UTILIZED TO SERVE CHILDREN, 0-5**

Source	Total U.S. Funding	U.S. ARRA Funding	Annual CA Allocation <sup>1</sup>	CA ARRA Allocation <sup>1</sup>	Average Amount Spent on ELD in CA	ELD State Programs Funded <sup>a</sup>
<i>HEALTH AND HUMAN SERVICES</i>						
Head Start	\$7.2 billion (includes HS, EHS and all other HS programs)	\$1 billion	\$746.4 million	\$32 million	Total Allocation	Local Head Start programs
Early Head Start		\$1.1 billion	\$86.9 million	\$110 million	Total Allocation	Local Early Head Start programs
CCDF	\$5 billion	\$2 billion	\$532.6 million	\$220.3 million	Total Allocation	General Child Care and Development Migrant Child Care and Development CalWORKs Stage 2 & 3 Non-CalWORKs Alternative Payment Program Early Learning Quality Improvement Activities
TANF	\$16.5 billion	\$5 billion	\$4 billion (FY '08)	\$441 million	\$337.5 million (FY '08)	CalWORKs Stage 1 & 2
SSBG	\$1.7 billion	None	\$204.9 million	None	\$44.4 million (FY '07)	CalWORKs Stage 1 Community Care Licensing
<i>NUTRITION SERVICES</i>						
CACFP	\$2.6 billion	\$631 million	\$305 million (FY '09) <sup>b</sup>	None	\$237 million (FY '08) <sup>c</sup>	CACFP
<i>SPECIAL EDUCATION SERVICES</i>						
IDEA, Part B-619	\$374.1 million	\$400 million	\$37.8 million	\$41 million	Total Allocation	Special Education Preschool Grant
IDEA, Part C	\$439.4 million	\$500 million	\$53.5 million	\$59.5 million	Total Allocation	Early Start Early Start Early Intervention

Unless otherwise noted, total U.S. funding and annual CA allocation reflect FY 2010 federal budget.

\* One-time supplemental funding.

<sup>a</sup> For more information on programs funded, see Section 2 starting on page 7.

<sup>b</sup> Includes funding allotted to child care centers, family child care homes and adult care centers.

<sup>c</sup> Based on total federal reimbursements in FY 2008-2009 to child care centers, family day care homes and sponsors of independent centers in California.

Sources for Table 1:

1) U.S. Department of Health and Human Services, Administration for Children and Families, Office of Head Start, Office of Head Start - Region IX, Child Care Bureau, TANF Bureau, and Office of Community Services

2) U.S. Department of Education

3) California Department of Education

4) State of California, Economic Recovery Portal

5) H.R. 3288: Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2010.

6) H.R. 2997: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2010.

For detailed source list, please see online version of the guide at [www.childrennow.org](http://www.childrennow.org)



## PROPOSITION 10 ASSISTS THOUSANDS OF LOCAL CHILDREN AND FAMILIES THROUGHOUT THE STATE

The vast majority (80%) of funds generated by the tobacco tax are allocated to the First 5 County Commissions formed by each county's board of supervisors. The 58 County Commissions receive allocations based on a formula tied to the number of births in each county. County Commissions distribute the funds based on their own comprehensive strategic plans. Funds are intended to augment or coordinate existing early childhood programs and cannot be used to replace existing levels of service. In FY 2008-2009, \$420.7 million was distributed to the County Commissions.<sup>26</sup> Over 140,000 children in low-performing school districts participated in First 5-funded kindergarten readiness programs and thousands more benefited from a range of other programs, including preventative health and developmental screening initiatives. Approximately 143,000 children received oral health treatment, 31,000 received well-being visits and immunizations, and 60,000 were screened for developmental delays.<sup>27</sup>

For more information on the significant statewide impact of First 5 investments, visit the First 5 Association's website: [www.f5ac.org](http://www.f5ac.org) and First 5 California's website: [www.cfc.ca.gov](http://www.cfc.ca.gov).

### Public Service Loan Forgiveness Program

This program will allow the U.S. Department of Education to cancel federal direct loan balances of borrowers who work in full-time public service fields, including those in early learning and development, and make continuous student loan payments over ten years.

### Fund for Improvement of Education Programs of National Significance

Institutions of higher education, local education agencies, nonprofit organizations and state departments of education receive grants to work toward improving the quality of education, including early childhood education. Of approximately \$8.2 million in grant funds allocated to 41 institutions and organizations in California in FY 2009, only \$238,000 was dedicated to two early care and education initiatives.<sup>28</sup>

## PART B: STATE AND LOCAL FUNDING SOURCES

In addition to federal funding, early learning and development programs and services in California often rely on state support. The two main sources of state funding utilized to assist young children throughout the state are: General Fund (Proposition 98 and non-Proposition 98) and Proposition 10 Tobacco Tax (First 5). The section below provides a synopsis of both these state funding streams, as well as information about local funding sources that communities utilize.

### General Fund (GF)

The predominant funding source for California government expenditures is the General Fund, which is primarily funded by the personal income tax, sales tax and corporation taxes. The major uses of General Fund revenue are education, health and human service programs, and correctional programs.<sup>29</sup> General Fund revenues were \$88.1 billion in FY 2009-2010.<sup>30</sup>

General Fund expenditures fall into two categories: Proposition 98 and Non-Proposition 98. Proposition 98 was passed by voters in November 1988 to provide a minimum funding guarantee for public schools and community colleges. Included within that guarantee are some resources to support early learning and development programs.

Proposition 98 funding is vital to the state's early learning and development infrastructure; of those early learning and

development programs and services that receive support from the General Fund, the majority receive Proposition 98 funding. In FY 2009-2010, the Child Development Division of CDE will utilize over \$1.8 billion in Proposition 98 funding for early learning and development programs and services.<sup>31</sup>

### Proposition 10 Tobacco Tax (First 5)

Approved by voters in 1998, Proposition 10 created a state-level entity called the California Children and Families Commission (often referred to as First 5 California) and 58 county-level First 5 Children and Families Commissions. The initiative added a 50 cent-per-pack tax on cigarettes and a comparable tax on other tobacco products. The revenue is used by First 5 California and the 58 County Commissions to support children from prenatal to age five through a comprehensive and integrated system of programs and services that promote early childhood development and school readiness. Total revenue in FY 2008-2009 was \$556.2 million.<sup>32</sup>

### Local Funding

Even with the availability of federal and state funding sources, communities must often finance early childhood programs and services on a local level. Counties, cities and other local entities have employed various financing approaches in order to address early learning and development needs in their communities, including instituting sales and property taxes, issuing general obligation bonds and imposing developer fees. For example, Measure Q passed in 2008 in Los Angeles, establishing a \$7 billion school repair bond for the Los Angeles Unified School District that designates at least \$150 million toward building and upgrading early learning and development facilities.<sup>33</sup>

Additionally, some local governments dedicate annual funding toward early care and education services and related expenditures, such as quality improvement efforts and facilities development. For example, Proposition H in San Francisco guarantees a portion of the annual city budget for preschool expansion, new facility development, and workforce support for child care centers and family child care homes through 2015. Since its inception in 2005, \$55 million in financial support and in-kind services has been allocated toward early learning and development.<sup>34</sup>

## SECTION II: CALIFORNIA PROGRAMS AND SERVICES

### OVERVIEW

Financed through a combination of federal, state and local funding sources, California's early learning and development system is a web of state and local entities that provide direct early learning and development opportunities to young children and supports to their families, as well as administer efforts to improve the overall quality and safety of programs and services (see *Appendix 1: Chart 2* on page 20).

California Department of Education (CDE) is the main state agency that administers early learning and development in California.<sup>35</sup> Part A of this section describes the major initiatives administered by CDE that impact children, birth to age five, highlighting each program's purpose and target population, annual budget and funding sources, and the average number of young children served.

Two other state agencies oversee early learning and development programs and related services in California: California Department of Social Services (CDSS) and California Department of Developmental Services (CDDS). Part B describes the major initiatives administered by both these departments and also highlights the role that state institutions of higher education have in providing services to young children, their families and the early learning and development workforce.

In addition to the state agencies listed above, other public entities play a significant role in California's early learning and development system. First 5 California and the 58 First 5 County Commissions coordinate education, child care, health and other important programs for children, birth to age five, and their families, child care providers and teachers. Local organizations funded through Head Start and Early Head Start also provide comprehensive early childhood services.

Local early learning and development systems also include agencies and organizations that support the delivery of early childhood programs and related services, such as Child Care Resource and Referral Agencies and Alternative Payment Programs, and numerous non-profit and private entities that directly deliver services to children and families.

