


## City of Alexandria, Virginia

## MEMORANDUM

DATE: JUNE 19, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: RECOMMENDATIONS FOR THE USE OF EARLY CHILDHOOD FUNDS  
CARRIED OVER FROM FY 2008

---

**ISSUE:** Consideration of the transfer of \$300,000 in early childhood funds from contingent reserves to the Department of Human Services and recommendations for the use of the funds.

**RECOMMENDATION:** That City Council approve transfer to the Department of Human Services \$300,000 in early childhood funds designated in contingent reserves and carried over from FY 2008 as part of the FY 2009 budget process to be expended as follows:

- 1) \$130,000 to purchase additional quality early care and education slots for previously not served at-risk children;
- 2) \$30,000 to fund quality enhancement and staff development in child care centers;
- 3) \$90,000 to fund the purchase, implementation and evaluation of the Portage curriculum in family child care homes; and
- 4) \$50,000 to be held toward local match for a State Quality Rating System funding opportunity that may occur during July and August 2008. If this entire amount is not needed, the ability to migrate the remainder to slots is outlined in option 1.

**BACKGROUND:** On May 5, 2008, City Council approved the FY 2009 general operating budget which included a carry-over of \$300,000 for early childhood, along with a request for recommendations from staff for the use of the funds.

**DISCUSSION:** The FY 2008 budget included \$800,000, designated in contingent reserves, to address the Child Day Care Fee System (Fee System) waiting list. The Department of Human Services (DHS) initially drew down \$500,000 of those funds to clear the waiting list but did not need to draw down the remaining \$300,000 because of additional federal and state child care dollars that became available to the City after the Virginia Department of Social Service's annual mid-year budget review.

The Early Childhood Commission (ECC) scheduled a public hearing for May 15, 2008, to solicit ideas around the use of the funds, nine individuals representing ten organizations spoke on the possible uses of the \$300,000 carry-over to FY 2009. The ECC executive committee met twice in May and June 2008 and brought a recommendation for the use of the funds to the full Early Childhood Commission meeting on June 9, 2008. The recommendations as approved by the commissioners were:

- \$210,000 for the purchase of new slots for at-risk children from families whom are ineligible for other early childhood programs.
- \$90,000 for the purchase and implementation of the Portage Curriculum to help family child care providers provide a developmentally appropriate curriculum to 4 year-olds and also provide appropriate evaluation of the effectiveness.

After careful review of the work of the Early Childhood Commission, input from the public and stakeholder organizations, including the State, staff has made the following recommendations for the use of these funds based on increasing access opportunities for children and building on quality:

- 1) \$130,000 for the purchase of new slots for at-risk children from families who are ineligible for other early childhood programs. Parents would choose from a list of programs that either: 1) meet Virginia Preschool Initiative (VPI) requirements. Using funds for this purpose qualifies for the local match under the VPI program. Therefore, the City would draw down VPI funding of \$1,200 per child in 2009; or 2) are actively pursuing accreditation. It should be noted that this per child amount will increase to \$3,000 in FY 2010, when the 50% cap on the local match requirement goes into effect.

To ensure the best possible use of these funds, staff recommends that a single point of entry system be developed in which families would be screened by DHS for all federal child care programs, including the Fee System and Head Start, before pursuing these funding options. Participating programs would be asked to certify that these funds would not be used to supplant existing scholarship dollars.

The State's maximum reimbursable rate for four-year olds in Alexandria is \$190 per week or \$8,170 for a 10-month academic year beginning in September. For programs that qualify for VPI, the City cost for this program would be \$6,970. For other programs, the cost would be up to the full amount of \$8,170. The maximum number of additional children that could be served under this scenario would be 19.

<b>Carryover Funding Made Available</b>	<b>\$</b>	<b>130,000.00</b>
Maximum Reimbursable Rate/week (MRR)	\$	190.00
Weeks in school		43
Per Grant Year		
MRR	\$	8,170.00
Less VPI Funding/child	\$	1,200.00
Net Cost per Child	\$	6,970.00
<hr/>		
Number of Children Served		19

Staff recommends that the eligibility requirements for these dollars include:

- Alexandria residency
- screening for eligibility for federal child care programs, Head Start and Title I
- gross income at or below 250% of poverty (the same as the Fee System)
- documentation of income can include a self-declaration (inability to document income is a barrier to many parents who work as day laborers)
- priority would be given to children with family situations that place the child at-risk (See attachment 1 - sample chart that is used for VPI.)

