



*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the First 5 Kings County Children and Families Commission's office at (559) 585-0814 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2 (a)*

## **SPECIAL MEETING A G E N D A**

November 1, 2010  
12:00 p.m.

Kings County Board of Supervisors Chambers,  
Kings County Government Center  
1400 West Lacey Blvd.  
Hanford, CA 93230

### **12:00 COMMISSIONERS ROLL CALL**

#### **REVIEW AND MODIFICATION TO AGENDA**

### **12:05 OPPORTUNITY FOR PUBLIC COMMENT**

This portion of the meeting is reserved for persons to address the Commission on any matter not on this agenda but under the jurisdiction of the Commission. Commissioners may respond to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Commission at a later meeting. Also, the Commission may take action to direct staff to place a matter of business on a future agenda.

**SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE YOUR NAME BEFORE MAKING YOUR PRESENTATION.**

### **12:10 DISCUSSION/ACTION ITEMS**

#### **2010-11-001 Transition Funding for CAL Works Stage 3 Recipients**

Commission to discuss and consider action regarding provision of transitional funding for Cal Works Stage 3 childcare recipients.

### **12:25 COMMISSIONER COMMENTS**

### **12:30 ADJOURNMENT**

#### **Public Comment is Taken on Each Agenda Item**

**Please note that the order in which the agenda items are considered may be subject to change.**

*Agenda backup information and any public records provided to the Commission after the posting of the agenda will be available for the public to review at the First 5 office: 315 W. Lacey Blvd, Hanford, CA for the meeting date listed on this agenda.*



315 W. Lacey Blvd • Hanford • CA • 93230 • (559) 585-0814

Date of Meeting: November 1, 2010  
Agenda Item: 2010-11-001  
Discussion/Action Item: XX

**AGENDA ITEM:** Transitional Funding for Cal Works Stage 3 recipients

**A. Background/History:**

Subsequent to the passage of the 2010-11 State Budget, Governor Schwarzenegger utilized his line item veto authority to (among other things) eliminate funding for Cal WORKs Stage 3 childcare services effective November 1, 2010. The veto eliminated \$256 million from the CalWORKs program and eliminated all stage 3 coverage for 55,000 children effective November 1, 2010. Speaker Perez has requested that County First 5 Commissions provide funds to respond to the loss of childcare to these families.

In Kings County, Stage 3 childcare is administered by Kings Community Action Organization (KCAO) funded by the California Department of Education (CDE). Based on information from Kings County Human Services Agency, there are approximately 262 Kings County children who will lose access to childcare effective October 31, as a result of the elimination of Stage 3. Estimates provided assert that 37 of these children are ages 0-5. The very short notice of the termination of Stage 3 funding provides parents very limited time to plan for alternative care and creates a real crisis for many families. Because the Stage 3 program supports working families<sup>1</sup>, both their employment and their children's safety and security are jeopardized by this action.

On October 19<sup>th</sup>, the First 5 Association received letters from California State Assembly Speaker John Perez and Senate President pro Tem Darrell Steinberg asking local First 5 Commissions to assist in supporting families affected by this funding cut. The request also states the legislative leadership's intent to restore the funding as soon as possible, and committing \$6 million from the Assembly budget to aid in this effort.

The First 5 Association Executive Director and members of the Executive Committee worked with the legislative leadership over the next week to establish more detail and specificity to the plan to restore Stage 3 child care funding.

On October 25, the First 5 Association of California received a letter signed by both Speaker Perez and President pro Tem Steinberg more fully articulating their intent to introduce legislation that would restore funding for the Stage 3 program back to November 1 and make funds available to reimburse local First 5 Commissions for funding the program in the interim.

**B. Summary of Request, Description of Project and/or Primary Goals of Agenda Item:**

Commission Staff is requesting direction from the Commission regarding possible solutions to the situation created by the elimination of CalWORKS Stage 3 Childcare subsidies.

Commission staff offer as possible actions:

1. A short-term loan which will be paid back when legislature enacts bill in January. Speaker and Pro-Tem plan to get this done on a majority vote.
2. Service payback agreement with KCAO where they handle this issue and if the funds are not provided by the state they pay off funds provided over next 3 years.
3. Commission funds a transitional program with KCAO which provides 60-90 day services and includes health screenings, literacy etc not currently provided so services would be enhanced. Families would also be transitioned to available Preschool, Head Start slots etc. This program is not tied to reinstatement of state funding.

