



## County of Los Angeles Policy Roundtable for Child Care



Policy Brief

May 5, 2010

### American Recovery and Reinvestment Act of 2009 Allocations to Child Care and Development Programs in Los Angeles County

#### Overview

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA). The ARRA was designed to stimulate the economy through job development, tax relief, and infrastructure investments. In addition, the ARRA made significant investments in children and their families being served by early childhood programs.<sup>1</sup> This policy brief summarizes the allocations that are reaching young children and their families in Los Angeles County as a result of investments in Early Head Start and Head Start, the Child Care and Development Block Grant (CCDBG), and the Individuals with Disabilities Act (IDEA) Part B Preschool and Part C, early intervention services for infants and toddlers.

#### Child Care and Development Block Grant (CCDBG)

CCDBG discretionary funds are distributed to states to provide subsidized child care and development services to low-income families. Discretionary funds do not require a state match. States also receive mandatory funds, which normally requires a State match, to use for quality improvements, training and technical assistance, research and evaluation, quality infant and toddler care, and resource and referral activities. The State match was not required for the funds awarded under the ARRA.

The ARRA appropriated \$2 billion to CCDBG, of which \$255.2 million was specifically targeted to quality improvements. Furthermore, of the amount allocated to quality improvements, \$93.6 million was designated to improving infant and toddler care.<sup>2</sup>

The California Department of Education (CDE) received a total of \$220 million in CCDBG funds for child care and development services over a two-year period. CDE, in turn, awarded the ARRA CCDBG funds for the current fiscal year (2009-10) to existing child care and development programs serving low-income families eligible for subsidized services. Of the \$90 million distributed to child care and development programs throughout the state, \$8.3 million was awarded to programs serving children and families in Los Angeles County as follows:

- Twenty-eight existing CDE-contracted child care and development programs received ARRA funds.
- Twenty-six programs received awards ranging from \$3,333 to \$79,622 for quality repair and renovations.
- The Los Angeles County Office of Education (LACOE) received funding for the California Preschool Instructional Network (CPIN) to provide professional development and technical assistance to improve the quality of preschool services.
- Los Angeles Unified School District (LAUSD) received the largest award at \$7.3 million for the provision of center-based services to income eligible families.

<sup>1</sup> Zero to Three. *Navigating the Opportunities for Families with Young Children in the American Recovery and Reinvestment Act: An Interactive Tool*. June 2009.

<sup>2</sup> Ibid.

Table 1 summarizes the distribution of ARRA CCDBG funds in Los Angeles County.

Quality Repair and Renovation <sup>3,4</sup>	\$396,603
General Center-Based <sup>5,6</sup>	\$7,347,000
Professional Development, Technical Assistance & Support-Preschool Services Improvement <sup>7</sup>	\$625,740
<i>Total - CCDBG</i>	<i>\$8,369,343</i>

### Early Head Start and Head Start

Early Head Start is a comprehensive early education program for low-income pregnant women and infants and toddlers from ages birth to three. Early Head Start services may be provided in the home of the family, in a licensed family child care home, and/or in a center. Head Start is a comprehensive early child development program for low-income preschoolers ages three to five years old provided in a center-based setting. Families are eligible for Early Head Start and Head Start if their income is below the federal poverty level (FPL); families with incomes up to 130 percent of the FPL may enroll as space is available. At least 10 percent of enrollment must include children with disabilities.

Of the total \$2.1 billion in ARRA funds allocated to Head Start and Early Head Start, \$199.6 million was targeted for Head Start expansion inclusive of Early Head Start and \$1.15 billion was set aside exclusively for Early Head Start expansion. Funds were also set aside for Cost of Living Adjustments (COLAs), quality improvements, training and technical assistance for Head Start and Early Head Start, monitoring, and a one-time allocation for State Advisory Councils.

