

**City of Alexandria, Virginia
 FY 2025 Proposed Operating Budget & CIP
 Budget Questions & Answers**

April 10, 2024

Question:

Can you please provide a detailing of the number of children served across the Early Childhood Program Area? (Operating Budget page 12.27)

Response:

The Early Childhood Program is allocated \$9.8 million in the City's FY 2025 Proposed Budget. \$6.5 million was budgeted for non-personnel across the Early Childhood programs; \$5.7 million of that amount is allocated for the purchase of childcare services. \$3.3 million is budgeted for personnel costs for the 29.34 FTEs who work on early childhood issues.

The 29.34 FTEs in the Early Childhood Program provide a continuum of services for individuals and families that include providing case management for individuals with developmental disorders, enrolling and providing case management services for children in child care services, regulating family child care homes, facilitating the professional development of early childhood providers, delivering early developmental intervention services and implementing early childhood mental health prevention, early intervention and treatment services.

Additionally, the Early Childhood Program receives a State Budget Allocation of \$10.2 million for childcare assistance (TANF, Transitional Child Care, and the Fee System). This funding is expended at the State level for childcare vendors in the city while services are managed locally; therefore, \$10.2 million is not reflected in the city budget. The total funding available for childcare assistance/purchased services is \$20 million for FY 2025.

Purchased Child Care Services/Child Care Assistance

Services in FY25 City Proposed Budget Service Area	General Fund	Grants/Federal Revenue	City's FY25 Proposed Budget	VDSS State Allocation Outside Financial Custody of Alexandria	Total Proposed Program Funding
TANF View Working and Transitional Child Care	\$0	\$0	\$0	\$1,380,599	\$1,380,599
State Child Care Subsidy Program (Fee System)	\$0	\$0	\$0	\$8,771,062	\$8,771,062
Head Start Wrap-Around	\$0	\$0	\$0	\$91,204	\$91,204
Head Start	\$196,541	\$2,546,389	\$2,742,930	\$0	\$2,742,930

DCHS Early Childhood Readiness Services	\$985,500	\$0	\$985,500	\$0	\$985,500
Local Child Care Subsidy Program	\$106,005	\$0	\$106,005	0	\$106,005
School Age Child Care*	\$1,741,835	\$0	\$1,741,835	\$0	\$1,741,835
Totals	<u>\$3,029,881</u>	<u>\$2,546,389</u>	<u>\$5,576,270</u>	<u>\$10,242,865</u>	<u>15,819,135</u>

*School Age Child Care: Represents the Department's agreement with The Campagna Center and includes \$22,731 for program monitoring and scholarships.

Temporary Assistance for Needy Families (TANF) and Transitional Child Care

FY25 Budget: \$1,380,599

Average number of Children served per month FY23: 59

Number of Children on Waiting List: 0

Temporary Assistance for Needy Families (TANF) and Transitional Child Care consists of Federal and State funds. These are mandated programs, so funds are made available by the State as they are needed; therefore, these programs have no wait lists. Participants may be provided with services such as job skills training, work experience, job readiness training, child care assistance, transportation and other work-related expenses.

The FY24 Monthly TANF Child Care target is 84 and 71 children are being served. The FY23 target was 120 with 84 children served. The FY22 target was 163 with 87 children served. The decrease continued throughout the pandemic and beyond when VIEW activities were offered virtually, and TANF participation was no longer mandatory, decreasing the requests for childcare. It is important to note that TANF/VIEW is a mandatory program and child target, and budget requests will always be approved.

State Child Care Assistance (Subsidy) Program

FY25 State Budget: \$8,771,062

Average number of Children served per month FY23: 409

Number of Children on Waiting List: None

The Child Care Subsidy Program is supported through State funds. The approved state target for children to be served in Alexandria increased from 419 (FY23) to 532 (FY24) based on the increased number of children served in FY23. Upon evaluation of the FY24 child target allocations completed by the Department of Education (DOE) and Department of Social Services (VDSS) in February 2024, it was determined that an increase to our department's FY24 child target allocations was needed and became effective March 11, 2024, resulting in a revised FY24 target of 570. The program is currently serving 531 children and is projected to reach 650 by the end of this current FY24.