In many cases, these various state and local entities function independently of each other, although they serve the same populations of young children. Given California's current economic crisis and the need to use existing resources as effectively and efficiently as possible, as well as the federal administration's new emphasis on addressing the needs of young children more comprehensively, a siloed approach to providing early learning and development services is unproductive. The newly established Early Learning Advisory Council can spur the state to develop strategies for increasing linkages across state agencies and institutions, and other public and private entities that assist young children and their families.

### PART A: PROGRAMS AND SERVICES ADMINISTERED BY CALIFORNIA DEPARTMENT OF EDUCATION

Since the early 1940s, CDE has provided child development services to the state's youngest children and families. With a budget of approximately \$3 billion per year for a range of early learning and development services, CDE is the primary state agency responsible for assisting California's youngest children.<sup>36</sup>

The following major programs and/or initiatives administered by CDE that impact children, birth to age five, are described in this section:

- > General Child Care and Development
- > California State Preschool Program
- > CalWORKs Stage 2
- > CalWORKs Stage 3
- > Non-CalWORKs Alternative Payment Program
- > Early Learning Quality Improvement Activities (includes 37 distinct programs)
- > Special Education, 0-5 (includes four distinct programs)
- > Child and Adult Care Food Program

CDE administers several other smaller-scale programs that support the early learning and development of young children. Information about these additional programs can be found in *Appendix 3* on page 22.

### PROGRAMS AND SERVICES ADMINISTERED BY THE CHILD DEVELOPMENT DIVISION OF CDE

Through contracts with almost 800 public and private agencies,<sup>37</sup> CDE's Child Development Division (CDD) serves over 500,000 low-income children, birth through age 12, or up to age 21 for those with exceptional needs, annually.<sup>38</sup> Approximately 48% of the children served through CDD are under age six.<sup>39</sup> CDD also administers early learning quality improvement activities and programs that benefit the state's early learning and development system as a whole, including 37 quality improvement and professional development initiatives. Information on CDD's main early learning and development programs and services is provided below.

#### General Child Care and Development

CDD distributes General Child Care and Development funds to early learning and development providers that administer full-year child care programs to children, from birth

There are other state agencies in California, including the Department of Health Care Services, Department of Public Health and Managed Risk Medical Insurance Board, that provide vital programs and services to foster the health and well-being of young children throughout the state. For more information on children's health services, please visit [www.childrennow.org](http://www.childrennow.org).

**TABLE 2: PROGRAMS ADMINISTERED BY CDE THAT ASSIST CHILDREN, 0-5**

CDE Programs/ Service	Federal Funding Sources	State Funding Sources	Total Annual Funding	Children, 0-5, Served	Eligibility Requirements <sup>a</sup>
<i>PROGRAMS WITHIN CHILD DEVELOPMENT DIVISION</i>					
General Child Care and Development	CCDF	Prop 98 General Fund	\$797.2 million	70,371 <sup>b</sup>	Child's family must be low-income and demonstrate need for services
California State Preschool Program	None	Prop 98 General Fund	\$438.9 million	94,621 children, ages 3-4 <sup>c</sup>	Part-day: Child's family must be low-income; Full-day: Child's family must be low-income and demonstrate need for full-day services
CalWORKs Stage 2	CCDF, TANF	Prop 98 General Fund	\$476.1 million <sup>d</sup>	33,789 <sup>e</sup>	Child's family is receiving CalWORKs cash-assistance or has transitioned off CalWORKs in last 24 months and is considered low-income
CalWORKs Stage 3	CCDF	Prop 98 General Fund	\$408.9 million	21,171	Child's family has reached 24-month time limit for Stage 1 or Stage 2 after transitioning off CalWORKs cash assistance, is considered low-income and demonstrates need for services
Non-CalWORKs Alternative Payment Program	CCDF	Prop 98 General Fund	\$274.5 million	17,063	Child's family must be low-income and demonstrate need for services
Early Learning Quality Improvement Activities (includes 37 distinct initiatives)	CCDF	Prop 98 General Fund	\$95.4 million	Not available	Depends on particular quality improvement activity/program
<i>PROGRAMS OUTSIDE CHILD DEVELOPMENT DIVISION</i>					
Special Education 0-5 (includes four distinct programs)	IDEA Part B & C	Prop 98 General Fund	\$186.2 million	Not available	Depends on particular special education program
Child and Adult Care Food Program	CACFP	General Fund	\$248.3 million <sup>f</sup> (FY '08)	331,452 children in centers and family child care homes <sup>g</sup> (FY '08)	At least 25% of children served must be low-income

Unless otherwise noted, funding sources and total annual funding reflect FY 2009-2010 budget figures. Note: Budget figures for Child Development Division programs include ARRA funds. Children 0-5 served is based on October 2008 enrollment data and does not represent the total number of children 0-5 served during FY 2008-2009.

<sup>a</sup> See glossary on page 2 for more information on eligibility requirements.

<sup>b</sup> Represents the total unduplicated number of children, birth to age five, served in October 2008. With the establishment of the California State Preschool Program in 2009, which consolidated five separate programs that served preschool-age children, the General Child Care and Development program now only serves infants and toddlers and school-age children. Although 38,600 children, birth through age two, were served in October 2008, it is unclear if this figure will remain consistent in FY 2009-2010.

<sup>c</sup> Based on the total number of unduplicated three- and four-year old children served through the Child Development Division's part-day and full-day State Preschool and Pre-kindergarten Family Literacy programs in October of 2008. These programs were consolidated into the California State Preschool Program in 2009, but it is unclear if the number of three- and four-year old children served will remain consistent in FY 2009-2010.

<sup>d</sup> Includes \$9.2 million in funding for Stage 2 child care implemented by California Community Colleges.

<sup>e</sup> Does not include those children served through Stage 2 child care implemented by California Community Colleges.

<sup>f</sup> Based on federal and state reimbursements to child care centers, family child care homes and sponsors of independent centers in FY 2008-2009. For CDE's reporting purposes, the term child care centers also includes some settings serving children over age five, however the majority of this funding was utilized to serve children, birth to age five.

<sup>g</sup> The majority of these children were birth to age five.

Sources for Table 2:

- 1) California Department of Education
- 2) Legislative Analyst's Office

For detailed source list, please see online version of the guide at [www.childrennow.org](http://www.childrennow.org)

## CDE AND HEAD START COLLABORATION

While CDE is not involved in distributing Head Start/Early Head Start funds to eligible local grantees, it does administer a small grant from the Office of Head Start, which funds the California Head Start State Collaboration Office (CHSSCO).<sup>40</sup> The CHSSCO works to increase coordination between local Head Start and Early Head Start programs and state-funded early learning and development programs. Nearly 70% of California Head Start agencies also contract with CDD.<sup>41</sup> In addition, California Head Start Association serves as an advocate for local grantees and provides members a variety of services, including professional development opportunities.

Serving more than 104,000 young children and their families in California,<sup>42</sup> Head Start is the largest early learning and development program in the state. In FY 2008, approximately 86% of children enrolled were three and four years old, although enrollment of children under age three had increased from previous years to almost 11%.<sup>43</sup> This expansion of infant and toddler services was furthered by an estimated \$110 million in ARRA funding for Early Head Start in California: 31 existing grantees and 20 new grantees were awarded funding to serve 5,469 new infants and toddlers,<sup>44</sup> nearly doubling the number of children enrolled in Early Head Start programs. The need for Early Head Start services is still great, however. An estimated 317,000 children, birth through age two, live in poverty in California, with 4% being served by Early Head Start.<sup>45</sup>

through age 12, or up to age 21 for those with special needs, except for three- and four-year-olds who participate in the California State Preschool Program. Contracting providers include licensed early learning and development centers and licensed family child care home networks, and are operated by school districts, county offices of education, other public agencies and private nonprofit community based organizations. Parents must demonstrate both eligibility and need for services, and priority is generally given to those with the lowest income.

### California State Preschool Program

Through the California State Preschool Program, early learning and development providers contract with CDD on an annual basis to provide preschool services to low-income three- and four-year-olds in licensed center-based settings. California State Preschool contractors can provide both part-day comprehensive early learning programs (for three to four hours per day for a minimum of 175 days a year), or full-day, full-year programs (four or more hours per day for a minimum of 246 days a year). Priority for program entry is given to four-year-olds. To qualify for full-day services, parents must demonstrate their need for full-time care.

### CalWORKs Stage 2 and 3

CDD administers the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage 2 and 3 child care for low-income children, birth through age 12, or up to age 21 for those with special needs, through a voucher system that allows families to choose among available child care opportunities in their communities. CalWORKs Stage 2 and 3 families can utilize several types of providers, including licensed early learning and development centers, licensed family child care homes, and license-exempt home-based care providers. Rather than contract with each of these providers directly, CDD funds Alternative Payment Programs (APPs), or local contracting agencies, to provide reimbursements for care to providers. Families must meet CalWORKs Stage 2 and 3 eligibility criteria to qualify for services (see related text box on page 15 for more information).