In Los Angeles County:

- \$44.2 million in ARRA funds were awarded to eight new Early Head Start grantees and 12 existing Early Head Start and Head Start Grantees.
- New Early Head Start grantees account for \$9.9 million of the ARRA funds to serve 827 children, while existing grantees received an aggregated total of \$12.7 million to expand Early Head Start services to an additional 1,061 children.
- A total of \$5 million was distributed to three grantees to expand Head Start services to an additional 713 children.
- Existing Early Head Start and Head Start grantees were awarded, in the aggregate, \$15.7 million in Cost of Living Adjustment (COLA) and quality improvement funds.

<sup>3</sup> California Department of Education. *ARRA Child Care and Development Block Grant*. Retrieved from [www.cde.ca.gov/ar/rr/](http://www.cde.ca.gov/ar/rr/) on March 3, 2010.

<sup>4</sup> Recovery.gov Track the Money. *Grants Award Summary – Education, California Department of*. Retrieved from [www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=65633&AwardType=Grants](http://www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=65633&AwardType=Grants) on February 9, 2010.

<sup>5</sup> California Department of Education. *ARRA Child Care and Development Block Grant*. Retrieved from [www.cde.ca.gov/ar/rr/](http://www.cde.ca.gov/ar/rr/) on March 3, 2010.

<sup>6</sup> Recovery.gov Track the Money. *Grants Award Summary – Education, California Department of*. Retrieved from [www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=65633&AwardType=Grants](http://www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=65633&AwardType=Grants) on February 9, 2010.

<sup>7</sup> Ibid.

- LACOE received the largest awards totaling \$20.5 million, of which \$3.8 million was awarded to seven Early Head Start delegate agencies and \$3.3 million went to six Head Start delegate agencies for expansion, and \$10.7 million was distributed to 25 delegate agencies for COLAs and quality improvements.
- Two entities were awarded technical assistance funds.

Table 2 summarizes the awards to Early Head Start and Head Start programs in Los Angeles County.

Award Type	Aggregated Grant Amounts	Number of Children to be Served <sup>9</sup>
Early Head Start – New Grantees	\$9,989,898	827
Early Head Start – Expansion Grants	\$12,773,380	1,061
Head Start – Expansion Grants	\$5,452,089	713
COLA and Quality Improvement	\$15,740,912	
Technical Assistance	\$420,848	
<i>Total – Early Head Start and Head Start</i>	<i>\$44,267,608</i>	<i>2,601</i>

### **Individuals with Disabilities Act (IDEA) – Part B Preschool and Part C Early Intervention**

Children ages three to 21 with certain developmental disabilities are eligible for special education and related services under Part B of the IDEA.<sup>10</sup> An Individualized Education Program (IEP) describes the children’s learning needs and goals and the services to be provided. Infants and toddlers, ages birth through two years old, with or at high risk for a developmental delay or disability and their families may be eligible for early intervention services through Early Start under Part C of the IDEA.<sup>11</sup> An Individual Family Service Plan (IFSP) is developed for the eligible child, identifying the strengths and needs of the infant or toddler and addressing parent concerns. Services are arranged through the local Regional Center or local education agency.

The California Department of Education received \$41 million in Preschool Grants under Part B of the IDEA to ensure that special education and related services are available to children with disabilities from ages three through five years old and, at the State’s discretion, to two year old children with disabilities who reach age three during the school year.<sup>12</sup> Nine school districts located throughout Los Angeles County were awarded in the aggregate nearly \$10.3 million. The largest awards went to Los Angeles Unified School District at \$4.96 million followed by the Los Angeles County Office of Education at just under \$3 million. Funding for early intervention services designated for Part C of the IDEA to serve infants and toddlers with or at high risk for developmental delays was awarded to the Department of Developmental Services (DDS).<sup>13</sup> Of

<sup>8</sup> Information retrieved from Recovery.gov Track the Money – Advanced Recipient Data Search located at [www.recovery.gov/pages/TextViewProjSummary.aspx?data=recipientAwardsList&State=CA&Agency=75&AwardType=ALL&RenderData=ALL](http://www.recovery.gov/pages/TextViewProjSummary.aspx?data=recipientAwardsList&State=CA&Agency=75&AwardType=ALL&RenderData=ALL) on February 9, 2010.

