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Action**

**CalWORKs Stage 3 Child Care Services Contract  
Amendments**

Supporting Document

**Overview:**

On October 8, 2010, Governor Schwarzenegger signed the FY 2010-2011 State Budget and used his power of veto to eliminate funding for Stage 3 Child Care Services for 81,000 children in 60,000 families transitioning from Welfare to Work as of October 31, 2010. In San Diego County, this act impacted an estimated 2,829 children, of which 1,023 are children ages 0-5. On November 1, 2010 (Item 5) the Commission authorized transition funding for 3-month (November 1, 2010 – January 31, 2011) contracts with the two local Alternate Payment Providers, YMCA-Childcare Resource Services and Child Development Associates, to provide Stage 3 Child Care transition services payments. On November 17, 2010, Alameda County Superior Court Judge Carvill approved a settlement, that kept child care services available to Stage 3 recipients through the December 2010. As a result of this action, funds were not needed for the months of November or December 2010.

On January 10, 2011, Governor Brown released his budget proposal for FY 2010-11 and FY 2011-12 in which funding has been set aside to continue Stage 3 Child Care services for families effective April 2011. As a result of this action, no funding is available to provide these services for the months of February and March 2011.

To fill this funding gap, the action before the Commission is to approve no-cost amendments to extend the two Alternate Payment Program contracts for two months (February and March 2011) utilizing the unspent funds from November and December 2010.

**Staff Recommendations:**

- 1) Find that the proposed actions are consistent with the Commission's Strategic Plan, furthers the support and improvement of early childhood education within the County and provides a public benefit.
- 2) Authorize the Executive Director or her designee to work with YMCA-CRS and Child Development Associates to negotiate and execute two month (February 1, 2011 – March 31, 2011) no-cost amendments.

**Fiscal Impact:**

There is no fiscal impact from this request. The funds currently encumbered for November and December 2010, would be used to fund Stage 3 Child Care for the months of February and March 2011.

**Executive Director  
Jiménez**

**Grace Young  
Contracts and  
School Readiness  
Program Manager**