



**Impact on Early Care and Education of the
Final Budget for Fiscal Years 2014-15
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Revised June 18, 2013

The final budget for Fiscal Years (FY) 2014-15 maintained funding at FY 13 post-rescission levels for the majority of early care and education programs, with some small increases and decreases.

Notably, funding increased slightly for School Readiness in both Priority and Competitive School Districts, while School Based Health Centers received an additional \$1.8 million in funding. The budget also included \$0.43 million of new funding for mental health training of early childhood and elementary school professionals. However, Care4Kids funding **decreased** by \$3.3 million in FY 14 and \$0.75 million in FY 15 from the final FY 13 budget after rescissions. Funding for quality improvements for early care and education programs, which is spread over several different line items, increased slightly in two instances but decreased in another, for a net **loss** of approximately \$0.2 million. Funding for state-funded child care centers, Head Start, Family Resource Centers, and Even Start remained constant.

The final budget supported a significant reorganization of programs and staff from four agencies into a new Office of Early Childhood. The legislation shifted the majority of funding streams serving children aged 0-5 (including Care4Kids, School Readiness, state-funded child care centers, state Head Start, and child care licensing) from existing agencies to the new Office. However, because the legislation that would have created this Office of Early Childhood was not enacted, it is unclear how this funding will be administered in the coming year.

Pending a determination about what movements will occur in the absence of the Office's enabling legislation, the chart below indicates when and if specific programs will be moving into the new Office based on fund transfers in the final budget.

Programs Moving into the Office of Early Childhood in the Final FY 14-15 Budget

	FY 13 Location	Movement in Final Budget as Passed	
		FY 14	FY 15
Care4Kids	DSS	N	Y
State-funded Centers	SDE	Y	Y
Child Care Quality Enhancements	DSS	Y	Y
School Readiness Priority School Districts	SDE	Y	Y
School Readiness Quality Enhancement	SDE	Y	Y
School Readiness Competitive School Districts	SDE	Y	Y
State Head Start	SDE	Y	Y
Head Start Enhancement	SDE	Y	Y
Head Start Early Childhood Link	SDE	Y	Y
Community Plans for Early Childhood	SDE	Y	Y
Improving Early Literacy	SDE	Y	Y
Children's Trust Fund	DSS	Y ¹	Y
Parent Trust Fund	SDE	N	N
Even Start	SDE	Y	Y
Wraparound Services	SDE	N	N
School Based Health Centers	DPH	N	N
K-3 Reading Assessment Pilot	SDE	N	N
Parent Universities	SDE	N	N
Family Resource Centers	SDE	N	N
Birth to Three	DDS	N	N
Child Care Center Licensing	DPH	N	Y ²
Home Visitation Programs	DPH	UA ³	UA
CT Charts-a-Course	Board of Regents, DSS	UA ⁴	UA

Y= Moved, N= Not Moved, UA= Unavailable based on information contained in the budget

¹ The budget moves all funding for the Children's Trust Fund to the OEC except for \$1.2 million, which represents the transfer of the Kinship Fund within the Children's Trust Fund to the Probate Court rather than the OEC.

² The budget shows increased personnel funding for the OEC in FY 15 which the Governor's Office has confirmed represents staff moving into the OEC from DPH to conduct child care center licensing. HB 6359 would have moved licensing into the OEC as well. However, in the absence of specific statutory or line item movement of licensing in the budget, it is unclear whether licensing will move or not.

³ The home visitation programs organized through the Department of Public Health are fully federally funded, so they do not appear in the state budget (funds go directly to the programs without passing through the state general fund). HB 6359 would have moved federal home visiting programs to the OEC, but it is unclear whether they would be included in the new office in the coming year given the failure of HB 6359 to be called.

⁴ CT Charts-a-Course is not its own line item and therefore we cannot determine from the budget whether or not its money and personnel were meant to be transferred to the OEC. HB 6359 would have moved Charts-a-Course into the OEC, but it is unclear whether that can or will occur without the passage of the legislation.

