

Site # 20071217
Blue Sheet No. 20070797

Lee County Board Of County Commissioners
Agenda Item Summary

May 21, 2007

1. ACTION REQUESTED/PURPOSE:

- 1) Approve FY2007-2008 funds in the amount of \$469,063 to match the School Readiness Program which provides child care for low income families and will be administered by Community Coordinated Care for Children and funded through the Partnering for Results (PFR) FY 2007-2008 allocation.
- 2) Designate an annual set-aside from the Partnering for Results allocation to provide local match for the School Readiness Program in future years.

2. FUNDING SOURCE: Lee County General Funds Partnering for Results Program

3. WHAT ACTION ACCOMPLISHES: Provides local match for state school readiness child care funding at a rate of \$1 to \$16.67.

4. MANAGEMENT RECOMMENDATION: Approve

5. Departmental Category: Human Services 05

CSA

6. Meeting Date: June 05, 2007

7. Agenda:

- Consent
- Administrative
- Appeals
- Public
- Walk-On

8. Requirement/Purpose: (specify)

- Statute
- Ordinance
- Admin. Code
- Other PFR Policy

9. Request Initiated:

Commissioner
Department Human Services
Division
By: Ann Arnall
Ann Arnall 5/22/07

10. Background:

Child Care of Southwest Florida has been the agency responsible for providing subsidized day care in Lee County for many years. Seven years ago the State of Florida Agency for Workforce Innovation developed policy and established Early Learning Coalitions throughout the State to oversee child care funds. The policy requires that the Early Learning Coalitions follow a competitive bid process and issue a Request for Proposals (RFP) every three years. As a result of the recent RFP issued by the Early Learning Coalition of Southwest Florida, the local provider will change from Child Care of Southwest Florida to Community Coordinated Care for Children (4C) effective July 1, 2007.

The County general fund dollars provided to Child Care of Southwest Florida through the Partnering for Results process are for the School Readiness Program's local match. This program provides working families with income below 150% of the federal poverty level subsidized care for children birth to age 8. The family pays a fee based on the household's income. The School Readiness Program requires a 6% local match which provides \$16.67 in State funding for every \$1 in local funding.

The FY 2007-2008 required amount of match for the School Readiness Program in Lee County is \$469,063. The FY 2006-2007 contract with Child Care of Southwest Florida is for \$505,179.
Continued on Page 2

11. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P. W. Director
					Analyst	Risk	Grants	Mgr.	
<i>Ann Arnall</i>	N/A	N/A		<i>M. J. ...</i>	<i>5/23/07</i>	<i>5/23/07</i>	<i>5/23/07</i>	<i>5/23/07</i>	<i>5-24-07</i>

12. Commission Action:

- Approved
- Deferred
- Denied
- Other

RECEIVED BY COUNTY ADMIN: *OK*
5/23/07 9:10
23 MB.
COUNTY ADMIN FORWARDED TO: *PK*
5/24/07
gpm

Rec. by CoAtty
Date: *5/23/07*
Time: *3:00 pm*
Forwarded To: *CPD 5/23/07*

May 21, 2007
Blue Sheet #
Page 2

Background continued

Child Care of Southwest Florida submitted a proposal for Partnering for Results funding on March 23, 2007. However, the Early Learning Coalition (ELC) did not complete proposal evaluations until April 2007 and the ELC Board awarded the proposal to Community Coordinated Care for Children on April 25, 2007. Therefore, the Partnering for Results proposal submitted by Child Care of Southwest Florida is irrelevant at this point. The review panel was instructed not to read or evaluate this proposal due to the changes in subsidized child care provider.

After holding meetings with Child Care of Southwest Florida, the Early Learning Coalition, and Community Coordinated Care for Children, staff is recommending that funds for child care services be pulled from the Partnering for Results process and be allocated to Community Coordinated Care for Children. This action is consistent with the Partnering for Results priority areas which include activities for children and youth and require county funds allocated for child care services be used as match for state or federal resources. In future years, staff recommends that the child care match be removed from the competitive process and allocated to the lead agency.

The \$469,063 requested from Lee County equates to 100% of the required match for the School Readiness Program and provides the ability to draw \$7.8 million in State funding. The Early Learning Coalition and the Community Coordinated Care for Children will be required to secure the additional \$747,576 in local match required for the Child Care Executive Partnership Program from municipalities, the United Way of Lee County, and private businesses.