California Community Colleges also administer CalWORKs Stage 2 child care for a small number of CalWORKs participants who are enrolled in community college (see page 16 for more information).

### Non-CalWORKs Alternative Payment Program

CDD assists low-income, non-CalWORKs families arrange and pay for child care services for children, birth through age 12, or up to age 21 for those with special needs, through a voucher program that is similar to its CalWORKs Stage 2 and 3 child care programs.<sup>46</sup> Families can choose among available early learning and development providers in their communities, including licensed center-based programs, licensed family child care homes and license-exempt home-based providers.<sup>47</sup> Families must demonstrate both eligibility and need for services to qualify for the program, and priority is given to those with the lowest income.

### Early Learning Quality Improvement Activities

The state must use at least 4% of its total annual Child Care Development Fund (CCDF) expenditures for activities to improve the quality of early learning and development services in California. CDD currently funds 37 quality improvement initiatives that impact children, birth to age five, totaling \$95.4 million in FY 2009-2010.<sup>48</sup> From infant and toddler care and special needs inclusion to professional development initiatives, licensing compliance and facilities improvement, these quality improvement projects range in their objectives and size. (See Table 3 on page 14 for a sample of quality improvement programs provided by CDD.)

Although some quality improvement programs and activities receive state funding (examples include Resource and Referral Programs and Local Child Care and Development Planning Councils), or supplement their budgets with local public and private funding, the majority are funded entirely through CCDF. In many cases, quality improvement initiatives, like Resource and Referral Programs, which provide support to parents regardless of income and training for local child care providers, are essential to the early learning and development infrastructure of local communities and funnel substantial economic resources into those communities.

## ADDITIONAL PROGRAMS AND SERVICES ADMINISTERED BY CDE

Beyond early learning and development services provided through the Child Development Division, CDE assists children, birth to age five, through special education, child nutri-

tion and school improvement programs. Eligibility for these programs is not necessarily age or income dependent and, in many cases, the number of young children being served is difficult to assess. The descriptions below highlight two large-scale efforts: special education and child care nutrition services.

### Special Education for Children 0-5

The Special Education Division of CDE administers three non-competitive grant programs that assist local education agencies (LEAs) to provide services to children, birth to age five, with disabilities, and a fourth is administered by the School Fiscal Services Division. Grant funds from these programs are not allocated directly to school districts or schools, but rather to Special Education Local Plan Areas, or SELPAs. The four non-competitive grant programs include:

#### Infants and Toddlers

##### [ 1 ].

Early Start Early Intervention: As established through an inter-agency contract with California Department of Developmental Services, CDE distributes federal IDEA, Part C funding to SELPAs, so LEAs can provide services for infants and toddlers, birth through age two, with less common or low-incidence disabilities, such as hearing, visual or orthopedic impairments.<sup>49</sup>

##### [ 2 ].

Special Education Infant Program: The School Fiscal Services Division administers this funding to a select group of SELPAs based on LEA instructional personnel costs for children younger than age three with special needs.<sup>50</sup>

#### Preschool

##### [ 1 ].

Special Education Preschool Grant: CDE allocates federal IDEA Part B-619 preschool funds to LEAs through grants to SELPAs to provide special education and related services to children, ages three to five, with disabilities.<sup>51</sup>

##### [ 2 ].

Preschool Local Entitlement: CDE allocates a portion of additional IDEA funding to SELPAs so LEAs can provide special education and related services to children, ages three to five, with disabilities.<sup>52</sup>

### Child and Adult Care Food Program

The child care component of the Child and Adult Care Food Program (CACFP) allocates funds to provide meals and snacks to children under age 13 in licensed child care centers and preschools, family child care homes and Head Start/Early Head Start centers. Agencies are reimbursed for the

number and types of meals they serve in relation to each child's eligibility for free, reduced-price meals or a base rate per meal. The Nutrition Services Division also provides technical assistance to agencies for food service operation and program management. In FY 2008-2009, more than 331,000 children in child care centers and family day care homes received CACFP reimbursed meals on a daily basis.<sup>53</sup>

### PART B: PROGRAMS AND SERVICES ADMINISTERED BY CALIFORNIA DEPARTMENT OF SOCIAL SERVICES AND CALIFORNIA DEPARTMENT OF DEVELOPMENTAL SERVICES

While CDE is the main state agency that administers child care and development programs, California Department of Social Services (CDSS) manages child care and development services for CalWORKs Stage 1. CDSS is also responsible for non-direct early learning and development services, mainly licensing family child care homes and child development centers to ensure minimum health and safety standards for children, and for conducting criminal record and background checks on individuals working with children in these settings.

California Department of Developmental Services (CDDS) provides services and supports to individuals with disabilities, such as cerebral palsy, epilepsy, autism and related conditions. Most services are provided through contracts with 21 nonprofit Regional Centers. CDDS is the lead agency responsible for administering the state's IDEA Part C grant funds, serving infants and toddlers (children under three years old) who have or are at risk of forming a developmental delay through the Early Start Program and newly established Prevention Program. In addition to these two programs, Regional Centers provide services to children, ages three to five, including assessment and diagnosis, family support, assistance in finding community resources and day or residential services.<sup>54</sup> CDDS estimates that approximately 80,000 children, birth through age five, will be served through Regional Centers in FY 2009-2010.<sup>55</sup>

The following section describes the main features of the following programs:

#### CDSS:

- > CalWORKs Stage 1
- > Cal-Learn
- > Community Care Licensing

#### CDDS:

- > Early Start
- > Prevention Program

### WHAT IS A SELPA?

In 1977, all school districts and county offices of education were required to form consortiums in geographical regions of sufficient size and scope to provide for all special education service needs of children residing within the regional boundaries. Each region, or Special Education Local Plan Area (SELPA), maintains a local plan that describes how it will provide special education services for its particular region. There are currently 124 SELPAs in California.<sup>56</sup>

## CDSS

### CalWORKs Stage 1

When CalWORKs families initiate a “welfare to work” plan, their county welfare department either provides reimbursements for child care services directly or refers them to an Alternative Payment Program (APP) that the department has subcontracted with to distribute the reimbursements.<sup>57</sup> Families can use licensed center-based care, licensed family day care or license-exempt home-based care.

### Cal-Learn

Pregnant/parenting teens receiving CalWORKs are required to participate in Cal-Learn if they are under the age of 19 and have not graduated from high school. Through their county welfare departments, teens receive intensive case manage-

ment to obtain education, health and social services, child care, transportation and educational expenses, and bonuses for school attendance and good grades.<sup>58</sup> Funding for Cal-Learn, including child care services, is allocated within the CalWORKs Stage 1 state budget.<sup>59</sup>

### Community Care Licensing

The Community Care Licensing (CCL) division of CDSS issues and enforces the licensing of child care facilities in 55 counties.<sup>60</sup> The vast majority of programs and providers receiving public funds must be licensed by CCL, and licensing requirements include maintaining minimum staff-child ratios, training and health and safety conditions. CCL conducts pre-licensing inspections, visits in response to complaints and annual visits for facilities on probation. There is an annual

**TABLE 3: SELECT CDE EARLY LEARNING QUALITY IMPROVEMENT ACTIVITIES**

Infant/Toddler Activities	Estimated Funding for FY 2009-2010
Program for Infant/Toddler Care (PITC) Partners for Quality Regional Support Network	\$4.3 million
Child Care Initiative with Infant/Toddler Focus	\$2.8 million
Program for Infant/Toddler Care Institutes	\$1.1 million
<i>LICENSING &amp; REGULATIONS COMPLIANCE</i>	
License Enforcement for Child Care Program	\$8 million
TrustLine Applicant Reimbursement	\$1.2 million
Desired Results System	\$905,100
Evaluation of Quality Improvement Activities	\$628,000
<i>PROFESSIONAL DEVELOPMENT</i>	
Training TANF Recipients as Child Care Teachers	\$4 million
Child Development Training Consortium	\$3.5 million
California Preschool Instructional Network	\$3 million
<i>IMPROVING SALARIES &amp; COMPENSATION</i>	
Child Care Retention Program: AB 212	\$15 million*
California Early Childhood Mentor Project	\$3.3 million
<i>ENGLISH LANGUAGE, LITERACY &amp; NUMERACY DEVELOPMENT</i>	
English Language Learners Support	\$1.6 million
Preschool Learning Foundations & Curriculum Frameworks	\$1.3 million
<i>OTHER QUALITY IMPROVEMENT ACTIVITIES</i>	
State and Local Resource and Referral Programs	\$23 million
Local Child Care & Development Planning Councils	\$6.6 million

\* The Child Care Retention Program is funded entirely through the state General Fund. For the complete list of CDE quality improvement activities and estimated funding levels, see <http://www.cde.ca.gov/sp/cd/re/stateplan.asp>.