<sup>1</sup> CalWORKs Stage 3 child care subsidies go to working families that have been off CalWORKs cash assistance for two years or more. (Stages 1 and 2 are for families receiving or recently discontinued from CalWORKs due to employment). The State contracts with local agencies to administer the Stage 3 program. In Solano County, about 415 families receive the Stage 3 subsidy.

**C. Timeframe:**

November 2010 – January 2012 (or as identified by Commission)

**D. Costs:**

Estimates are based on the assumption that costs per child range from \$308-360/month (as provided by KCAO). With that consideration, cost estimates per child assume a mid range of \$334. Amount of qualifying children (age 0-5) are based on estimates provided by the Human Services Department and total 37.

Monthly Costs: \$12,358

Total Costs: \$37,074 (November 2010 – January 2011)

**E. Staff Recommendation:**

Staff Recommend commission consider all options and provide direction as to action to be taken. County Counsel is reviewing all options provided and is preparing a recommendation regarding how any of these alternatives will align with the anti-supplantation clause of our legislative mandate.

**F. Attachments:**

- First 5 Association Memo
- Legislative Request #1
- Legislative Request #2 and Childcare Bill (Draft)
- CDE Chart with Stage 3 caseload information



October 28, 2010

MEMO

To: Cathy Senderling  
From: Sherry Novick  
Re: Question of Supplantation in the Context of the Stage 3 Veto

As of today 13 county First 5 commissions have taken action to support families who face the imminent loss of their child care (or their jobs) due to the Governor's veto of Stage 3; 17 commissions have noticed the issue for an upcoming meeting. Those that have acted or have meetings planned include commissions in all the most populous counties. Child care agencies in many of the more sparsely populated counties have determined they can manage families' needs on a case-by-case basis and, for the most part, have not requested assistance from their local First 5 commissions.

You asked why commission action to provide this assistance is not supplantation.

Proposition 10 states, "All moneys raised pursuant to taxes imposed by Section 30131.2 ... shall be used only to supplement existing levels of service and not to fund existing levels of service. No money in the California Children and Families Trust fund shall be used to supplant state or local General Fund money for any purpose." (See Rev and Tax Code Section 30131.4)

We believe commission action to address the Stage 3 emergency is not counter to the above provision for the following reasons:

- 1) Most commissions are not actually providing Stage 3 funds, but rather are establishing "transition programs," through loans or grants to local Alternative Payment Providers, to give families time to find safe care for their children ages 0 - 5. Commissions do not view this as replacing (i.e. supplanting) Stage 3 funds, but rather as providing a safety net program that meets emergency needs of vulnerable families in their county.
- 2) If any APP receives funding for the same families for the period of time for which the commission paid the APP to serve those families, the APP will be required to repay the commission. (This is the case whether the transition program is established through a repayable grant or a loan to the APP.) Repayment will assure that the funding is not used by the APP to supplant any state funding.
- 3) If the Legislature fails to appropriate funding for Stage 3 child care in January, most commissions that made loans will forgive the loan and consider it payment for a transition program that

permitted families time to ensure their children's safe care. Again, this would not supplant state funding because no state funding would be available under this scenario.

- 4) Regarding the specific language of Proposition 10, no state or local funding is, in fact, available for Stage 3 child care after October 31, 2010. As the Association's attorney pointed out in an opinion on this point issued in 2004, the term "existing" in Prop 10 is not defined, leaving county commissions to determine when a program no longer "exists" and is therefore eligible for Proposition 10 funding. Read literally, Section 30131.4 prohibits the use of Proposition 10 funds only when a program would be eligible to receive funding from other sources during the grant period.
- 5) When he vetoed the funds, the Governor did not indicate intent to supplant; he provided no instruction or request related to replacing state funds with county commission funds (or any other funds, for that matter.)
- 6) The decision to support families negatively affected by the Governor's action is a local one based on local need and judgment. This is consistent with Proposition 10's goals of promoting local control and a seamless web of services. (See Health and Safety Code, Section 130100).

Notwithstanding the above, some individual commission policies may lead to assistance taking a variety of other forms. This is consistent with the overarching construct of Proposition 10 that establishes local control over expenditure of all county commission funds.

Please feel free to contact me at 510-526-9999 if I can provide any further information.

# California Legislature

October 25, 2010

Local First Five Commissioners  
C/O Sherry Novick, Executive Director  
First Five Association of California  
719 El Cerrito Plaza  
El Cerrito, CA 94530

Dear Commissioner:

We want to thank you for your attention and interest in joining our efforts to avoid the child care crisis caused by Governor Schwarzenegger's veto of \$256 million from Stage 3 Child Care.

