

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Education and Early Development  
Early Development  
Budget Request Unit

## **Early Development Budget Request Unit**

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### **BRU Mission**

To provide early child care and education programs.

### **BRU Services Provided**

Child care programs provide financial support for eligible parents to work and at the same time have their children in safe child care programs. These programs also support standards of child care and assist providers in increasing their educational training.

The Child Care Assistance program pays direct child care subsidy costs for approximately 5,392 children per month. In addition, it funds components which directly support the child care quality programs of parent resource and referral services, provider resource development through job related education and training, child care grant support, child care quality enhancement, and consumer education.

The Child Care Licensing program promotes the attainment of national quality standards currently for 609 licensed centers and homes statewide and investigates consumer complaints.

The PreSchool Certification program currently oversees approximately 143 certified pre-elementary programs.

The Child Nutrition program administers the National School Lunch, School Breakfast, Special Milk, Summer Food, Child and Adult Care food, and Nutrition Education and Training Programs in Alaska for the USDA. This program distributes federal funds, training and resources to eligible schools, child care centers, licensed family day care homes, residential child care institutions, summer camps, homeless shelters, adult day care centers, and national youth sports programs that provide food for children in Alaska.

The USDA Commodity Program provides USDA commodities to school districts residential child care institutions, child care centers, summer food programs, and charitable and correctional institutions. The Emergency Food Assistance Program (TEFAP) provides school districts the opportunity to purchase commodity-processed foods to help reduce their meal costs and assists in transportation statewide.

The state Head Start program provide grants to 17 grantees that deliver services to at-risk children and their families, pre-natal through 4 years of age in over 100 communities. These community-based programs provide comprehensive services that contribute and invest in the well being of families and children in regions across the state.

The principal components of the Alaska Head Start program are community/economic development; education for children, staff, parents, volunteers; family community involvement; health services, that include physical, dental, nutrition, immunizations, health screenings, referrals/treatment; mental health services; social services; and career development/job training for parents and staff.

The Alaska State Community Services Commission provides the opportunity to Alaskans, of all ages and backgrounds, to engage in community service and volunteer programs to benefit communities in education, public safety, and human and environmental needs projects. The Commission responds to these issues, as identified by the residents in the rural and urban communities, through direct services provided by locally recruited AmeriCorps members. The Commission provides training and technical assistance to national service partners to plan and implement service programs and to apply for assistance under the national service laws. The Commission provides assistance to AmeriCorps service members through monthly stipends, health care, child care, education award benefits, and forms partnerships within communities with available resources.

The Even Start program provides funding, on a competitive basis, to school district and community based organization partnerships, to develop family centered education programs to help break the cycle of poverty and illiteracy and improve the education opportunity of low-income families. These grants are based on the three core areas of the Even Start program: Early Childhood Education; Adult Basic Education that leads to economic self-sufficiency; and interactive literacy activities between parents and their children which enable the parents to be the primary teacher for their children and full partners in the education of their children.

The Stewart B. McKinney Homeless Grant program ensures that all homeless children and youth have equal access to the same free, appropriate public education, including public preschool education, provided to other children and youth. Through competitive grants this program facilitates the enrollment, retention, attendance, and educational success in school of homeless children and youth. The program also provides supplemental services for homeless children and youth to achieve higher student academic and performance standards. The program supports and provides technical assistance in the formation of collaboration partnerships between families, schools, communities, and agencies to better identify and serve the homeless children and youth.

### **BRU Goals and Strategies**

- Increase the number of Alaskan families who are aware of and demand safe and healthy child care conditions for their children.
- Increase available child care service choices for Alaskan families.
- Increase the supply of qualified child care providers and licensed child care facilities.
- Maintain availability of child care assistance for eligible families.
- Maintain Head Start programs in 107 communities, and add additional communities and grantees dependent on funding.
- Market Child Nutrition Programs to school districts and child care programs who do not currently participate in federal nutrition programs.
- Increase commodity processing opportunities on behalf of school districts in order to reduce food service expenditures.
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### **Key BRU Issues for FY2001 – 2002**

Alaska's children face the following challenges:

- 16% of Alaska's children under the age of 19 live at or below poverty level.
- Nearly 1 in 5 children ages 5 and under lived in poverty in recent years.
- In 1990, 215 of 1,967 children enrolled in Head Start were special needs children.
- In 1998-99 440 of 3,351 were diagnosed with a handicapping condition.
- Alaska Native infants have a mortality rate of about 2.5 times that of white infants.
- Head Start children in Alaska have more dental disease than preschool children in 'lower 48' programs.
- The demand for child care subsidies far exceeds available resources.

Federal legislation now allows for the state to target and fund snacks for in-school/after-school youth programs. To provide USDA commodities to schools and other agencies in an efficient, cost-effective manner, while continuing to improve the quality of service to recipient agencies. Nationally there is a growing concern about the well being and development of young children. Research links optimal early development with quality early childhood education. Children benefit when non-parental caregivers are well qualified, well trained and well compensated; when child-adult ratios allow for responsive care; when facilities are safe, comfortable and well maintained; and, when activities are engaging and age appropriate.