Appendix: Early Care and Education Budget Comparisons

(all amounts listed in millions \$)

(proposed changes are highlighted, unavailable numbers are noted UA)

	FY 11 Actual ¹	FY 12 Actual ²	FY 13 Final Budget as Passed (May 2012) ³	FY 13 Final After Rescissions, Mitigation (12/13/12) ⁴	FY 14 Final Budget as Passed (June 2013) ⁵	Difference Between FY 13 Post-Rescissions and FY 14	FY 15 Final Budget as Passed (June 2013) ⁶	Difference Between FY 13 Post-Rescissions and FY 15
Care4Kids	100.93	100.09	104.44	102.24	98.97	-3.27	101.49	-0.75
State-funded Centers ⁷	16.36	18.18	18.42	18.42	18.42	0	18.42	0
Child Care Quality Enhancements ⁸	4.56	3.56	3.76	3.57	3.26	-0.31	3.26	-0.31
School Readiness Priority School Districts	68.57	UA	75.59	74.49	74.77	0.28	74.30	-0.19
School Readiness Quality Enhancement ⁹	1.10	1.04	4.10	3.89	3.90	0.01	3.90	0.01
School Readiness Competitive School Districts ¹⁰	4.81	5.15	6.02	6.02	6.75	0.73	6.76	0.74
State Head Start	2.75	2.75	2.75	2.61	2.61	0	2.61	0
Head Start Enhancement	1.77	1.77	1.77	1.68	1.68	0	1.68	0
Head Start Early Childhood Link ¹¹	2.09	2.09	2.09	1.99	2.09	0.1	2.09	0.1
Community Plans for Early Childhood	0.42	0.45	0.45	0.43	0.60	0.17	0.75	0.32
Improving Early Literacy	0.15	0.15	0.15	0.14	0.15	0.01	0.15	0.01
Children's Trust Fund	13.05	13.66	13.13	12.47	11.67	-1.20 ¹³	11.67	-1.20
Parent Trust Fund ¹⁴	0.50	0.50	0.50	0.48	0.50	0.02	0.50	0.02
Even Start ¹⁵	0.47	0.48	0.50	0.48	0.48	0	0.48	0
Early Childhood Advisory Cabinet	0.04	0	0	0	0	0	0	0
Wraparound Services	0	0	0.45	0.43	0.45	0.02	0.45	0.02
School Based Health Centers	10.03	9.85	11.54	10.96	12.75	1.79	12.64	1.68
K-3 Reading Assessment Pilot	0	0	2.70	2.57	2.70	0.13	2.70	0.13
Parent Universities	0	0	0.25	0.24	0.49	0.25	0.49	0.25
Family Resource Centers	6.04	5.74	7.98	7.58	7.58	0	7.58	0
Birth to Three ¹⁶	UA	40.24	34.69	34.86	37.29	2.43	37.29	2.43
Early Childhood Mental Health Training ¹⁷	N/A	N/A	N/A	N/A	0.43	0.43	0.43	0.43

¹ Unless otherwise noted, numbers represent the final expenditure amount, which is available in Dannel Malloy, “FY 2013 Governor’s Midterm Budget Adjustments, Section B: Budget Summary” (February 8, 2012), available at: http://www.ct.gov/opm/lib/opm/budget/2012_midterm_budget/pdfs/fy2013_sectionb.pdf

² The final expenditure amounts come from FY 2012 Actual amounts, available in Dannel Malloy, “FY 2014- FY 2015 Biennium Governor’s Budget Recommendations,” (February 6, 2013) available at <http://www.ct.gov/opm/cwp/view.asp?a=2958&Q=518404&PM=1>

³ See “HB 5557, An Act Making Adjustments to State Expenditures for the Fiscal Year Ending June 30, 2013.” *Connecticut General Assembly* (May 7, 2012) available at: <http://cga.ct.gov/2012/TOB/h/pdf/2012HB-05557-R00-HB.pdf>

⁴ Based on analysis from H.B. 7001, “An Act Concerning Deficit Mitigation for the Fiscal Year Ending June 30, 2013,” available at <http://www.cga.ct.gov/2012/TOB/h/pdf/2012HB-07001-R00-HB.pdf>.