## THE CALWORKS CHILD CARE SYSTEM

As part of its array of support services to low-income families, CalWORKs has a three-stage child care delivery system for its participants. Families may use the same child care provider throughout the three stages or may change providers, as necessary.

### Stage 1 (For families currently receiving CalWORKs)

Once families initiate their “welfare to work” plan through their local county welfare departments, they are eligible to participate in the Stage 1 child care subsidy program if they have children under age 13.<sup>61</sup> Families generally remain in Stage 1 for six months or until their work or training situation has stabilized and space is available through Stage 2 or 3 care.

### Stage 2 (For “stabilized” families or those transitioning off CalWORKs)

Families transfer to Stage 2 care once they have achieved a stable work or training situation and there is child care space available. Families can remain in Stage 2 as long as they are receiving cash assistance and for an additional two years after transitioning off cash assistance if they meet income eligibility requirements.

### Stage 3 (For families transitioned off CalWORKs)

When families in Stage 2 reach their two-year limit after leaving the CalWORKs program, they transfer to Stage 3. Families that stay in Stage 1 because they do not achieve a stable work or training situation, or because Stage 2 child care vouchers are not available, transfer to Stage 3 when they reach their two-year time limit after transitioning off aid. As long as the family meets the income and need criteria and the child is within age requirements, there is no time limit for participating in Stage 3. Stage 3 has historically been fully funded to meet demand even though it is not an entitlement by law.

random sample of 30% of facilities and comprehensive visits for all facilities once every five years. CCL services also include provider technical assistance and training, data collection and management of the state’s Caregiver Background Check Bureau, including TrustLine, California’s registry of in-home child care providers who have passed a background screening.

## CDDS

### Early Start

The Early Start Program provides early intervention services to infants and toddlers from birth through age two if they have a developmental delay in cognitive, social-emotional, communication, adaptive/self-help or physical and motor development, or if they have an established risk for having a developmental disability or delay. Throughout the state, Regional Center specialists provide diagnosis and assessment of eligibility and help access, coordinate and monitor the services and supports that children need. CDDS also contracts with CDE to allocate funding to local education agencies (LEAs) to provide early intervention services to children through age two with less common/low-incidence disabilities. Services that are specified in an infant or toddler’s Individualized Family Service Plan (IFSP) are purchased or arranged by the Regional Center or the LEA.

### Prevention Program

CDDS recently established a Prevention Program to be available at every Regional Center for children under age three who are at risk of developing a disability and no longer qualify for the Early Start Program (see related text box for more information). At a minimum, services must include intake and assessment, case management and referral to community resources. Nearly \$30 million in state funding

was included in the FY 2009-2010 budget for the Prevention Program,<sup>62</sup> but there are concerns it may not meet the gap in services for at-risk infants and toddlers.

## PART C: LOCAL PROGRAMS AND SERVICES

There are hundreds of local early learning and development programs and related services that provide vital direct and non-direct services to young children and their families, as well as the early learning workforce. The 58 First 5 County Commissions and First 5 California play an active role in supporting many of these entities and have strengthened local early learning and development systems throughout the state. Examples of First 5-sponsored initiatives include:

**Preschool:** The Power of Preschool (PoP) Demonstration Program offers high-quality, free, voluntary, part-day preschool for three- and four-year-olds. In FY 2008-2009, PoP programs in nine counties served over 19,000 children. An evaluation report indicated that PoP-funded preschools scored between good and excellent on the Early Childhood Environment Rating Scale (ECERS) and that 54% of teachers held a bachelors degree in early childhood education or higher.<sup>63</sup> A recent decision by First 5 California will allow counties to expand PoP services to infants and toddlers.

**School Readiness:** For ten years, School Readiness (SR) Program has been improving the ability of families, schools and communities to prepare children to enter school ready to learn. SR provides services to children birth to age five, and their families living in neighborhoods with low-performing schools and targets the areas of child development, family functioning, child health and systems of care. In FY 2008-09, the 57 participating counties provided services to more than 264,000 young children and their families.

## EARLY START: CHALLENGES AHEAD IN ASSISTING INFANTS AND TODDLERS WITH SPECIAL NEEDS

The Early Start Program has faced a steady and dramatic increase in caseloads in the past decade. Yet, despite the need for services, spiraling costs and recent cuts in General Fund funding have led the Department to make drastic adjustments to the Early Start Program.<sup>64</sup> Primary changes include: 1) making eligibility requirements more stringent, by changing the definition of development delay for older toddlers (children older than age two); 2) dropping services for children at risk of developmental delays<sup>65</sup> and establishing the Prevention Program to serve this population; and 3) eliminating supports for eligible children beyond those that are federally required.<sup>66</sup>

The impact of these cuts on infants and toddlers with disabilities has not been studied, but reports from families, service providers, doctors and Regional Center staff indicate that service opportunities for infants and toddlers have been significantly reduced and counties are struggling to find ways to continue meeting the needs of these young children and their families.

Workforce Development: Comprehensive Approaches to Raising Educational Standards (CARES) encourages education and stability in the early learning and development workforce through financial incentives and other supports designed to increase the education level of family child care providers and center-based teachers and directors. In FY 2008-2009, 44 counties participated in the CARES program, providing services to nearly 9,000 providers seeking to further their education.<sup>67</sup> A recent decision by First 5 California will expand this important effort by instituting the CARES Plus program in FY 2010-2011.

## INSTITUTIONS OF HIGHER EDUCATION CONTRIBUTE TO CALIFORNIA'S EARLY LEARNING AND DEVELOPMENT SYSTEM

The state's community college system plays an important role in providing early learning and development services to the state's youngest children, as well as educating and training the early learning and development workforce.

Community colleges throughout the state administer CalWORKs Stage 2 child care services to nearly 13,000 children annually through campus child development centers or Alternative Payment delivery systems established for college students.<sup>68</sup> In FY 2009-2010, the state budget included approximately \$26.7 million to community colleges for its CalWORKs program,<sup>69</sup> \$9.2 million of which was designated for CalWORKs Stage 2 child care participants.<sup>70</sup> This program functions separately from CDE's Stage 2 child care program, although participation requirements are similar.

All community college campus Extended Opportunity Programs and Services (EOPS) administer the Cooperative Agencies Resources for Education (CARE) program, which may provide a variety of educational support services, including child care, to students who are EOPS-eligible, welfare-dependent, low-income and single heads of household with dependent children. In FY 2009-2010, CARE funding (through Proposition 98 General Fund) was \$9.3 million, reduced from \$15.5 million in the previous year.<sup>71</sup>

Additionally, 95 campuses provide early learning and development services to young children and function as laboratory schools for their students.<sup>72</sup> Four of these community colleges maintain Program for Infant and Toddler Care (PITC) early learning demonstration sites that have enhanced birth to three programs.<sup>73</sup> These sites encourage the integration

of PITC practices into the colleges' existing early learning program and courses, and allow policymakers and community members to visit and see the essential components of quality programs for children, birth to age three.

One hundred and three of the 112 community colleges in California offer courses and degrees in early childhood education or child development.<sup>74</sup> Given the state's community colleges educate the largest proportion of the early learning workforce, budget cuts to the community college system as a whole will have a huge impact on the early learning community.<sup>75</sup>

Institutions of higher education have also been involved in improving the state's infrastructure for educating and training early learning and development teachers. For example, California Community College Early Childhood Curriculum Alignment Project (CAP) and California State University Baccalaureate Pathways in Early Care and Education (BPECE) are making significant steps toward improving course alignment within their own institutions. Likewise, college and university faculty are working with CDD and First 5 California to create core competencies for early childhood educators, administrators and other staff that will describe the knowledge and skills necessary to support the development and learning of young children.



**TABLE 4: OTHER STATE EARLY LEARNING PROGRAMS AND SERVICES**

Program/Service	Federal Funding Sources	State Funding Sources	Total Annual Funding	Children, 0-5, Served	Eligibility Requirements
<i>CDSS PROGRAMS</i>					
CalWORKs Stage 1 (includes Cal-Learn)	TANF, SSBG	Non-Prop 98 General Fund	\$547.4 million	60,252 total 0-12 children served (FY '08)	Child's parents receiving CalWORKs cash assistance
Community Care Licensing	SSBG, CCDF <sup>a</sup>	Non-Prop 98 General Fund and Provider Licensing Fees	\$120.4 million <sup>b</sup>	~ 1.2 million children infant to school age impacted <sup>c</sup>	N/A
<i>CDDS PROGRAMS</i>					
Early Start	IDEA Part C	Non-Prop 98 General Fund	(FY '07) \$205.4 million <sup>d</sup>	29,320 children ages 0-2 <sup>e</sup>	Infant or toddler has developmental disability, or established risk for developing one
Prevention Program	None	Non-Prop 98 General Fund	\$27.2 million	3,132 children 0-2 <sup>f</sup>	Infant or toddler at risk of developing a disability

<sup>a</sup> Federal funding for CCL also comes from Title IV-E, a federal program that assists states fund foster care maintenance, adoption assistance and independent living services, as well as training for staff and foster parents.

