

State of Alaska FY2002 Governor's Operating Budget

Department of Education and Early Development
Child Care Assistance & Licensing
Component

Component: Child Care Assistance & Licensing

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Component Mission

To promote excellence in child care services standards that help to ensure safe, healthy, quality child care exists for Alaska's children.

Component Services Provided

- Child Care Assistance pays direct child care costs (approximately 5,392 children a month in FY2000) providing support for eligible parents to work and at the same time have their children in safe child care programs.
- Child Care Resource and Referral provides individualized information and referral services for families seeking quality child care.
- Child Care Professional Development provides education, work related information and training for eligible caregivers to reduce risk to children in care, increase caregiver proficiency and help meet registry and licensing standards.
- Child Care Grant assists child care providers to promote quality care by improving their facilities to ensure health and safety standards are met and by purchasing additional educational materials or playground equipment designed to include children with special needs.
- Consumer Education is a federally mandated program to inform parents of the qualities necessary for excellent child care programs and to promote safe and healthy child care environments.
- Child Care Licensing promotes the attainment of national quality standards and reduces risk to children in care through the enforcement of health and safety standards.

Component Goals and Strategies

- Ensure availability of child care assistance for all eligible families.
- Increase the number of Alaskan families who insist on safe and healthy child care conditions for their children.
- Increase available child care service choices for Alaskan families.
- Promote greater accessibility to child care subsidy program services for children with special needs.
- Increase the supply of accredited child care providers.
- Increase the number of licensed child care facilities.
- Work with providers to ensure that all meet minimum health and safety standards.

Key Component Issues for FY2001 – 2002

- 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.
- Alaskans have seen great progress in the availability and quality of child care services in the past decade. Initial efforts to support families moving from welfare to work have also been successful. To sustain this success requires an even greater demand on child care subsidy services than in the past. Affordable, quality child care for low-income families are key issues. Work schedules often require parents to seek child care for non-traditional hours (night shifts, late evening, etc.) and this type of child care is difficult to find.
- Coordination of child care licensing functions within other child care programs to develop a comprehensive system for early development that will ensure safe, healthy and nurturing environments for Alaska's pre-K children.

Major Component Accomplishments for FY2000

- 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.
- Updated and distributed consumer education materials.
- Maintained training for child care providers.
- Coordinated service delivery with other division programs resulting in an efficient expansion of services.
- Implemented state and national initiatives to improve the quality of child care and early education.

Statutory and Regulatory Authority

45 CFR Part 98 and 99
AS 14.37.010-200
AS 14.38.100-199
19 AAC 65.011-901
PL 104-193

Child Care Assistance & Licensing

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	1,358.3	1,309.3
72000 Travel	0.0	79.2	119.2
73000 Contractual	0.0	1,692.7	2,587.0
74000 Supplies	0.0	37.9	52.9
75000 Equipment	0.0	15.6	15.6
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	26,077.5	32,172.1
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	29,261.2	36,256.1
Funding Sources:			
1002 Federal Receipts	0.0	8,636.4	16,149.8
1003 General Fund Match	0.0	3,187.9	3,188.9
1004 General Fund Receipts	0.0	1,979.3	2,419.0
1007 Inter-Agency Receipts	0.0	15,444.5	14,498.4
1053 Investment Loss Trust Fund	0.0	2.1	0.0
1108 Statutory Designated Program Receipts	0.0	11.0	0.0
Funding Totals	0.0	29,261.2	36,256.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
General Fund Match	68510	0.0	3,187.9	3,198.8	3,188.9	3,189.9
Unrestricted Fund	68515	0.0	1,979.3	1,979.3	2,419.0	2,419.0
Unrestricted Total		0.0	5,167.2	5,178.1	5,607.9	5,608.9
Restricted Revenues						
Federal Receipts	51010	0.0	8,636.4	8,636.4	16,149.8	16,149.8
Interagency Receipts	51015	0.0	15,444.5	15,444.5	14,498.4	14,498.4
Statutory Designated Program Receipts	51063	0.0	11.0	0.0	0.0	0.0
Investment Loss Trust Fund	51393	0.0	2.1	2.1	0.0	0.0
Restricted Total		0.0	24,094.0	24,083.0	30,648.2	30,648.2
Total Estimated Revenues		0.0	29,261.2	29,261.1	36,256.1	36,257.1

Child Care Assistance & Licensing

Proposed Changes in Levels of Service for FY2002

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 \$427.6 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.

Summary of Component Budget Changes

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>
FY2001 Authorized	5,169.3	8,636.4	15,455.5	29,261.2
Adjustments which will continue current level of service:				
-Convert Special FY2001 Labor Costs Fund Sources to GF	11.0	0.0	-11.0	0.0
-CCDF Carry Forward	0.0	3,873.5	-3,873.5	0.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	3.0	-8.1	-5.1
-PCN 05-1630 to Special Programs	0.0	-80.1	0.0	-80.1
-PCN 21-3058 to Head Start	0.0	0.0	-64.5	-64.5
Proposed budget increases:				
-Child Care Development Fund grant increase	0.0	1,717.0	0.0	1,717.0
-Child Care Quality Initiative	0.0	2,000.0	0.0	2,000.0
-Child Care Subsidy-Fully Fund	427.6	0.0	3,000.0	3,427.6

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Governor	5,607.9	16,149.8	14,498.4	36,256.1

Child Care Assistance & Licensing**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	23	23	Annual Salaries	1,007,993
Part-time	0	0	COLA	13,489
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	343,444
			<i>Less 4.08% Vacancy Factor</i>	(55,626)
			Lump Sum Premium Pay	0
Totals	23	23	Total Personal Services	1,309,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	2	0	0	0	2
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Administrative Manager III	1	0	0	0	1
Analyst/Programmer IV	1	0	0	0	1
Assoc Coordinator	1	0	0	0	1
Community Care Lic Spec I	1	2	3	0	6
Community Care Lic Spec II	1	0	0	0	1
Dep Commissioner	1	0	0	0	1
Grants Administrator II	3	0	0	0	3
Micro/Network Spec I	1	0	0	0	1
Prog Coordinator	1	0	0	0	1
Project Asst	1	0	0	0	1
Secretary	1	0	0	0	1
Totals	18	2	3	0	23