⁵ See, “HB 6706, An Act Implementing Provisions of the State Budget for the Biennium Ending June 30, 2015 Concerning General Government,” *Connecticut General Assembly*. (June 5, 2013), available at: <http://www.cga.ct.gov/2013/TOB/H/2013HB-06706-R00-HB.htm>. Some appropriations in this bill do not match those in the final budget as passed (PA 13-184 “An Act Concerning Expenditures and Revenue for the Biennium Ending June 30, 2015, available at: <http://www.cga.ct.gov/2013/ACT/PA/2013PA-00184-R00HB-06704-PA.htm>), but the implementing bill supersedes the appropriating bill and is therefore the one we use for reference.

⁶ See, “HB 6706, An Act Implementing Provisions of the State Budget for the Biennium Ending June 30, 2015 Concerning General Government,” *Connecticut General Assembly*. (June 5, 2013), available at: <http://www.cga.ct.gov/2013/TOB/H/2013HB-06706-R00-HB.htm>.

⁷ Note that this funding appears under the line item entitled “Child Care Services.” The amounts listed for this line item do not include funding from the federal social services block grant (SSBG), but rather reflect *only* state funds. The federal SSBG funding for this item is projected to be \$15.70 million for FY 14 and FY 15.

⁸ Note that “Child Care Quality Enhancements” was a new line item created in 2011 within DSS that replaced the line item “School Readiness” within DSS, with the following changes: (1) funding for quality enhancement grants in Priority School Districts was removed from this line item and transferred to the line item “School Readiness Quality Enhancement” within SDE; and (2) funding for DSS’s contract with 211 Child Care for resource and referral services was moved into this line item. Connecticut Charts-A-Course was included in this line item (as it previously had been included in the “School Readiness” line item within DSS). For purposes of rough comparison we list the expenditure for “DSS School Readiness,” less what was transferred to SDE for the quality enhancement grants, for FY 11.

⁹ Funding for quality enhancement grants to Priority School Districts was previously one component of the line item “School Readiness” within the DSS budget. In the final FY 12/FY 13 budget it became its own line item (“School Readiness Quality Enhancement”) within the SDE budget. Figures for FY 11 expenditures obtained via the SDE Bureau of Grants Management web site (<http://www.sde.ct.gov/sde/cwp/view.asp?a=2680&Q=320640>).

¹⁰ This funding stream appears under the line item “Early Childhood Program,” within SDE for FY 13 and earlier, and within the Office of Early Childhood for FY14 and FY15.

¹¹ A portion of this appropriation (\$1.09 million in FY 12) is earmarked for ABCD’s Total Learning Initiative, a Bridgeport-based program that seeks to provide comprehensive services to those children in grades K-3 who have previously received some form of state-subsidized early care and education. The remainder (in FY 12, \$1.01 million) goes to varying Head Start program enhancements. See SDE Bureau of Grants Management reports, as well as e-mail from Grace-Ann Whitney, Director, Connecticut Head Start Collaboration Office, (October 4, 2008).

¹² The Children’s Trust Fund includes the following components: Nurturing Families Network, Help Me Grow, Family School Connection, and the Kinship Fund. A breakdown of funding by components was not available in the FY 14-15 budget.

¹³ The \$1.2 million decrease in funding is due to the Kinship Fund within the Children’s Trust Fund moving to the Probate Court, rather than an actual cut to program funds.

¹⁴ Historically, funding for the Parent Trust Fund had been a component of the Children’s Trust Fund, which has been a line item in DSS. However, in the final FY 12-13 budget, the Parent Trust Fund was pulled out of the Children’s Trust Fund line item and reconstituted as an independent line item in SDE. See “Public Act 11-6: An Act Concerning the Budget for the Biennium Ending June 20, 2013, and Other Provisions Relating to Revenue” *Connecticut General Assembly* (May 4, 2011) at p.56 (available at <http://cga.ct.gov/2011/ACT/PA/2011PA-00006-R00SB-01239-PA.htm>).

¹⁵ Prior to 2011, Even Start was funded entirely with federal money. After the discontinuance of federal funding for FY12, Connecticut replaced the lost money with state dollars and for FY 12 and FY13 the program solely through state funding. See email from Judy Carson, SDE, (February 2, 2012).

¹⁶ This funding stream appears under the line item “Early Intervention” within DDS.

¹⁷ This funding stream appears under the line item “Primary Mental Health” within SDE.