If the veto is left unanswered, 60,000 working parents that have successfully worked their way off of welfare and into the workforce will be faced with the cruel choice: either quit their jobs and go back on welfare or be forced to leave their children without quality, educational, and safe child care.

As the Speaker of the Assembly and the Pro Tempore of the Senate, we want to make clear what our commitments are to avert the child care crisis, and we hope our strong commitments better enable you to provide critical transitional funding.

Attached to this letter is a Legislative Counsel draft of the bill that will be introduced on December 6, 2010, the first day of the new Legislative Session. We commit that both houses will pass this bill and deliver to the new Governor's desk on the earliest day possible.

This bill does the following:

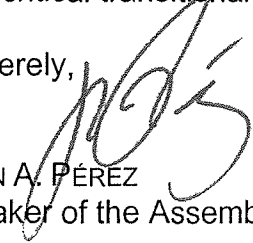
- ◆ Restores \$250 million of the veto. This amount, in addition to \$6 million contributed by the Assembly, will fully fund Stage 3 Child Care for the *entire 2010-11 fiscal year*.
- ◆ Covers the transitional period from November 1 until the bill is signed. Therefore funds will be available for the Alternative Payment Providers to reimburse any funds forwarded by your commission during the transitional period.

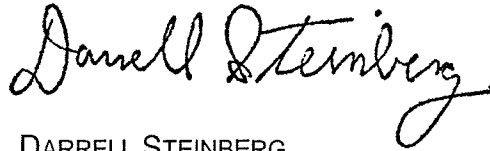


- ◆ Requires only a simply majority vote under the Constitution, since this is an appropriation for educational purposes (Article 4, Section 12(d)), and will take effect immediately as a current and usual expense (Article 4, Section 8 (c) 3). Both of these issues are reflected in the Counsel Digest in the attached draft of the bill.

Once again, thank you for working to avoid this crisis. We hope our joint commitments contained in this letter help with your decisions to come through with critical transitional funding.

Sincerely,

  
JOHN A. PÉREZ  
Speaker of the Assembly



DARRELL STEINBERG  
President Pro Tempore of the Senate

## LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, \_\_\_\_\_.

General Subject: Education finance: CalWORKs Stage 3.

Existing law requires that child care be provided in 3 stages to recipients of benefits under the California Work Opportunity and Responsibility to Kids (CalWORKs) program. The 1st stage of child care begins upon the entry of a person into the CalWORKs program. The 2nd stage of child care begins when a county determines that the work or approved work activity of the recipient is stable or when a recipient is making the transition off of aid and child care is available through a local stage 2 program. The 3rd stage of child care, which is administered by programs contracting with the State Department of Education, begins when a funded child care space becomes available for the child or children of the eligible CalWORKs recipient.

This bill would appropriate \$256,000,000 from the General Fund, for transfer by the Controller to Section A of the State School Fund, for restoration of funding for CalWORKs Stage 3 child care, retroactive to November 1, 2010.



10259901242751110016

42427

10/22/10 01:43 PM  
RN 10 25990 PAGE 2

The bill would declare that it makes appropriations for the usual and current expenses of the state, thereby taking effect immediate.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.



10259900427111616

42427

10/22/10 01:24 PM  
RN 10 25990 PAGE 1

An act relating to education finance and making an appropriation therefor,  
to take effect immediately as an appropriation for the usual and current  
expenses of the state.



10259904242781LL

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. It is the intent of the Legislature to restore funding to CalWORKs Stage 3 Child Care, retroactive to November 1, 2010.

SEC. 2. The sum of two hundred fifty ~~six~~ million dollars <sup>(250,000,000)</sup> (~~\$256,000,000~~) is appropriated on a one-time basis from the General Fund, for transfer by the Controller to Section A of the State School Fund, for restoration of funding of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2010 (Ch. 712, Stats. 2010), as follows:

(1.5) 30.10.020---Child Care Services

(f) 30.10.020.012---Special Program, Child Development, Alternative Payment Program---Stage 3 Setaside

SEC. 3. This act makes an appropriation for the usual current expenses of the state within the meaning of Article IV of the Constitution and shall go into immediately effect.





**JOHN A. PÉREZ**  
SPEAKER OF THE ASSEMBLY

October 19, 2010

Evelyn Martinez  
President, First 5 Association of California  
719 El Cerrito Plaza  
El Cerrito, CA 94530

Dear President Martinez:

In a few days 81,000 children from 60,000 families will lose the subsidized Stage 3 child care that allows parents to continue their successful transition from welfare to work. My colleagues and I are deeply concerned that the loss of safe, quality child care will devastate these families. These parents have overcome great challenges to become self-sufficient. Now, with little notice, they have been blindsided with a cruel choice—either give up their jobs and return to welfare, or leave their young children in circumstances far less safe and beneficial than the quality educational environments they are in now.