<sup>b</sup> Represents the total budget for CCL. Since CCL's budget is not built by program area, the specific amount budgeted for the licensing of child care facilities is not available; however, the Division estimates roughly 40% of its budget resources are utilized for this purpose.

<sup>c</sup> Represents the service capacity of all licensed child care facilities serving children, birth to age five, in December 2009.

<sup>d</sup> Recent budget figures for the Early Start Program are not available. It is difficult for CDDS to track the cost of implementing the Early Start Program because Regional Centers do not always report costs of serving infants and toddlers separately from other Regional Center expenditures.

<sup>e</sup> Number of children under 36 months evaluated and served through Early Start Program in February 2010.

<sup>f</sup> Number of children under 36 months served through the Prevention Program in February 2010.

Sources for Table 4:

- 1) Legislative Analyst's Office
- 2) California Department of Social Services
- 3) California Department of Developmental Services

For detailed source list, please see online version of the guide at [www.childrennow.org](http://www.childrennow.org)

### SECTION III: MOVING FORWARD

The need for a more seamless early learning and development system in California is clear: although thousands of young children are served each year through a myriad of programs and services, a better coordinated birth to five system that maximizes available federal, state and local funding sources and effectively aligns these various programs and services would help the state address the needs of even more of its youngest children and their families.

While this guide seeks to assist policymakers in improving the effectiveness and efficiency of the state's early learning and development system, without a coordinated state data collection system, significant gaps in information will persist, making providing a complete picture of the impact of early learning and development on the lives of young children and their families more difficult. The state's Early Learning Advisory Council (ELAC) should begin by issuing recommendations to establish an early childhood data system that links with the K-12 education system, so the state can improve its tracking of the needs of its youngest children as they move through school and into adulthood.

Additional recommendations for the ELAC and policymakers have emerged from the research conducted to complete this guide:

#### [ 1 ].

##### **Make better data available to guide system building.**

There is a need for early childhood data that are disaggregated by funding source and program, and that are easily accessible to policymakers and the public. For example, without disaggregated data for CCDF, it could be assumed that all age groups were being served equally, when in reality infants and toddlers are less served than other age groups.

#### [ 2 ].

##### **Investigate untapped and underused resources.**

The state must ensure it maximizes all potential early learning and development funding sources. For example, policymakers and the public should have access to evaluations of the various state quality improvement programs that are funded by CCDF, in order to determine whether those funds are

**EXPANDING HOME VISITATION IN CALIFORNIA WITH NEW FEDERAL FUNDS: A LOOK AT ONE PROVEN MODEL**

Embracing a more comprehensive approach to assisting young children and their families, many counties have supported model home visitation programs like the Nurse-Family Partnership® (NFP) program. NFP has been shown to improve pregnancy outcomes, boost children’s health and developmental outcomes, and increase parents’ economic self-sufficiency through home visits by a registered nurse, starting early in pregnancy for vulnerable first-time, low-income mothers and their young children up to age two.<sup>76</sup> Eleven counties in California currently have NFP programs, which serve over 8,400 families.<sup>77</sup> Funding is provided by First 5 County Commissions, federal and county health funds, foundations, and other local sources.

New recent federal funds for home visitation can increase the reach of NFP and other successful home visitation models in California. As part of the recent Health Care Reform law, states can access a new home visitation grant program beginning October 2010. Providing \$1.5 billion over five years, the program will allow states to fund evidence-based home visitation programs that improve maternal and child health, development and school readiness. While regulations are still being crafted, and it has not been determined if funds will be dispersed to states by formula or competition, it is clear there will be a number of requirements for participating states, including: 1) conducting a statewide needs assessment to identify target communities by fall 2010; 2) establishing measurable benchmarks, including school readiness and other achievement benchmarks; and 3) identifying home visitation program models that will meet the needs of local communities.<sup>78</sup>

California must begin preparing immediately to receive these funds. Collaboration between the state Departments of Education and Public Health is essential to the preparation process, so that new home visitation efforts complement the early learning and development work already happening throughout the state.

being used effectively. California must also begin preparing for new federal funding opportunities, including \$1.5 billion in home visitation funding that is a part of the new federal health care reform law.

[ 4 ].

**Build systemic, long-term connections between programs that support young children, including those that focus on early learning and development, health and child welfare.**

In order to improve support for the well-being of children—which includes addressing their physical, social-emotional and cognitive development, as well as the needs of their parents and families—the state must eliminate silos among publicly funded early childhood programs and services. A unified state data system that effectively tracks all available early childhood programs and funding sources, including those related to health, mental health and child welfare, would allow California to accurately assess the impact of its publicly funded services, minimize redundancies, and improve and expand their reach to the state’s most vulnerable children.

.....  
A UNIFIED DATA SYSTEM THAT EFFECTIVELY TRACKS ALL AVAILABLE EARLY CHILDHOOD PROGRAMS AND FUNDING SOURCES WOULD ALLOW CALIFORNIA TO **ACCURATELY ASSESS THE IMPACT OF ITS PUBLICLY-FUNDED SERVICES.**  
.....

[ 3 ].

**Advocate for increased federal resources.**

The state should push for greater federal investments in early learning and development funding sources and programs, including the Child Care Development Block Grant, Head Start/Early Head Start, Child Care and Adult Food Program, and proposed Early Learning Challenge Fund. The state should also pursue other initiatives that have the potential to impact children, birth to age five, including the Elementary and Secondary Education Act and Temporary Assistance to Needy Families.

## APPENDIX 1: CHART 1

## PRIMARY FUNDING STREAMS FOR CALIFORNIA'S EARLY LEARNING AND DEVELOPMENT SYSTEM

## FEDERAL

Department of Health and Human Services	Office of Head Start	Head Start	
		Early Head Start	
	Office of Community Services	Social Services Block Grant	
	Office of Family Assistance	Child Care Bureau	Child Care and Development Fund
		Temporary Assistance to Needy Families (TANF) Bureau	Temporary Assistance to Needy Families
Department of Education	Office of Special Education and Rehabilitative Services	IDEA, Part B	
		IDEA, Part C	
	Office of Postsecondary Education	Child Care Access Means Parents in School Program	
	Federal Student Aid	Public Service Loan Forgiveness Program	
	Office of Elementary and Secondary Education	Title I, Part A	
		Education for Homeless Children and Youth	
		Even Start	
	Striving Readers		
	Office of Innovation and Improvement	Teacher Quality Partnership Grants Program	
		Fund for the Improvement of Education Programs of National Significance	
Department of Agriculture	Food and Nutrition Services	Child and Adult Care Program	

## STATE

General Fund	Proposition 98
	Non-Proposition 98
Proposition 10	Tobacco Tax (First 5)

## LOCAL

sales tax	
property tax	
bond measures	
developer fees	
city and county funds	
private sources	non-subsidized businesses
	foundations

APPENDIX 1: CHART 2

CALIFORNIA’S PRIMARY EARLY LEARNING AND DEVELOPMENT PROGRAMS AND SERVICES

STATE

Department of Education	Child Development Division	General Child Care and Development Program
		CalWORKs Stage 2
		CalWORKs Stage 3
		Non-CalWORKs Alternative Payment Program
		California State Preschool Program
		Early Learning Quality Improvement Activities Program
	Special Education Division	Even Start Family Literacy Program
		Severly Handicapped Program
		Migrant Child Care and Development Program
	Accountability and Improvement Division	Cal-SAFE Program
		Child Care Facilities Revolving Fund
School Fiscal Services Division	Preschool Local Entitlement Program	
	Special Education Preschool Grant	
	Early Start Early Intervention Program	
Nutrition Services Division	Title I, Part A	
	Education for Homeless Children and Youth Program	
Department of Social Services	Special Education Infant Program	
	Child and Adult Care Food Program	
Department of Developmental Services	CalWORKs Stage 1 (including Cal-LEARN)	
	Community Care Licensing Program	
Institutions of Higher Education	Early Start	
	Prevention Program	
First 5 California	California Community Colleges CalWORKs Stage 2	
	Cooperative Agencies Resources for Education (CARE) Program	
	Program for Infant and Toddler Care Demonstration Sites Program	
	California Community Colleges Children Care Tax Bailout Program	
	California State University Baccalaureate Pathways in Early Care and Education	
	California Community Colleges Early Childhood Curriculum Alignment Project	
First 5 County Commissions	Power of Preschool Demonstration Program	
	Comprehensive Approaches to Raising Educational Standards Program	
	School Readiness Program	

LOCAL

First 5 County Commissions	Power of Preschool Demonstration Programs
	Comprehensive Approaches to Raising Educational Standards Programs
	School Readiness Programs
Head Start	other programs (including home visitation, developmental screening, oral health and preventative health)
	Head Start Programs
Institutions of Higher Education	Early Head Start Programs
	campus-based early learning and development centers and child care subsidy programs funded by Child Care Access Means Parents in School Program
	CCC Early Learning Laboratory Schools Program

## APPENDIX 2: ADDITIONAL FEDERAL FUNDING SOURCES

The following federal funding sources are much smaller in scope and financing, but do provide resources for early learning and development programs in California.