Attachments:

Projected Lee County Match
Lee County Needs Statement



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Projected Lee County Match

Required Match for:

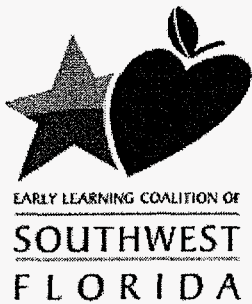
School Readiness	469,063
CCEP ⁽¹⁾	747,576

Total projected Lee County Match Required 1,216,639

Projected commitment from current and new partners:

All Aboard	36,000	
Bonita Community Found	2,000	
City of Bonita Springs	17,500	
Brightest Horizons	100,000	
Cape Coral Community Found	3,000	
Lee Memorial	20,000	
United Way of Lee County	105,000	
Community Coordinated Care For Children (4C)	250,000	
Total Projected Commitment		533,500
Projected Deficit		683,139

⁽¹⁾CCEP was projected at \$636,877. It did not include the CCEP non-direct. Total CCEP needed is \$747,576.



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Rec'd 5/18/07

Lee County Needs Statement

Child care matters! For Lee County parents to participate successfully in the workforce, they must have care for their children while they work. In Lee County, 66 percent of households with children under age 6 have both parents in the workforce, according to U.S. Census reports (2000). For many local families, gaining access to affordable, quality care for their children is an ongoing challenge and stressor. Inability to meet this challenge negatively affects their jobs and the well-being of their families. Community Coordinated Care for Children, Inc. (4C) partners with low to moderate income working families to provide child care assistance through the School Readiness Program.

Census 2000 estimates indicate 8,596 Lee County families are living below the federal poverty level. For many low and moderate income working parents, the cost of child care is far out of reach. With support for this family need, parents are able to work while their children are cared for in programs that help prepare them to enter school ready to learn, building skills that are crucial to their success in school and in life. Encouraging family self-sufficiency and fostering a child's readiness to learn are the program's core objectives.

While Florida's minimum wage increased to \$6.67 effective January 1, 2007, this amounts to an annual income of just \$13,874. With the cost of care for a preschooler in a child care center in Lee County averaging \$5,928 (2005) child care costs would absorb nearly 43 percent of the wages of a family living on a single minimum wage income. For families in the county with both an infant and a preschooler, the average cost of full-time care in a child care center (2005) averages more than \$13,208. For a family with two parents who are both earning minimum wage, child care costs for an infant and a preschooler would devour nearly half of their before-tax income. And a family with a single parent earning minimum wage would find the cost of child care consuming nearly all the family's income. In 2006, the average annual income of the families receiving school readiness assistance in Lee County was just \$19,242.

Research continues to reveal the importance of providing supports to lower-income children. Children living in lower-income families rate as disadvantaged on multiple indicators of child well-being, according to *The Risk of Negative Child Outcomes in Low-Income Families*, an April 2006 joint report of the Population Reference Bureau and the Annie E. Casey Foundation. "Children who live in low-income families are at substantially higher risk of negative economic, educational, and health outcomes compared with children who live in more affluent families," according to the report. For these families, the report notes, "any increases



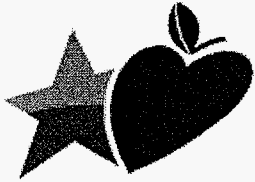
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or decreases in children's access to family resources are likely to be associated with changes in other dimensions of child and family well-being." For that reason, the report advises, "more needs to be done to ensure that children grow up in healthy and supportive environments." The report indicated that overall, there was a disproportionate concentration of children with negative outcomes in families with annual incomes under \$35,000. An estimated 50,308 Lee County families earned less than \$35,000 in 2005, according to U.S. Census estimates.

Since the 1990's, advancing neuroscientific research has repeatedly shown that early childhood is a period of exceptional growth and development for the brain. The environment children experience in early childhood can affect their entire future lives. A research-based comparison of cognitive scores in preschool age children of the highest and lowest socioeconomic groups shows the critical need facing children living in the lowest groups, according to the National Center for Children in Poverty. As they enter kindergarten, children in the highest socioeconomic group score 60 percent above the average scores of children in the lowest socioeconomic group. By the age of 4, children living below the poverty line score 18 months below the average for their age group. At age 10, that gap remains – and for very poor children, the gap has grown even larger.