While we will be taking legislative action to restore this funding as soon as possible, we are also reaching out to raise funds to bridge the gap until that can occur. I am writing because First 5 County Commissions have resources that could be used in partnership with other organizations to provide relief for these families. The Assembly will be contributing \$6 million from cuts we made to our operating budget.

I hope the County Commissions will consider intervening to address this crisis at the earliest possible opportunity. As independent champions of children and their families, First 5 Commissions have made a real difference helping young lives get started in the right direction. Losing quality, educational child care and having their families lose jobs and return to welfare would be the wrong direction for these children—and for California.

I appreciate your timely consideration of this request.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "John A. Pérez".

JOHN A. PÉREZ  
Speaker of the Assembly

**FY 10/11**

**Stage 3**

AgencyCode and Name		Co.	County	Jun-09	Jul	Aug	Sep
A982	PACE	01	Alameda	8	10	8	
B325	Bananas	01	Alameda	639	628	597	
B371	Child Family & Comm Svcs	01	Alameda	310	319	316	
B376	Comm Child Care Coording Council of Alameda Co	01	Alameda	570	569	555	
B388	Child Care Links	01	Alameda	183	197	200	
E064	Berkeley-Albany Licensed Day Care Operators' Assoc	01	Alameda	52	49	43	
U243	The Davis St. Community Ctr	01	Alameda	405	406	419	
B655	Continuing Develop	02	Alpine	1	1	4	
X675	Human Resources Council	03	Amador	17	18	18	
N852	Valley Oak Children's Servs	04	Butte	440	421	432	
X675	Human Resources Council	05	Calaveras	25	27	24	
1006	Colusa Co Supt of Schs	06	Colusa	21	24	21	
2207	Contra Costa Co Employ & Human Svcs Dept	07	Contra Costa	0	0	0	
A982	PACE	07	Contra Costa	321	341	333	
H860	Contra Costa Child Care Council	07	Contra Costa	1,351	1,326	1,291	
X707	Del Norte Child Care Council	08	Del Norte	17	17	15	
A982	PACE	09	El Dorado	0	0	0	
B655	Continuing Develop	09	El Dorado	123	127	108	
A982	PACE	10	Fresno	1,102	1,090	1,107	
J162	Supportive Services	10	Fresno	1,487	1,464	1,496	
N604	Central Valley Child's Svcs Netwk	10	Fresno	225	236	240	
1011	Glenn Co Supt of Schs	11	Glenn	42	39	39	
B205	Changing Tides Family Services	12	Humboldt	112	115	118	
1013	Imperial Co Supt of Schs	13	Imperial	554	543	523	
1014	Inyo Co Supt of Schs	14	Inyo	24	0	17	
1015	Kern Co Supt of Schs	15	Kern	1,701	1,678	1,734	
P155	Kings Comm Action Org	16	Kings	264	264	253	
B514	North Coast Opportunities	17	Lake	144	123	133	
1018	Lassen Co Supt of Schs	18	Lassen	46	45	45	
2187	City of Norwalk	19	Los Angeles	123	107	103	
6490	Pomona USD	19	Los Angeles	836	824	837	
B457	Ctr For Comm & Family Svcs	19	Los Angeles	719	761	602	
B460	International Institute of L A	19	Los Angeles	63	66	65	