### [ 1 ].

Striving Readers: Early Reading First, which provided competitive three-year grants to local entities in low-performing and high-poverty school districts to support early literacy initiatives for preschool-age children was de-funded and subsumed into the Striving Readers program in FY 2010.<sup>79</sup> Striving Readers early reading component will no longer provide competitive grants directly to local entities within states; funding will now be directed through state level agencies on a competitive basis.

### [ 2 ].

2) Even Start: Even Start funds are awarded to state Departments of Education, based on the state's share of Title I, Part A funding, which then awards competitive sub-grants to local education agencies and nonprofit community-based organizations, which are responsible for administration. Federal funding for Even Start has decreased steadily since FY 2002-2003, when total funding peaked at \$250 million. The Obama Administration's FY 2011 budget proposal suggests folding a family literacy component into the newly expanded Striving Readers program and eliminating Even Start.

### [ 3 ].

Education for Homeless Children and Youth: The Education for Homeless Children and Youth program assists states in implementing approved plans, which address problems associated with the school enrollment, attendance, and success of homeless children and young adults, ages 21 and under. Grant amounts are based on each state's share of Title I, Part A funding. Sub-grants distributed by state Departments of Education to LEAs can be utilized to assist homeless children, birth to age five.

### [ 4 ].

Child Care Access Means Parents in School Program: Child Care Access Means Parents in School Program (CCAMPIS) supports the participation of low-income parents in higher education through the provision of campus-based early care and education services. Funds are awarded directly to institutions of higher education on a competitive basis for up to four years. Awards can be used to support or establish campus-based child care programs that primarily serve the needs of low-income students or subsidize costs of child care services for low-income students.

### ADDITIONAL FEDERAL FUNDING SOURCES UTILIZED TO SERVE CHILDREN, 0-5

Source	Total US Funding	US ARRA Funding	Annual CA Allocation	CA ARRA Allocation	Average Amount Spent on ELD in CA	ELD State Programs Funded
Striving Readers	\$250 million	None	To be determined, if CA receives competitive grant funds	None	To be determined	Not clear yet how CDE will administer the grant funds
Even Start	\$66.5 million	None	\$6.9 million	None	Total Allocation	Local Even Start programs
Education for Homeless Children and Youth	\$65.4 million	\$70 million	\$12.8 million	\$13.8 million	Data not available	Education for Homeless Children and Youth
Child Care Access Means Parents in School Program	\$16 million	None	\$3.4 million	None	Total Allocation	Campus-based child care programs or campus child care subsidy programs

*Unless otherwise noted, the total US funding amount reflects FY 2010 federal budget appropriations and the annual CA allocation reflects funds distributed to the state in FY 2009.*

\* One-time supplemental funding.

Sources: 1) U.S. Department of Education  
For detailed source list, please see online version of the guide at [www.childrennow.org](http://www.childrennow.org)

## APPENDIX 3: ADDITIONAL PROGRAMS AND SERVICES

The following smaller scale early learning and development programs provide specialized services to targeted populations and service providers throughout the state.

### PROGRAMS AND SERVICES ADMINISTERED BY CHILD DEVELOPMENT DIVISION, CDE

[ 1 ].

#### California School Age Families Education Program (Cal-SAFE)

CDE contracts with school districts and county offices of education to promote healthy pregnancy outcomes and high school completion among expecting/parenting students of any income level. Supports provided to students include early learning and development services for their children until they reach age five or until they enter kindergarten. Most children of Cal-SAFE students attend a child care center or family child care home on or near the campus. In FY 2009-2010, 144 school districts and county offices of education in 39 counties were allocated Cal-SAFE funding.<sup>80</sup> Since legislative changes in 2009 made funds for the Cal-SAFE program flexible, these LEAs may now use their Cal-SAFE funding for other educational purposes.<sup>81</sup> It is likely that some local Cal-SAFE programs will be eliminated or reduced in scope due to this change.

[ 2 ].

#### Even Start Family Literacy Program

LEAs and community-based organizations receive four-year grants to implement programs that integrate early childhood education, adult literacy or basic education, parenting education, and parent-child interactive literacy activities for low-income families with children, birth through age seven. Fifty-eight Even Start projects were funded by CDE for FY 2009-2010.<sup>82</sup> If federal funding for Even Start is eliminated, as the Obama Administration's FY 2011 budget proposal suggests, these projects would be immediately impacted, since grant funds are awarded annually by CDE rather than at the beginning of the four-year grant cycle.

[ 3 ].

#### Severely Handicapped Program

CDE contracts with Severely Handicapped Programs in the San Francisco Bay Area to provide care and supervision, age- and developmentally-appropriate activities, therapy, and parental counseling to eligible children, birth through age 21, and their families. Participants in these programs must have an individualized education plan (IEP) or individualized family service plan (IFSP), issued through a special education program.

[ 4 ].

#### Migrant Child Care and Development

This program provides care for children of agricultural workers, while their parents work. Contract providers serve children, birth through age 12, or up to age 21 for children with special needs, in child development centers and family child care home education networks.<sup>83</sup> Months of operation

and hours of service vary, depending largely on the harvest activities in the area. Parents must demonstrate both eligibility and need for services, and at least 50% of their income must be earned from employment in fishing, agriculture or related work. Priority is given to families who have moved in the previous 12 months for this type of employment.

[ 5 ].

#### Child Care Facilities Revolving Fund

Child Care Facilities Revolving Fund (CCFRF) provides funding for school districts and contracting agencies that provide CDE-subsidized child care and development services to purchase portable child care facilities.<sup>84</sup> Since CCFRF was established in 1997, CDE has committed approximately \$112 million in facilities funding through more than 600 contracts.<sup>85</sup> As a result, child care capacity in California has increased by more than 25,000 children, of which approximately 39% are infants, toddlers and preschool-age children.<sup>86</sup> At the end of FY 2009-2010, CDE projects CCFRF's balance will be \$20.4 million<sup>87</sup>, generating approximately \$23.5 million over the next five years in lease repayments, which can be made available for future program use.<sup>88</sup>

### PROGRAMS ADMINISTERED BY THE ACCOUNTABILITY AND IMPROVEMENT DIVISION, CDE

#### Education for Homeless Children and Youth

CDE awards grants to LEAs to improve the academic achievement of homeless children, including those under age five. LEAs often use a portion of their grants to identify and enroll homeless children, ages three to five, in preschool. LEAs can also utilize funding for to expand child care opportunities for homeless families; contract district nurses to provide health assessments and referrals; and train local early learning and development agencies about homeless education issues.