Financial Impact of Plausible Service Expansions: With the exception of the elimination of the parent co-payments key policy changes (raised income level threshold, approval of work search as an allowable activity to receive child care, and an automatic 12-month eligibility for services) were made permanent in FY23. In FY24 a 7% maximum cap was instituted for family fees; greatly reducing the financial burden on families and allowing them more options for quality child care. Increased access to childcare for families with low incomes is evidenced by the steady volume of applications, and the percentage of families determined eligible.

The program is challenged to meet the 30-day requirement for determining eligibility for childcare. The program has 142 pending applications which cannot be processed due to staff vacancies and caseload

sizes of over 100 (exceeding industry standards by 43.8%) for each of the 4 staff members. Families are on a waitlist due to staffing even while funding is available. Until funding was depleted, The Child Care Assistance Program engaged with the DCHS Workforce Development Program to render the services of work-based learners to support the processing of applications for child care. The program has since needed to continue to utilize two long-term temporary administrative staff to help reduce the wait time for families.

On March 26, 2024, the state released updates to the Child Care Subsidy Program (CCSP) regarding the implementation of wait lists in FY25, FY25 child targets, and recent child target reallocations:

We anticipate that the CCSP will be able to sustain current slots but final child targets and funding allocations for FY25 are dependent upon the final appropriations in the budget. Localities may also submit requests for additional child targets via the Allocation Request feature if they meet ALL of the following criteria: They have met their established child target; They are running a wait list for services; and there is estimated to be sufficient funding in their budget to serve one or more children for the remainder of the fiscal year. Requests for additional child targets should include an estimation of the anticipated costs to serve the number of targets requested. Requests will be reviewed on a case-by-case basis. Localities should initiate wait lists beginning July 1, 2024, if the locality has met its established child target for Head Start wraparound and Child Care Subsidy.

Head Start Wrap-Around

FY25 State Budget: \$91,204

Approved Child Target: 19

Average number of Children served per month FY23: 13

Head Start Wrap-Around funds are 100% Federal and are made available as needed by the State to provide before- and after-school services to Head Start children who need care beyond the 6-hour Head Start program day. The Alexandria Head Start Program was under enrolled during the 2023-2024 school year resulting in a decreased target for children and state budget for wrap around services. It was determined that adjustments to our FY24 child target allocations were needed and our locality's updated allocation effective March 11, 2024, would be 7 children and the approved budget was reduced to \$91,204.

Alexandria Head Start

FY25 budget: \$2,742,930

Average number of Children served per month FY23: 238

Number of Children on Waiting List: 42 due to an inability to open 5 classrooms because of a shortage of teachers and the Office of Head Start no longer allowing a virtual service option.

Number of Children with pending enrollment: 10

The Alexandria Head Start (AHS) program is funded for 309 children of families who have income at or below 100 percent of the Federal Poverty Level (FPL). The number of children allowed to be enrolled is determined by U.S. Department of Health & Human Services Head Start Office. Full enrollment has not been realized at any time since the pandemic. Enrollment efforts are on-going with the goal to reach capacity. The program is participating in a Full Enrollment Initiative with plans to submit a change in scope application to reduce funded enrollment by 53 students with no change in funding. The under-enrollment issues exist in Head Start programs across the country and the Office of Head Start is encouraging programs to utilize to reduce enrollment and to utilize funding to address compensation issues.

DCHS Early Childhood Readiness Services

FY25 Budget: \$985,500

Average number of Children served per month FY23: 332

Number of Children on Waiting List: 0

Early Childhood Readiness is supported 100% through the City's General Fund. The funds are used for early childhood education services that support expanded summer learning and extended hours for children ages 3-to-5 during the school year for Alexandria's VPI, Head Start, and other students who meet learning risk factors. Funding administration is based on alignment with service priorities, establishment of a sustainable process for awarding funds, and invites capacity building and partnership innovation through a mixed delivery system that leads to closing the gap of unmet needs.

