



M E M O R A N D U M
HEALTH AND HUMAN SERVICES
HUMAN SERVICES
County of Placer

TO: Board of Supervisors

DATE: June 23, 2020

FROM: Jeffrey S. Brown, M.P.H., M.S.W., Director of Health and Human Services

SUBJECT: Contract with Placer County Office of Education for Childcare Services

ACTION REQUESTED

Approve a contract with Placer County Office of Education (PCOE) for Childcare Services, for California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare to Work programs for the period July 1, 2020 through June 30, 2021 in an amount not to exceed \$2,489,000 and authorize the Director of Health and Human Services to sign the contract with Risk Management and County Counsel concurrence, and to sign subsequent amendments up to \$100,000 consistent with the agreement's subject matter and scope of work with Risk Management and County Counsel concurrence.

BACKGROUND

The childcare funding continuum for CalWORKs clients is comprised of three stages. Stage One funds are allocated to County welfare agencies for childcare for families receiving cash assistance who do not have stable employment. Stages Two and Three are allocated to PCOE for childcare for families who have stable employment or who have transitioned off of cash assistance.

Since the implementation of CalWORKs in 1998, Placer County Health and Human Services (HHS) has contracted with PCOE for the administration of Stage One funds. By contracting with PCOE to make the direct childcare provider payments, a seamless system for the delivery of childcare services is established, maximizing the efficiency and cost effectiveness of managing the three program stages.

CalWORKs Employment Services assists recipients in becoming job ready and attaining employment. The number of families receiving CalWORKs benefits has declined in the last several years due in part to the efforts of the Employment Services (ES) program. However, due to the COVID 19 Pandemic, CalWORKs has experienced a sharp increase in applications, and even in the case of many of those lost jobs becoming available again as we re-open, the uptick in cases is expected to be felt at least into the winter months. Childcare is provided through the program which allows recipients to work or participate in program activities leading to employment. While many recipients successfully find employment and leave the program, those that remain on aid often have the most significant barriers, requiring more intensive case management including supportive service payments such as childcare assistance. This year, Stage 1 funding expands to cover families for at least 12 months after initially receiving childcare, meaning Stage 1 funding will, in some cases, extend into the months that were previously covered by Stage 2. This is expected to increase Stage 1 costs, which would offset the declining caseloads.

While the funding for childcare has declined due to decreased caseload (though this has recently reversed due to COVID 19), per child costs have increased. Childcare payments are based on state set Regional Market Rates. In the last year, the cost for care per child decreased -4% for children age 0-24 months, and increased 6% for children age 2-5, and 1% for children over age 6 in childcare settings.

Under the current contract with PCOE, an expected average of 156 children per month will receive childcare services for FY 2020-21, to facilitate their parent's efforts to find and maintain employment.

FISCAL IMPACT

This contract totaling \$2,489,000, which includes childcare payments and PCOE administration, is included in the Department's FY 2020-21 Budget. It is funded exclusively with Federal and State funds; therefore, no County General Funds are required.

A copy of this contract is on file with Clerk of the Board for review.