B749	Crystal Stairs	19	Los Angeles	6,711	6,703	6,723
B763	Mexican American Opportunity Foundation	19	Los Angeles	710	715	705
G088	Child Care Information Srv	19	Los Angeles	453	358	316
G090	Child Care Res Ctr of San Fernando Valley	19	Los Angeles	3,964	3,929	3,922
J852	Options	19	Los Angeles	871	869	855
N616	Children's Home Soc	19	Los Angeles	1,732	1,725	1,707
T292	Drew Child Development Corp	19	Los Angeles	438	405	390
Y628	Pathways/Child & Family Srvs	19	Los Angeles	760	759	752
Y908	Connections For Children	19	Los Angeles	229	218	216
A982	PACE	20	Madera	258	267	262
B509	Madera Co Action Committee	20	Madera	57	66	69
A982	PACE	21	Marin	0	0	0
F228	Marin Child Care Council	21	Marin	235	235	244
N235	Infant/Child Enrichment Servs	22	Mariposa	3	6	6
A982	PACE	23	Mendocino	0	0	0
B514	North Coast Opportunities	23	Mendocino	100	107	100
1024	Merced Co Supt of Schs	24	Merced	358	365	374
A982	PACE	24	Merced	0	0	0
N984	Training Employment And Community Help	25	Modoc	0	0	0
N230	Inyo/Mono Advocates for Comm Action	26	Mono	0	0	0
A982	PACE	27	Monterey	0	0	0
B518	CSI to MAOF Feb/09	27	Monterey	308	259	264
A982	PACE	28	Napa	0	0	0
B524	Community Res For Children	28	Napa	104	98	99
A982	PACE	29	Nevada	0	0	0
H910	Sierra Nevada Children's Srvs	29	Nevada	61	57	58
1030	Orange Co Supt of Schs	30	Orange	379	379	365
N616	Children's Home Soc	30	Orange	1,264	1,279	1,277
1031	Placer Co Supt of Schs	31	Placer	267	262	262
A982	PACE	31	Placer	0	0	0
N674	Plumas Rural Services	32	Plumas	0	4	4
1033	Riverside Co Supt of Schs	33	Riverside	2,340	2,548	1,973
A982	PACE	34	Sacramento	22	9	25
J388	Child Action	34	San Benito	2,698	2,661	2,741
B649	Growth & Opportunity (Go Kids)	35	San Bernardino	35	36	36
1036	San Bernardino Co Supt of Sch	36	San Bernardino	3,597	3,570	3,563
6490	Pomona USD	36	San Bernardino	277	269	264

H945	YMCA of San Diego Co	37	San Diego	1,192	1,184	1,201
T007	Child Develop Assoc	37	San Diego	1,713	1,730	1,752
2238	San Francisco Dept of Human Svcs	38	San Francisco	0	0	0
A982	PACE	38	San Francisco	8	5	12
B610	Children's Council of San Francisco	38	San Francisco	1,180	1,176	1,176
A982	PACE	39	San Joaquin	4	4	0
B620	Family Res & Referral	39	San Joaquin	1,645	1,641	1,597
B621	Economic Opp Commiss of San Luis Obispo Co	40	San Luis Obispo	404	374	377
2241	San Mateo Co Human Svcs Agcy	41	San Mateo	0	0	0
A982	PACE	41	San Mateo	147	141	141
M232	Child Care Coordinating Council/San Mateo Co	41	San Mateo	380	360	361
1042	Santa Barbara Co Supt of Schs	42	Santa Barbara	345	394	352
B845	Santa Barbara Family Care Ctr	42	Santa Barbara	117	0	112
A982	PACE	43	Santa Clara	402	398	400
V937	Community Coord Child Develop Council, Santa Clara	43	Santa Clara	1,719	1,737	1,800
X358	Child Development	43	Santa Clara	803	805	798
A982	PACE	44	Santa Cruz	0	0	0
K444	Santa Cruz Co Parents Assoc	44	Santa Cruz	259	261	260
1045	Shasta Co Supt of Schs	45	Shasta	304	318	301
A982	PACE	45	Shasta	0	0	0
H910	Sierra Nevada Children's Servs	46	Sierra	0	0	0
J803	Siskiyou Child Care Council	47	Siskiyou	45	46	46
A982	PACE	48	Solano	0	4	3
B689	Solano Family & Children's Council	48	Solano	743	744	765
A982	PACE	49	Sonoma	258	270	268
B822	Community Child Care Council of Sonoma Co	49	Sonoma	286	292	278
B883	River Child Care Svcs	49	Sonoma	13	10	11
2250	Stanislaus Co Comm Svcs Agcy	50	Stanislaus	459	456	456
A982	PACE	50	Stanislaus	3	1	1
N616	Children's Home Soc	51	Sutter	97	100	105
1045	Shasta Co Supt of Schs	52	Tehama	136	120	131
N677	Human Response Network	53	Trinity	0	0	0
1054	Tulare Co Supt of Schs	54	Tulare	959	930	918
A982	PACE	54	Tulare	0	0	0
A982	PACE	55	Tuolumne	0	0	0
N235	Infant/Child Enrichment Servs	55		13	15	14
B715	Child Development Res of Ventura Co	56	Ventura	656	650	673

N616	Children's Home Soc	56		65	63	66	
2177	City of Davis	57	Yolo	358	349	347	
A982	PACE	57		0	0	0	
N616	Children's Home Soc	58	Yuba	75	70	82	
				54,944	54,641	54,072	
					(303)	(569)	(54,072)







0