### **Major BRU Accomplishments for FY2000**

- 47 school districts participated in the school lunch program serving 49,508 students on an average daily basis.
- 80 Child Care Food Program sponsors served 6,620 children and adult day care recipients on an average daily basis.

- Distributed \$2,327,131 in USDA commodities to eligible recipient agencies statewide during FY2000.
- Had approximately 70% of Alaska School Districts take advantage of Commodity Processing during FY2000, which enables districts to obtain products that they would normally pay a higher price for through commercial channels.
- Provided child care assistance in more than 30 Alaskan communities through local program administrators.
- Supported employment of eligible low-income families by subsidizing child care costs for approximately 5,400 children per month.
- Alaska State Community Services Commission program recruited and placed 151 AmeriCorps members in communities statewide.

## Key Performance Measures for FY2002

**Measure: the number of children served in licensed child care facilities;**  
(Added by Legislature in FY2001 version.)

### Current Status:

In October 2000, there were 609 licensed child care facilities in Alaska with a capacity to serve 16,505 children.

### Benchmark:

Fiscal Year	Number of Licensed Facilities	Capacity
1999	582	15,528
2000	609	16,505

### Background and Strategies:

Child care licensing provides consumer protection through quality assurance. The high percentage of children in licensed facilities indicates that parents, as consumers of child care at all income levels, are seeking quality child care. Incentives must be developed to encourage more providers to pursue licensing and minimum licensing standards should be the floor and not the ceiling.

Twenty-five states now have tiered reimbursement rates, paying more for higher quality care. Licensing is usually used to identify the lowest level of quality acceptable for funding, with some states ruling out programs with poor licensing records. There are different ways to distinguish between levels of quality. So far, most states have two levels: licensing and accreditation.

To achieve Alaska's goal of high quality, safe child care, the department will:

1. Revise standards to reflect the higher expectations of the system.
2. Provide technical assistance to unlicensed facilities to meet minimum licensing standards by July 2002.
3. Re-structure the payment system to provide incentives for achieving and maintaining high quality care.

**Measure: the number of eligible children served in a Head Start program;**  
(Added by Legislature in FY2001 version.)

### Current Status:

Alaska's Head Start programs can presently only accommodate 23-24% of the state's eligible children.

### Benchmark:

Many states are able to serve a much larger percentage of the Head Start eligible children. For example, nationwide, states serve an average of 41% of their eligible children. Alaska's goal is to increase the children served by 2% each year for the next 5 years

### Background and Strategies:

The national Head Start program has existed since 1965 and has some of the most complete data to substantiate the positive benefits for children and parents of early childhood education, which is strong parent involvement. As additional federal funds become available, Alaska can expand its programs if sufficient state funds are available to meet the 20% required non-federal match. Congress has proposed increases in federal funding for FY 2002, which will assist Alaska in our expansion efforts. State funds anticipated as the match requirement are requested in the proposed FY 2002 budget.

**Measure: the number of staff in child care facilities who have received at least 15 hours of training in the current fiscal year; and**

*(Added by Legislature in FY2001 version.)*

**Current Status:**

Initial data collection will be completed by June 30, 2001. While completion of additional training for individual staff is reviewed by licensing staff when facilities are evaluated for licensing renewals, centralized data collection has not occurred in the past.

**Benchmark:**

All licensed facilities will be requested to submit a training profile for each staff member by April 30, 2001. Statewide data will be maintained by EED and individuals can add to their training profiles as they complete additional training and provide appropriate documentation.

**Background and Strategies:**

Training and credentialing are both strategies for capacity building and achieving higher quality in child care. Alaska's SEED program (described in budget detail) will implement a system of professional development for early childhood education that identifies the types of training and education necessary to achieve competency in the areas essential for early childhood programs.

**Measure: the number of children who receive federally funded meals.**

*(Added by Legislature in FY2001 version.)*

**Current Status:**

In FY2000, 56,647 children were receiving federally funded meals.

**Benchmark:**

The Child Nutrition Program distributes federal funds for reimbursement of meals served to eligible children and adults in approved agencies. In comparison to other states, Alaska has a good record on school lunch. In FFY 99, Alaska served 57% of the eligible population.

**Background and Strategies:**

By including proprietary child care centers in the program, Alaska will be able to distribute over \$400,000 in additional federal USDA funds.

