



County of San Mateo

Inter-Departmental Correspondence

Department: BOARD OF SUPERVISORS
DISTRICT 1
File #: 21-373

Board Meeting Date: 5/18/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Supervisor Dave Pine, District 1
Nancy Magee, San Mateo County Superintendent of Schools
Co-Chairs of the San Mateo County Child Care Partnership Council

Subject: 2021-22 County Subsidy Priorities for State Preschool Services, and Infant-Toddler and School-Age Child Care and Development Services

RECOMMENDATION:

Recommendation to:

- A) Open public hearing
- B) Close public hearing
- C) Adopt a resolution:
 1. Approving the FY 2021-22 County Subsidy Priorities presented by the San Mateo County Child Care Partnership Council for the distribution of future California Department of Education and California Department of Social Services funding for state preschool, infant-toddler, and school-age child care and development services; and
 2. Authorizing and directing Supervisor Dave Pine, member of this Board of Supervisors and Co-Chair of the San Mateo County Child Care Partnership Council, to execute and submit the Local Planning Council County Priorities Report Form for and on behalf of the County of San Mateo, which certifies to the State that the FY 2021-22 County Subsidy Priorities have been prepared and reviewed in accordance with Sections 8499.5 and 8279.3 of the California Education Code.

BACKGROUND:

A. San Mateo County Child Care Partnership Council

Local Child Care Planning Councils (“LPCs”) were established by the State Legislature in 1991 in every county in California. San Mateo County Child Care Partnership Council (“Council”) is the LPC in San Mateo County. The Council is a publicly funded and appointed body under the joint auspices of the San Mateo County Board of Supervisors and the San Mateo County Superintendent of Schools, which is mandated to:

- identify priorities for the local distribution of state funding for early care and education services for low income children and families;
- conduct an early care and education needs assessment every five years;
- create a county-wide child care strategic plan;
- develop policies, strategies and resources to promote the goals of the child care strategic plan; and
- advise San Mateo County on the potential local impact of state and national policies and legislation.

In addition to these state-mandated activities, the Council is responsible for developing and managing the San Mateo County Child Care Subsidy Pilot (AB 1326 & AB 260), which permits a degree of local control in the state- subsidized early learning and child care delivery system.

The Council is co-chaired by a member of the Board of Supervisors (currently Supervisor Dave Pine) and the County Superintendent of Schools (currently Nancy Magee). Twenty additional members are appointed, with equal representation from parent consumers of child care, early care and education providers, public agencies, and community agency representatives.

B. Subsidy Priorities for State Child Care and Development and Preschool Funding

In 1998, AB 1857 amended California Education Code Section 8499.5 to include certain expanded mandates for LPCs. Among them was an expansion of the existing LPC mandate to identify local priorities for the distribution of new state child care and development and preschool funding. Section 8499.5 of the Education Code specifies how LPCs must conduct their work in order to identify priorities to ensure that all the child care and preschool needs of the county are met to the greatest extent possible. These priorities are submitted annually to the California Department of Education (the “Department”) and then used by the Department to determine funding decisions.

LPCs develop priorities for this funding using (i) American Community Survey data by zip code to estimate the number of children eligible for State Funded Services and Head Start, a program of the United States Department of Health and Human Services that provides comprehensive early childhood education, health, nutrition, and parent involvement services to low-income children and families; and (ii) Department data and other available zip code level data to determine the number and percentage of eligible children served/not served by State Funded Services or Head Start.

The data is then analyzed to assign a Priority 1, 2, and 3 designation to the zip codes of highest need, using both a number and a percentage threshold for the size of the county (for San Mateo County, that is over 200,000 but less than 1,000,000 residents). Pursuant to Management Bulletin 15-04, the Department prescribes the following process for assigning a priority designation to each zip code:

- **Priority 1:** 40% or more of eligible children underserved, and more than 150 children (for infant/toddler and preschool) or more than 200 children (school age) underserved.
- **Priority 2:** 25% or more of eligible children underserved, and more than 75 children

(infant/toddler and preschool) or more than 100 children (school age) underserved.

- **Priority 3:**

- Option 1: 25% or more of eligible children underserved, and more than 50 children underserved.
- Option 2: All other zip codes in the county.*
- Option 3: No other zip codes in the county.

* Consistent with prior practice, and to ensure that every zip code is assigned a priority designation, the Council recommends using Option 2.

The priority designations are first reviewed and approved by the members of the LPC for each county, which is made up of parent consumers of child care, child care and preschool providers, public agency representatives and community agency representatives who have been appointed by the County Board of Supervisors and the County Superintendent of Schools. The priorities are then reviewed and approved by the County Board of Supervisors at a public hearing as prescribed in Section 8499.5 (b)(3) of the California Education Code.