Identifying the long-term risks associated with living in poverty is a January 2007 U.S. Government Accountability Office (GAO) publication of House testimony entitled, "Poverty in America: Consequences for Individuals and the Economy." Those living in poverty have a greater risk of adverse outcomes including poor health, criminal activity, and low participation in the workforce. One study indicated that individuals who have low incomes display 25 percent lower life expectancies. Moreover, the conditions that appear to coexist with poverty also tend to restrict the ability of individuals with low incomes to build the skills, abilities, knowledge, and habits needed for full, effective participation in the workplace. Ultimately, living in poverty appears to be linked with lower quality and achievement in education, and these factors in turn negatively affect labor market outcomes. Fortunately, however, many studies have shown that early intervention can "change the educational odds" – and enhance their chances for a better future – for low income children.

In 1999, the Florida School Readiness Act was enacted to address the issues surrounding ensuring that young children enter school ready to learn and poised for educational success. This important funding support has begun making a difference in at-risk children's lives. But much remains to be done. A recent annual Quality Counts report by *Education Weekly* placed Florida 31st in the nation in terms of "the likelihood that its children will perform well in school and move on to successful lives as adults." The state also ranked 31st nationally in regard to



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its students' academic achievement. And while Florida fourth-graders have demonstrated above-average performance on recent tests, 8th graders lag behind other students. Closing the achievement gap between children living in poverty and their more affluent peers is a crucial area where the state remains behind.

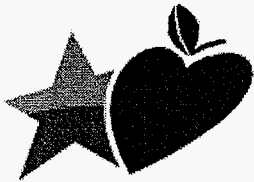
The Quality Counts report indicated that Florida falls below the national average in terms of family income, educational attainment of adults, high school graduation and percent of students in college, among other indicators. The report notes that demographics including family income and parental education levels have an effect on children's school achievement. Addressing these differences in early childhood can increase opportunities for students, the report indicated. Ultimately, early childhood intervention and support promises a better future for Florida.

Without assistance, families in need frequently piece together a patchwork of care for children while they work. Unfortunately, this makeshift solution can lead to future problems for children and families. Research shows that while an ongoing, stable relationship with a caregiver is critical to a child's healthy development, a lack of consistent care has an adverse impact on children as well as their families.

Ultimately, a lack of appropriate child care can have far-reaching negative effects on businesses as well as the community-at-large. Parents distracted by concerns about their children's care while on the job are less productive, have increased absenteeism, and show greater overall dissatisfaction with their work. Children denied stable, quality care are at great risk of educational failure and an array of negative outcomes throughout their lives.

The School Readiness Program, funded through the Early Learning Coalition of Southwest Florida and administered by Community Coordinated Care for Children, is unique in the services it provides to the local community. 4C provides a single point of entry (SPE) for local families seeking child care financial assistance, and provides access to affordable child care for Lee County's working families. Qualifying families must meet minimum eligibility requirements as determined by the Agency for Workforce Innovation and further defined by the Early Learning Coalition of Southwest Florida. These entities also require adherence to minimum guidelines governing all federal funding sources.

The target population includes families whose earnings fall at 150% or below the federal poverty level (FPL) with children ages birth to eight years old and who meet employment and other eligibility requirements. Based on income and family size, qualifying families are



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assessed a per child fee that the parent pays directly to the school readiness provider of their choice. To ensure that they continue to meet employment and income eligibility requirements, parents must re-certify at least annually. As families work toward self-sufficiency, their children may continue in the program until the family income reaches 200% of the FPL or until the child reaches age 9.

In order to drawdown all available child care funding due to Lee County, the current School Readiness Act legislative proviso language requires that Coalitions raise a local match of 6%, which is calculated on the annual spending for the income eligible component of all child care funding. That amount equates to \$469,063 for Lee County. Currently, the School Readiness Program serves 4,290 Lee County children. The requested funding will allow 4C to draw down all available dollars from the Agency for Workforce Innovation (AWI) Office of Early Learning, in a ratio of 1:16.67. That is, for every \$1 raised locally, we are able to drawdown \$16.67 from the State, enabling us to keep 3,404 Lee County children in care. Without the requested funding, Lee County could potentially lose \$7,819,286 from the community's allocation of state assistance, which means that children already in care will lose funding and potentially be at-risk of failure to enter school ready to learn.

Through the School Readiness Program, parents subsisting on low to moderate incomes receive much needed help with their child care costs, enabling them to obtain and maintain employment. As parents work toward economic independence, their children participate in programs that build the skills necessary to prepare them to enter school ready to learn.

A choice to provide match funding for children and families in need is a choice that benefits everyone. Parents, children, employers, and ultimately the community all gain when working families in need receive assistance that gives their children access to programs that help them build the foundation they need to achieve success in school and in life.

With the help of the requested match funding, 4C can continue to offer a supportive hand to Lee County's most vulnerable families!