

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Human Services Division**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Cheryl S. Davis, Director of Human Services

DATE: June 21, 2011

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 CalWORKs/Welfare to Work operations for the period July 1, 2011 through June 30, 2012 in the amount of \$1,964,181, authorize the Chairman to sign subsequent amendments, and authorize the Director of Health and Human Services to sign subsequent amendments up to \$49,999.

BACKGROUND:

Since the implementation of the California Work Opportunity and Responsibility to Kids (CalWORKs) program in 1998, a "welfare to work" program, PCOE has assumed the responsibility for making direct childcare provider payments, a task previously handled by the Department of Health and Human Services.

The childcare funding continuum for CalWORKs clients is comprised of three stages. Stage one funds are allocated to county welfare agencies for childcare to 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 have transitioned off of cash assistance. By contracting with PCOE for the administration of stage one funds, a seamless system for the delivery of childcare services is established, maximizing the ability to manage these three program stages.

Under this contract, an average of 260 children per month will receive childcare services for FY 2011-12, which facilitates their parents' efforts in finding and maintaining employment. This is a decrease of 65 children per month from the prior year amount at a savings of almost \$500,000. The reduction is due to recent State budget reductions the Legislature passed and the Governor signed. Families with a child under 24 months and with all children under 6 years are exempted from work requirements and are required to care for their children, unlicensed child care providers will receive a lower rate of reimbursement, and children over 11 will no longer be eligible for care and may be eligible for afterschool programs. Additionally, parents who exceed 48 months on aid and those working who earn above a new lower monthly amount will be discontinued from CalWORKs financial assistance. The children in these families may qualify for other PCOE child care. All these actions reduce our child care costs.

FISCAL IMPACT:

This contract is funded exclusively with Federal and State funds. No County General Funds are required. These costs are included in the Department's FY 2011-12 Proposed Budget.

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