The application process would be open to all families and the availability of funding would be widely advertised. The initial applications would be due within a two to three week time frame in July and, once families are screened for eligibility, they would be offered the opportunity to choose the program that best meets their needs from a pre-qualified list. Any families that are not able to be served during the initial application phase would be placed on a waiting list to replace any children that leave the program. Families would also be added to the waiting list throughout the year and taken from the list on a first-come, first-served basis;

- 2) \$30,000 to fund quality enhancement and staff development in child care centers. Center directors have identified staff development and support for quality efforts such as accreditation and post-secondary scholarships as a priority for them; and
- 3) \$90,000 to fund the purchase and implementation of the Portage curriculum in family child care homes. Currently, more than 100 four-year-olds, eligible for the Child Day Care Fee System, are being served in family child care homes and this number does not include private pay children. Parents have a variety of reasons for choosing family child care, including the hours and flexibility of home-based care but it has become obvious that there is a need to address the quality of the services provided in many family child care homes and to provide them with a curriculum they can use to prepare children for school. These dollars would fund a one-year pilot, including the purchase of the Portage curriculum, training in the use of the curriculum and a temporary part-time position in the Office for Early Childhood Development to implement the pilot, provide one on one mentoring, including an assessment of the program's effectiveness.

- 4) \$50,000 to encumber as local match money for state Quality Rating System through VPI funding. QRIS was implemented as a successful pilot during the 2008 fiscal year and the state plans to issue another opportunity during the month of June. Once again, the goal is to promote a quality child care experience for children in Alexandria. If Council does not approve this option or if the dollar amount is not needed in entirety it is recommended the \$50,000 be applied toward slot allocation as outlined in option 1.

**FISCAL IMPACT:** The \$300,000 in contingent reserves that is available in FY 2008 will fund the following: 1) a quality preschool experience for up to 19 at-risk four-year-olds whose families are ineligible for existing early childhood programs for the 10-month academic year beginning in September; 2) targeted training, post-secondary scholarships and other staff development efforts for child care centers; and 3) the purchase and implementation of the Portage curriculum in family child care homes; and 4) holding \$50,000 for possible local match for pending state Quality Rating Systems dollars. Financial and reporting oversight will be provided by existing staff in the Department of Human Services. It should be noted that there are no monies available in the City budget to continue this program once these funds are expended.

**ATTACHMENT:** Virginia Preschool Initiative/Family Support Project At-Risk Indicators Eligibility Form

**STAFF:**

Debra R. Collins, Assistant City Manager for Community and Human Services  
Leticia Lacomba, Deputy Director of Human Services  
Carol M. Farrell, Director, Office for Early Childhood Development, DHS  
Laura Morrison, Finance and Operations Division Director, DHS  
Kendel Taylor, Financial Management Coordinator, OMB

**Virginia Preschool Initiative/Family Support Project  
At-Risk Indicators Eligibility Form**

One from a disadvantaged environment, whose life experiences may fail to develop language competence, adaptive behaviors, strong self –concept, and individual responsibility. These disadvantages may result in low academic achievement and increased exposure to abuse, neglect, exploitation and /or antisocial behavior. This definition would include a child (1) whose family circumstances and family economics qualify him or her to be eligible for services under the public schools' free and reduced lunch program, Head Start, Title 1, Temporary Assistance for Needy Families (TANF- formerly AFDC), the Child Care and Development Fund, and (2) whose behavior and responses indicate a need for a Developmentally Appropriate setting.

	Possible Points	Earned Points
Low Income	10	
Homelessness	10	
Teen Parenthood	10	
Substance Abuse	7	
Chronic Physical/Mental Problems	7	
Incarceration of a Parent	5	
Family Instability	5	
English Language Learners	5	
Family Violence	5	
Unstable Employment	4	
Socio-Emotional Behavior Problems	4	
Total Points		

To be considered at-risk, each child must have a minimum of 10 at-risk points