<sup>9</sup> California Head Start Association. *Early Head Start Grants Made in Two Announcements*. January 15, 2010.

<sup>10</sup> Child Care Law Center. *Questions and Answers for Parents about the IDEA & Preschool in California*. November 5, 2004.

<sup>11</sup> Information retrieved from California Department of Developmental Services Web site, <http://www.dds.cahwnet.gov/EarlyStart/WhatsES.cfm> on May 4, 2010.

<sup>12</sup> Information retrieved from Recovery.gov Track the Money – Advanced Recipient Data Search located at <http://www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=24013&AwardType=Grants> on May 4, 2010.

<sup>13</sup> Information retrieved from Recovery.gov Track the Money – Advanced Recipient Data Search located at <http://www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=33608&AwardType=Grants> on May 4, 2010.

the \$59.5 million received by DDS, approximately \$17.7 million was disbursed to seven organizations providing early intervention services to infants and toddlers and their families in Los Angeles County.

## **In Summary**

Nearly \$53 million in ARRA funds has been invested in child care and development programs serving some of the most vulnerable children and families in Los Angeles County. Additionally, schools and organizations received nearly \$28 million to serve young children at risk for developmental delays or with disabilities and their families. As a result of the significant investment in Early Head Start and Head Start, more low-income families are able to access child care and development and other comprehensive services to ensure the healthy growth and development of their young children, prenatally to five years old. On the other hand, while California faces ongoing economic challenges, the ARRA investments have been vital to maintaining the existing level of services provided by the CDE-contracted child care and development programs and contributing to modest quality improvements. While not a focus of this brief, it is noteworthy that ARRA awarded \$1.1 billion to the CDE for Title 1 grants to local education agencies to improve the academic performance of students most at risk of failing to help them meet State academic achievement standards. Nearly \$468 million was distributed to 205 schools and school districts located in Los Angeles County.<sup>14</sup> Title 1 funds may be used for early care and education, however very few schools choose to commit resources to early childhood programs. Among school districts that have chosen to invest their Title 1 funds for early childhood programs is LAUSD, which has dedicated a portion of the funds to improving the quality of its early childhood education centers.

Sadly, there is an ongoing substantial gap between income eligible families and subsidized child care and development services needed to support parents while they work, attend school or are in desire of enriching environments that will help their children prepare for school and life. In Los Angeles County, 42,720 children in 29,150 working families eligible for subsidized child care and development services offered by CDE-contracted programs are not being served,<sup>15</sup> with many anticipating long waits or little hope of being connected. While California legislators grapple with proposed cuts to programs and services to address the State's looming budget deficit, proposals at the federal level offer some hope of relief. As such, President Obama's proposed budget for fiscal year 2011 includes funding increases to support children and families, including continuing investments in Early Head Start/Head Start and CCDBG. In addition, the President has expressed his commitment to realizing the Early Learning Challenge Fund, which would provide competitive grants to states to reform their child care and development systems and develop quality rating and improvement systems. In the meantime, there is great uncertainty to the sustainability of the expanded services offered as a result of the ARRA funds, particularly for newly established programs as well as those that have expanded their services to serve additional children. The Policy Roundtable, in partnership with the Child Care Planning Committee, will continue to monitor ongoing federal and state budget deliberations and legislation, including the potential impact on, at a minimum, maintaining the current level of child care and development services available to low-income families.

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Questions or comments relating to this policy brief may be referred to Michele Sartell, Los Angeles County Office of Child Care within the Service Integration Branch of the Chief Executive Office, by e-mail at [msartell@ceo.lacounty.gov](mailto:msartell@ceo.lacounty.gov) or by telephone at (213) 974-5187.

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<sup>14</sup> Information retrieved from Recovery.gov Track the Money – Advanced Recipient Data Search located at <http://www.recovery.gov/Transparency/RecipientReportedData/pages/RecipientProjectSummary508.aspx?AwardIdSur=24138&AwardType=Grants> on May 5, 2010.

<sup>15</sup> Reported on the Los Angeles Centralized Eligibility List as of March 5, 2010.