**Status of FY2001 Performance Measures**

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> <li>• the number of children served in licensed child care facilities;</li> <li>• the number of eligible children served in a Head Start program;</li> <li>• the number of staff in child care facilities who have received at least 15 hours of training in the current fiscal year; and</li> <li>• the number of children who receive federally funded meals.</li> </ul>		X	X		

**Early Development**  
**BRU Financial Summary by Component**

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b>Formula Expenditures</b>												
None.												
<b>Non-Formula Expenditures</b>												
Child Nutrition	0.0	0.0	0.0	0.0	46.2	26,916.2	0.0	26,962.4	46.7	26,915.7	0.0	26,962.4
Child Care Assistance & Licens'g	0.0	0.0	0.0	0.0	5,169.3	8,636.4	15,455.5	29,261.2	5,607.9	16,149.8	14,498.4	36,256.1
Head Start Grants	3,400.0	62.9	2,479.2	5,942.1	3,310.4	150.0	2,574.2	6,034.6	3,973.4	3,888.2	2,639.0	10,500.6
Special Programs	0.0	0.0	869.5	869.5	77.5	2,722.2	994.4	3,794.1	1,078.0	2,902.1	994.7	4,974.8
Child Care	523.4	313.8	3,501.4	4,338.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Day Care Assistance Programs	0.0	0.0	20,391.2	20,391.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Totals</b>	<b>3,923.4</b>	<b>376.7</b>	<b>27,241.3</b>	<b>31,541.4</b>	<b>8,603.4</b>	<b>38,424.8</b>	<b>19,024.1</b>	<b>66,052.3</b>	<b>10,706.0</b>	<b>49,855.8</b>	<b>18,132.1</b>	<b>78,693.9</b>

## Early Development

### Proposed Changes in Levels of Service for FY2002

#### Head Start

To access the estimated \$3.3 million in federal funds available directly to Head Start grantees in Alaska, the governor's budget includes \$662,400 in state general funds that will provide the necessary 20% matching funds. These funds will expand Head Start services to over 325 children in 6 - 8 communities, and increase Alaska's capability to meet federal Head Start program performance requirements.

An additional \$3.7 million in federal funding is included, \$438,000 for family wellness/health screenings in all Head Start communities, and \$3.3 million to expand distance delivery coursework for early childhood education endorsement programs to meet new federal requirements for Head Start workers. Federal Head Start performance standards require that staff hold a child development associate (CDA) credential and early childhood teachers hold an AA degree.

#### Staff Development & Parent Involvement

The FY2002 budget includes a \$1.0 million general fund increase for professional development, parent education, and training opportunities to support parent involvement with their children's literacy development, education, and over all health and development. The Department of Education & Early Development and the University of Alaska will coordinate the development of a comprehensive system for the education and training of early childhood professionals in Alaska. \$100,000 in federal funds is included in EED's budget to create a system for setting standards for these professionals and for establishing a credentialing process. The University of Alaska is engaged in planning a bachelor degree program in Early Childhood Development. These education and training programs will support Head Start workers and all of Alaska's early care providers in meeting education and training standards to promote professional development among those who care for and educate young children.

#### Child Care Assistance

Child care assistance is provided to income eligible families on a sliding fee scale. Many of these families are transitioning from welfare to work in entry-level jobs and need help paying for child care so they can stay in the work force. Other low-income working families need access to child care assistance to retain their current employment and keep from going on welfare in the first place. To fully fund the program and eliminate the current wait lists, the FY2002 budget invests \$3 million from welfare reform savings and \$427,600 in state funds.

With success in the welfare to work program the number of families receiving child care assistance and the number of children served has increased dramatically. In FY2000, an average of 5,392 children were served each month. In FY2001, an estimated 6,250 children will be served monthly, and in FY2002, a projected 7,500 children will be served monthly.

#### Child Care Access and Licensing

An increase of \$1.7 million in federal Child Care Development Funds (CCDF) will provide resources to ensure the quality of child care through licensing and to take appropriate action when necessary through monitoring and enforcement. Funds will also expand child care capacity through training and resource and referral services. They will improve child care programs and services by addressing services for infants, toddlers, and children with special needs, increasing health and safety standards in child care facilities, and expanding access to child care in communities where capacity is currently limited.

#### Child Care Quality Initiative

Additional federal funds are anticipated that will improve the quality of child care by providing incentives for registered providers to become licensed and for providers already licensed to become accredited. Child care grants will be available to all licensed providers and the grants will increase to approximately \$40 per child/per month once the licensed facilities achieve accreditation. To help ensure children's safety, background checks will be funded for all workers in child care centers and homes.

**Early Development**  
**Summary of BRU Budget Changes by Component**  
**From FY2001 Authorized to FY2002 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>8,603.4</b>	<b>38,424.8</b>	<b>19,024.1</b>	<b>66,052.3</b>
<b>Adjustments which will continue current level of service:</b>				
-Child Nutrition	0.5	-0.5	0.0	0.0
-Child Care Assistance & Licens'g	11.0	3,796.4	-3,957.1	-149.7
-Head Start Grants	0.6	0.2	64.8	65.6
-Special Programs	0.5	79.9	0.3	80.7
<b>Proposed budget increases:</b>				
-Child Care Assistance & Licens'g	427.6	3,717.0	3,000.0	7,144.6
-Head Start Grants	662.4	3,738.0	0.0	4,400.4
-Special Programs	1,000.0	100.0	0.0	1,100.0
<b>FY2002 Governor</b>	<b>10,706.0</b>	<b>49,855.8</b>	<b>18,132.1</b>	<b>78,693.9</b>