The San Mateo County Board of Supervisors last approved Subsidy Priorities for Child Care and Development and State Preschool funding in 2014.

DISCUSSION:

In June 2015, the Department revised the procedures for LPCs to use to determine county subsidy zip code priorities. The Council gathered data according to these new procedures. At its March 15, 2021 meeting, the Council reviewed the data and adopted new subsidy zip code priorities to recommend to the Board of Supervisors for approval.

In order for the new Subsidy Priorities to be in place in time for FY 2021-22 funding decisions, the Council must submit them to the Department by May 30, 2021.

As was done in 2014, the Council relied on data from the American Community Survey and the Department to count eligible children and the availability of subsidized child care and development services. To determine the zip code priorities, data from the American Community Survey (2018, 5-year estimates) was used to count the number of children in each zip code in the County who would be eligible for state-funded child care and development services. The number of children in each zip code in the County who would be eligible for state-funded child care or development services was then compared to the number of children enrolled in one or more state or federal subsidy programs, which include State Preschool, General Child Care, Head Start/Early Head Start, CalWORKs Stage 2 and Stage 3, Transitional Kindergarten, the Alternative Payment program, and After School Education and Safety (ASES)/21st Century programs.

Several significant changes to the priority designation process have been made since 2014, and these changes have led to changes in priority rankings in some zip codes. The changes to the priority designation process are:

- 1) The Department has raised the income ceiling for eligibility for subsidized child care, which has caused more families to become eligible and increased the number of underserved children. In 2014, the income cutoff was at 70% of the 2005 State Median Income (\$42,216 annual income for a family of three). Currently, the income cutoff is 85% of 2017 State Median Income (\$69,620 annual income for a family of three).
- 2) The threshold for Priority 1 and Priority 2 designation has been changed by the Department. In

2014, a zip code needed to have 200 infant/toddlers or preschoolers underserved to be designated a Priority 1. However, in 2015, this threshold was lowered to 150 underserved children. This change has led to the following zip codes moving from a Priority 2 designation to a Priority 1 designation: 94010, 94062, and 94403 for the preschool age group, and 94070 for the infant/toddler age group.

- 3) In 2014, the Council was afforded some discretion to change the priority designation based on knowledge and understanding of the local community. In 2015, LPCS were no longer afforded such discretion. This has consequently caused the following zip codes to move from a Priority 2 designation to a Priority 3 designation for the preschool age group: 94063 and 94303.

A comparison of the count of eligible children and the count of children enrolled in subsidized care was used to determine how many underserved children there are, by age group, in each zip code in the County, and priorities were assigned using the Department's process, as summarized in the following table:

Age Group	Proposed <u>Priority 1</u> Zip Codes: 40% or more of eligible children underserved, and more than 150 children (for infant/toddler and preschool) or 200 children (school age) underserved.	Proposed <u>Priority 2</u> Zip Codes: 25% or more of eligible children underserved, and more than 75 children (infant/toddler and preschool) or 100 children (school age) underserved.	Proposed <u>Priority 3</u> Zip Codes: All other zip codes in the County.
Infant/Toddler	94010, 94014, 94015, 94025, 94030, 94044, 94061, 94062, 94063, 94066, 94070, 94080, 94303, 94401	94002, 94027, 94028, 94402, 94403, 94404	94005, 94019, 94020, 94037, 94038, 94060, 94065, 94074
Preschool	94010, 94014, 94015, 94025, 94044, 94062, 94080, 94403, 94404	94002, 94030, 94066, 94070, 94402	94005, 94019, 94020, 94027, 94028, 94037, 94038, 94060, 94061, 94063, 94065, 94074, 94303, 94401
School Age	94002, 94010, 94014, 94015, 94019, 94025, 94028, 94030, 94044, 94061, 94062, 94063, 94065, 94066, 94070, 94080, 94401, 94402, 94403, 94404	94005, 94027, 94303	94020, 94037, 94038, 94060, 94074

Accompanying this memo is a resolution, which includes the FY 2021-22 County Subsidy Priorities for California Department of Education, Early Learning and Care Division Funding for 1) state preschool services 2) infant-toddler child care and development services, and 3) part-day child care and development services for school age children.

Also, attached to the Resolution as Attachment A is the Local Planning Council County Priorities Report Form, to be signed and submitted upon Board approval by Supervisor Dave Pine as a member of this Board and co-chair of the Council. The form is used to certify to the State that the FY 2021-22 County Subsidy Priorities have been prepared and reviewed in accordance with the requirements of Sections 8499.5 and 8279.3 of the California Education Code.

County Counsel has reviewed and approved the Resolution as to form.

FISCAL IMPACT: There is no net County Cost associated with these actions.