



County of San Mateo

Inter-Departmental Correspondence

Department: HUMAN SERVICES AGENCY

File #: 16-148

Board Meeting Date: 5/16/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Iliana Rodriguez, Director, Human Services Agency
Subject: Agreement with Child Care Coordinating Council for Stage 2 child care and child development services.

RECOMMENDATION:

Adopt a resolution:

- A) Authorizing an agreement with Child Care Coordinating Council to provide Stage 2 child care and child development services for the term of July 1, 2017 through June 30, 2020 in an estimated amount of \$938,628 for FY 2017-18; and
- B) Authorizing the Director of the Human Services Agency or the Director's designee to accept allocations from California Department of Education and execute contract amendments through June 30, 2020 in amounts equal to the funding received from the California Department of Education.

BACKGROUND:

Since 1997, the Human Services Agency (HSA) and the Child Care Coordinating Council (4Cs) have been working together as partners in the child care delivery system. HSA is authorized by the State to administer Stage 1, Stage 2, and Stage 3 CalWORKs child care services in San Mateo County.

HSA provides Stage 1 child care to clients who are participating in the CalWORKs program and are receiving cash aid. HSA subcontracts with 4Cs to provide Stage 2 child care for eligible families in San Mateo County. Stage 2 child care is provided to clients who are employed and whose incomes are below 80% of the State Median Income cap. The California Department of Education (CDE) funds Stage 2 child care services. If the client has received the maximum allowable 24 months of service in Stage 2 and remains income eligible, the client then moves into Stage 3 child care, which is provided to former CalWORKs recipients.

DISCUSSION:

Each year CDE appropriates funds for San Mateo County to use for Stage 2 child care development services. The County then subcontracts these funds to the CDE-specified Contractor, which is 4Cs. Because 4Cs is specifically identified by CDE as the only authorized Contractor to provide Stage 2

services, 4Cs should be considered a sole source provider. Therefore, HSA is requesting that the Board of Supervisors waive the Request for Proposals (RFP) process for 4Cs.

CDE has not yet confirmed the actual allocation for FY 2017-18; the amount of \$938,628 is an estimate for FY 2017-18. The prior agreement with 4Cs for Stage 2 services expires June 30, 2017, and the County is required to have an agreement in place so services do not lapse. CDE will issue the new allocation by June 30, 2017. HSA will amend the agreement when the actual FY 2017-18 allocation is issued. Subsequent FY 2018-19 and FY 2019-20 allocations will be determined upon confirmation by CDE.

HSA is requesting that the Board of Supervisors authorize the Director of HSA or the Director's designee to execute amendments to the 4Cs agreement to add allocations from CDE through the term of the agreement and make minor modifications to allow HSA to streamline funds and avoid delay of Stage 2 services.

The agreement and resolution have been reviewed and approved by County Counsel as to form.

This agreement contributes to the Shared Vision 2025 outcome of a Prosperous Community by providing funding for quality child care for low-income families. It is expected that in FY 2017-18, 125 children will be transferred from Stage 1 to Stage 2 child care and a total of up to 177 children will receive services from 4Cs. The number of children receiving services may increase/decrease in FY 2018-19 and FY 2019-20, depending on the county's unemployment rate and/or other factors, such as availability of housing. It is anticipated that 75% of families transferred from Stage 1 to Stage 2 will recertify and utilize ongoing child care services under Stage 2. Additionally, it is anticipated that 6% of families transferred from Stage 1 to Stage 2 will utilize services for infant care.

PERFORMANCE MEASURES:

Measure	FY 2016-17 Projected	FY 2017-18 Projected
Percentage of families transferred from Stage 1 to Stage 2 that will recertify and utilize ongoing child care services under Stage 2.	73%	75%
Percentage of families transferred from Stage 1 to Stage 2 that will utilize services for infant care.	32%	33%

FISCAL IMPACT:

This agreement is 100% funded with Stage II revenue from the California Department of Education (CDE). There is no Net County Cost. CDE funding is allocated annually and may necessitate an amendment to the current agreement. Appropriation was included in the FY 2017-19 Recommended Budgets and will be included in the FY 2019-20 Recommended Budget.