### PROGRAMS ADMINISTERED BY CALIFORNIA COMMUNITY COLLEGES

#### Child Care Tax Bailout

This program was established in 1978 to mitigate the effect of Proposition 13 on 25 community colleges that had previously dedicated local taxes toward their child care and development centers. Since then, the 25 community college districts have utilized these annual funds toward providing services for student parents. Funds are provided to each district by formula. In FY 2009-2010, the budget for the Child Care Tax Bailout was cut from \$6.8 million to \$3.4 million.<sup>89</sup>

## SUMMARY OF ADDITIONAL STATE EARLY LEARNING PROGRAMS AND SERVICES

Program/Service	Federal Funding Sources	State Funding Sources	Total Annual Funding	Children 0-5 Served	Eligibility Requirements
<i>CDE PROGRAMS</i>					
Cal-SAFE	None	Prop 98 General Fund	\$19.9 million <sup>a</sup>	10,236 (FY '08)	Child's parent participating in Cal-SAFE program
Education for Homeless Children and Youth	Education for Homeless Children and Youth	None	\$12.6 <sup>b</sup>	6,022 children 3-5 <sup>c</sup>	Homelessness
Migrant Child Care and Development	CCDF	Prop 98 General Fund	\$39.3 million	2,385	Child's family must be low-income and demonstrate need for services, and earned at least 50% of income from agriculturally related work
Even Start Family Literacy Program	Even Start	None	\$7.1 million <sup>d</sup>	Not available <sup>e</sup>	Participating families must be low-income with children, birth through age 7
Severely Handicapped Program	None	Prop 98 General Fund	\$2 million	26	Children must have IEP or IFSP
Child Care Facilities Revolving Fund	None	None <sup>f</sup>	\$20.4 million <sup>g</sup>	918 <sup>h</sup> (FY '08)	Agencies must provide CDE-subsidized child care and development services
<i>COMMUNITY COLLEGE PROGRAMS</i>					
Child Care Tax Bailout	None	Prop 98 General Fund	\$3.4 million	Not available	Services for children of community college students

Unless otherwise noted, funding sources and total annual funding reflect FY 2009-2010 budget figures. Note: Budget figure for Migrant Child Care and Development includes ARRA funds. Children 0-5 served for Migrant Child Care and Development and the Severely Handicapped Program is based on October 2008 enrollment data and does not represent the total number of children 0-5 served during FY 2008-2009.

<sup>a</sup> The total FY 2009-2010 budget for Cal-SAFE is \$46.4 million, of which \$19.9 million is allocated toward child care and development services for children birth through kindergarten entry age (based on the amended FY 2009-2010 Budget Act, ABX 4 1).

<sup>b</sup> Based on amount of funding allocated by CDE to LEAs.

<sup>c</sup> Although CDE requires LEAs to report how many children ages three-to-five are being assisted through the Education for Homeless Children and Youth program, it does not monitor how much of their total grant allocation is utilized toward this purpose or whether any funds are being utilized to serve homeless children ages birth through two.

<sup>d</sup> Based on the amount of funding available through CDE for local entities. The figure is slightly higher than the state's FY 2009 federal allocation because of carry-over from previous years.

<sup>e</sup> According to CDE estimates, approximately 3200 families with children birth through age seven will be served in FY 2009-2010.

<sup>f</sup> CCFRF is typically replenished by loan repayments from participating agencies and annual Budget Act appropriations, however, the state did not allocate funding for it in FY 2009-2010. Since FY 2002-2003, the Legislature has reappropriated nearly \$169 million to finance other state expenditures.

<sup>g</sup> Represents the projected CCFRF balance at the end of FY 2009-2010, and includes projected revenue from loan repayments.

<sup>h</sup> Represents the estimated increase in child care and preschool slots due to facilities expansion.

Sources:

- 1) California Department of Education
- 2) Legislative Analyst's Office
- 3) Branagh Information Group
- 4) Ed Source

For detailed source list, please see online version of the guide at [www.childrennow.org](http://www.childrennow.org)

## APPENDIX 4

**FUNDING LEVELS FOR STATE-ADMINISTERED EARLY LEARNING AND DEVELOPMENT PROGRAMS  
(IN MILLIONS OF DOLLARS)**

Program	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010
<i>DEPARTMENT OF SOCIAL SERVICES</i>				
CalWORKs Stage 1 (includes Cal-Learn)	\$418	\$536	\$616.40	\$547.40
Community Care Licensing <sup>a</sup>	\$110.50	\$116.10	\$118	\$120.40
<i>DEPARTMENT OF DEVELOPMENTAL SERVICES</i>				
Early Start <sup>b</sup>	\$203.90	\$205.40	-	-
Prevention Program (established in 2009)	-	-	-	\$27.20
<i>DEPARTMENT OF EDUCATION (CDD PROGRAMS)*</i>				
General Child Care & Development	\$698	\$759	\$779.70	\$797.20
California State Preschool Program	\$392	\$422	\$429.50	\$438.90
CalWORKs Stage 2 <sup>c</sup>	\$539	\$547.50	\$504.60	\$476.10
CalWORKs Stage 3	\$390	\$405	\$417.80	\$408.90
Non-CalWORKs Alternative Payment Program	\$243.50	\$257	\$258.80	\$274.50
Migrant Child Care and Development	\$38.40	\$40.60	\$36.20	\$39.30
Cal-SAFE <sup>d</sup>	\$26	\$27	\$21	\$19.90
Even Start Family Literacy Program <sup>e</sup>	\$12.10	\$14.60	\$8.40	\$7.10
Severely Handicapped Program	\$1.90	\$2	\$2	\$2
Quality Improvement Activities <sup>f</sup>	\$91	\$106	\$105.80	\$108.60
Child Care Facilities Revolving Fund <sup>g</sup>	-	-	\$26.80	\$20.40
<i>DEPARTMENT OF EDUCATION (SPECIAL EDUCATION PROGRAMS)</i>				
Special Education Infant Program	-	\$68.80	\$68.80	\$68.20
IDEA B-611: Preschool Local Entitlement	-	\$62.70	\$64.10	\$67.10
IDEA B-619: Special Education Preschool Grant	-	\$35	\$35	\$33.30
Early Start Early Intervention <sup>h</sup>	-	\$17.70	\$17.20	\$17.60
<i>DEPARTMENT OF EDUCATION (OTHER PROGRAMS)</i>				
Child and Adult Care Food Program <sup>i</sup>	\$237.80	\$248.40	\$248.30	\$317.50
Education for Homeless Children & Youth <sup>j</sup>	-	-	\$8.20	\$12.60
Title I, Part A Preschool	\$10.60	\$11.50	\$9.50	-

\*Note: CDD programs include ARRA funds for FY 2009-2010. All other programs do not include ARRA funds for FY 2009-2010.

<sup>a</sup> Represents total budget for Community Care Licensing.

<sup>b</sup> Recent budget figures for the Early Start Program are not available. It is difficult for CDDS to track the cost of implementing the Early Start program because Regional Centers do not necessarily report costs of serving infants and toddlers separately from other Regional Center expenditures.

<sup>c</sup> Includes funding for Stage 2 child care provided by California Community Colleges.

<sup>d</sup> Represents amount allocated toward child care and development services for children birth through kindergarten entry age.

<sup>e</sup> Based on amounts available through CDE for local entities. Figures are slightly higher than annual federal allocations because of carry-over from previous years.

<sup>f</sup> Includes Resource and Referral Programs, the Centralized Eligibility List, Local Child Care and Development Planning Councils, the setaside for payables and all other quality improvement activities, including school-age initiatives.

<sup>g</sup> Actual fund balance for FY 2008-2009, and projected fund balance for FY 2009-2010.

<sup>h</sup> Includes Early Start, Early Intervention, Part C funding, Infant Discretionary Funds and State Early Intervention funding. Assumes FY 2009-2010 funding for State Early Intervention grants will be the same as FY 2008-2009 (\$1.1 million). Early Start Early Intervention, Part C funds reflect amount available to SELPAs rather than entire amount awarded to CDE through interagency contract with CDDS.

<sup>i</sup> Based on total federal and state reimbursements to child care centers, family child care homes and sponsors of independent centers. For CDE's reporting purposes, the term child care centers also includes some settings serving children over age five, such as school-age centers, after-school centers and emergency shelters. However the majority of these funds were utilized to serve children, birth to age five. FY 2009-2010 based on the total funding available for the Child and Adult Care Food Program, as reimbursement data specific to child care centers and family child care homes is not yet available.

<sup>j</sup> Represents the amount allocated by CDE to LEAs to administer the Education for Homeless Children and Youth services to all eligible ages.

Sources:

- 1) Legislative Analyst's Office
- 2) California Department of Education
- 3) California Department of Developmental Services

For detailed source list, please see online version of the guide at [www.childrennow.org](http://www.childrennow.org)



## ENDNOTES

1. California Child Care Resource & Referral Network, *2009 California Child Care Portfolio*, December 2009 <<http://www.rnnetwork.org/our-research/2009-portfolio.html>> (March 1, 2010).
2. RAND Corporation, *Prepared to Learn: The Nature and Quality of Early Care and Education for Preschool-Age Children in California* (Santa Monica, CA: RAND Corporation, 2008).
3. California Department of Education, *Status Report of the Implementation of County Centralized Eligibility Lists*, November 2009 <<http://www.cde.ca.gov/sp/cd/ci/documents/cellegrpt09.doc>> (April 20, 2010).
4. First Focus, *Children's Budget 2008*, April 2008 <<http://www.firstfocus.net/Download/CBook.pdf>> (March 19, 2010).
5. The Urban Institute and The Brookings Institution, *Public Expenditures on Children through 2008*, January 11, 2010 <[http://www.urban.org/UploadedPDF/412003\\_public\\_expenditures\\_on\\_children.pdf](http://www.urban.org/UploadedPDF/412003_public_expenditures_on_children.pdf)> (March 19, 2010).
6. Ibid.
7. Up to 35% of children served in Head Start programs may have family incomes between 100% - 130% of the federal poverty guidelines.
8. Entities administering Head Start American Indian-Alaskan Native and Migrant and Seasonal programs do not receive funding from the regional offices, but rather directly from the Office of Head Start in Washington D.C.
9. Data on local grantee and delegate agencies provided by the California Head Start Association through email correspondence with Children Now, February 8, 2010.
10. In FY 2008, there were 1,950 centers, 690 family child care homes and 811 home-based groups providing Head Start/Early Head Start services in California. California Head Start Association, *Head Start in California Facts and Figures*, January 2009 <<http://caheadstart.org/2009%20CHSA%20Fact%20Sheet.pdf>> (July 14, 2009).
11. Legislatively, the Child Care and Development Fund (CCDF) is referred to as the Child Care and Development Block Grant (CCDBG), and administratively at the federal and state levels it is known as CCDF.
12. U.S. Department of Health and Human Services, Administration for Children and Families, Child Care Bureau, *Table 9: Child Care and Development Fund, Preliminary Estimates, Average Monthly Percentages of Children in Care by Age Group (FY 2008)*, October 2009 <[http://www.acf.hhs.gov/programs/ccb/data/ccdf\\_data/08acf800\\_preliminary/table9.htm](http://www.acf.hhs.gov/programs/ccb/data/ccdf_data/08acf800_preliminary/table9.htm)> (January 4, 2010).
13. CLASP, *Infants and Toddlers in CCDBG: 2008 Update*, December 17, 2009 <[http://www.clasp.org/admin/site/publications/files/ccdbgpaticipation\\_2008babies.pdf](http://www.clasp.org/admin/site/publications/files/ccdbgpaticipation_2008babies.pdf)> (March 19, 2010).
14. LEAs can utilize Title I, Part A funding in conjunction with other state child care and preschool subsidies and Head Start funding to extend or expand early learning and development services.
15. California Department of Education, *Title I, Part A Preschool Program Reservations*, March 9, 2009 <<http://www.cde.ca.gov/sp/sw/t1/documents/preschoolreser.xls>> (December 14, 2009).
16. In FY 2008-2009, CDE allocated approximately \$1.6 billion in Title I, Part A funds to LEAs. California Department of Education, *Schedule of Title I, Part A 2008 Entitlements*, June 26, 2009 <<http://www.cde.ca.gov/fg/fo/r14/title1pa08result.asp>> (December 14, 2009).
17. The 1,538 LEAs that received Title I, Part A funding include school districts, charter schools and county offices of education. Given their small size or focus on specialized services, some of these LEAs would not have the capacity or need to use Title I, Part A grant funds toward early learning and development. Utilization of Title I, Part A funds for early learning and development reached its peak in FY 2005-2006 when 57 LEAs allocated \$13.5 million dollars toward children younger than kindergarten entry age. California Department of Education, *Title I, Part A Preschool Program Reservations*, March 9, 2009 <<http://www.cde.ca.gov/sp/sw/t1/documents/preschoolreser.xls>> (December 14, 2009).
18. CLASP, *FAQ: Using Title I of ESEA for Early Education*, January 2010 <[http://www.clasp.org/resources\\_and\\_publications/publication?id=0709&list=publication](http://www.clasp.org/resources_and_publications/publication?id=0709&list=publication)> (March 29, 2010).
19. To receive their full TANF allocation, states must meet 75% or 80% of the maintenance of effort (MOE) established for each state, depending on how it meets work participation requirements. In FY 2008, California's TANF related expenditures reached 84% of the established MOE level, or nearly \$3 billion. U.S. Department of Health and Human Services, Administration for Children and Families, TANF Bureau, *Table D: State MOE Requirements 2008*, October 2009 <[http://www.acf.hhs.gov/programs/ofs/data/2008/tanf\\_2008.html](http://www.acf.hhs.gov/programs/ofs/data/2008/tanf_2008.html)> (February 1, 2010).
20. In addition to direct child care, SSBG funds can be utilized for related services such as recreation, meals and snacks, transportation, health support services, counseling for parents, and licensing and monitoring of child care facilities.
21. CDSS dedicates SSBG funding to its CalWORKs Stage 1 child care services, child care licensing, child welfare and foster care services. The Department also transfers \$10 million in TANF funding through SSBG to the California Department of Education for early learning and development programs and provides SSBG funds to the California Department of Developmental Services for Regional Center expenditures.
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24. States may retain up to 25% of the IDEA Part B-619 amount they received in FY 1997 for state-level activities (adjusted upward each year in relation to inflation or an increase in funding, whichever is lesser).
25. U.S. Department of Education, *Teacher Quality Partnership Grant Program, Awards 2009*, January 26, 2010 <<http://www2.ed.gov/programs/tqpartnership/awards.html>> (March 30, 2010).
26. Ibid.
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36. Includes all programs and services administered by the Child Development Division, as well as the Title I, Part A Preschool, Education for Homeless Children and Youth, and Special Education programs that serve children birth to age five, and the child care component of the Child and Adult Care Food Program.
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38. California Department of Education, *Child Care Annual Aggregate Report Data, SFY 2008-2009*, February 11, 2010 <<http://www.cde.ca.gov/sp/cd/re/program-type89.asp>> (February 17, 2010).
39. Children Now estimate based on the number of children under age six served during the month of October 2008 (240,428) and the total unduplicated amount of children of all eligible ages served through FY 2008-2009 (503,670). California Department of Education, *October 2008: Number and Percent of Children Served by Program Type and Age Group*, February 17, 2010.
40. States receive \$125,000 to \$225,000 yearly from the Office of Head Start to maintain Head Start State collaboration offices, with a 25% state match for a five-year period. California Research Bureau, *Child Care Funding Sources for California School Districts*, October 2008.
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42. Ibid. In FY 2008, total enrollment was 104,883. This figure includes enrollment for Head Start (90,695), Early Head Start (7652), Migrant and Seasonal Head Start (5,928) and American Indian-Alaskan Native Head Start (608).
43. Ibid.
44. California Head Start Association, Region IX Early Head Start Grants, Email Update, January 15, 2010.
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46. CDD also administers the Migrant Alternative Payment Program for children of agricultural workers.
47. CDD contracts Alternative Payment Programs (APPs) to make payments directly to the program or provider selected by the family or issue a voucher to parents that can only be used to pay for child care services.
48. CDD also funds three school-age quality improvement initiatives, totaling \$1.2 million. California Department of Education, *Summary of the Child Care and Development Fund State Plan for the Period of 10/1/09 through 9/30/11 for California*, November 6, 2009 <<http://www.cde.ca.gov/sp/cd/re/draftsum1011.asp>> (December 16, 2009).
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50. According to California Education Code, only SELPAs that received funding for the Special Education Infant Program before or during FY 1998-1999 are eligible for this program.
51. CDE also utilizes a small portion (approximately \$300,000) of its IDEA, Part-619 funds to provide SELPAs annual Pre-Kindergarten Staff Development grants.

52. IDEA Part-611 funding is distributed to state agencies of education to pay for excess costs of special education services of children ages three through 21.
53. For CDE's reporting purposes, the term child care centers also includes some settings serving children over age five, such as school-age centers, after-school centers and emergency shelters. However the majority of these children served were birth to age five. California Department of Education, *Child and Adult Care Food 2008-2009 County Profile*, February 16, 2010 <<http://www.cde.ca.gov/ds/sh/sn/documents/coprochild0809.xls>> (February 19, 2010). <<http://www.cde.ca.gov/ds/sh/sn/documents/coprochild0809.xls>> (February 19, 2010).
54. Children age three and older receive Regional Center services as part of the Lanterman Act. For more information, see [http://www.dds.cahwnet.gov/Statutes/Statutes\\_Home.cfm](http://www.dds.cahwnet.gov/Statutes/Statutes_Home.cfm).
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66. General measures put in place by CDDS to achieve an initial \$334 million in General Fund savings, such as implementing a 3% payment reduction for all services purchased by Regional Centers, also impact those children served through Early Start.
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70. Given the Community College CalWORKs program was cut by almost \$17 million in FY 2009-2010, some community college CalWORKs programs may determine that students' child care needs can be covered by other agencies or resources and utilize the funds designated for child care services to subsidize other campus CalWORKs program costs such as job development services or work-study placements.
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72. The funding sources for these early learning and development programs vary by campus. California Community College Chancellor's Office, *Response to Children Now's Request for Data*, March 2010.
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74. California Community College Chancellor's Office, *Response to Children Now's Request for Data*, March 2010.
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