Local Child Care Subsidy Fee System

FY25 Budget: \$106,005

Number of Children served FY23: 7

Number of Children on Waiting List: 0

This program area is supported 100% through the City's General Fund to serve as a bridge for families who have significant childcare needs that cannot be met through other resources. The per child funding amount for local subsidy follows the state subsidy rates which are determined based on the age of the child, program type, any special needs of the child, and attendance frequency. The number of children served can fluctuate based on these patterns of children enrolled. In order to leverage our maximum drawdown of state subsidy dollars, children are moved from local subsidy funding whenever other options for funding become available. This allows greater flexibility for meeting the needs of a wider pool of low-income families. The ARPA grant funding for families with hardships related to childcare were utilized in FY23 in all but seven cases in which families presented a need.

School Age Child Care

FY25 Budget: \$1,741,835

Number of Children served:

Month	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024
#Enrolled	452	852	867	875	941	914	973	995	995
Waitlist	0	33	44	40	50	54	0	16	16

This program is operated by the Campagna Center. Enrollment numbers continued to increase as schools reopened following the pandemic and are continuing to exceed the 700-enrollment target. Campagna Kids meets the needs of families for before and after school care by serving pre-K through middle school children. The program has served 1,396 children in FY23/24. This program area is supported through the City's General Fund. Waitlists exist due to space needs and staffing shortages.

Direct Services Provided by DCHS Clinical Staff

Direct Services Provided by DCHS Clinical Staff*	General Fund	Grants/Other Revenue Proposed	Total FY25 Proposed Budget
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Parent Infant Education (PIE)	\$786,707	\$986,820	\$1,773,527
Youth Developmental Disability Program	\$427,947	\$110,000	\$537,947
Early Childhood Wellness	\$355,329	\$20,479	\$375,808
Totals	\$1,569,983	\$1,117,299	\$2,687,282

**Direct services include the personnel total of \$1,914,986 and non-personnel total of \$772,296.*

Early Intervention/ Youth Intellectual Developmental Disability and Early Childhood Wellness (Infant and Early Childhood Mental Health Services)

FY25 Budget: \$2,687,282

Individuals Served /Services Provided FY23: 684

These programs provide early intervention, assessment, case management and treatment services for children 0-21 years of age. The services are provided through three specialized units: Part C Early Intervention, Developmental Disabilities Case Management, and Early Childhood Wellness/ Providers Support Services.

The Parent-Infant Education (PIE) Program (Part C Early Intervention)

Number of Children Served: FY23 246

Number of Children on Waiting List: 0 (All eligible children must be served within 45 calendar days, per Federal I.D.E.A law)

FY2023 Funding: State - \$501,461; Federal - \$169,909 Local Funds - \$843,946.34

The PIE Program provides early intervention supports and services to infants and toddlers (0-3) who are not developing as expected or who have a medical condition that can delay typical development. Based on current staffing levels which includes the addition of 1 New FTE in the FY24 approved budget; This program has been able to maintain industry recognized caseload sizes of 55 children per staff member and significantly decrease its staff turnover rate. In addition, there are over 60 contracted early intervention providers employed by the various small businesses providing Speech Therapy, Occupational Therapy, Physical Therapy, Nutrition Services, Vision Services, and Developmental Services for the PIE Program.

Early Identification for Social Emotional Delays (ASQ Initiative)

Over 900 children were screened using the ASQ and ASQ-SE since implementation in 2021 with 47% of those children scoring above the cutoff range on the ASQ-SE; indicating further need for assessment with a mental health clinician was warranted. 1FTE senior therapist position was included in the FY24 budget to support the delivery of individualized infant and early childhood mental health supports to children identified as having delays in social/emotional domains of development.

Youth Intellectual and Developmental Disabilities Program

Number of Children Served: 106

Number of Children on Waiver Wait List: 80

The Youth Developmental Disabilities Program provides intake, assessment, monitoring, and support coordination services to individuals ages 3- 21 years of age. The staff in this program served 106 individuals in FY23. 26 children and youth were enrolled in active case management and 80 individuals received on-going support and monitoring pending availability of a Medicaid Waiver slot. Medicaid waiver slots are assigned to localities annually. The number of slots a locality receives is based proportionately on the number of individuals on their waitlist. There are 134 individuals that need to be assessed for eligibility to be placed on the waiting list. Scheduling of these intake assessments were impacted by a hiring freeze, staff vacancies and staff retirement. A long-standing .5FTE vacancy was

filled in December 2023 with priority to begin conducting some of these intakes. The approved funding structure for this program was increased by 1.0 FTE in the FY24 approved budget. Priority utilization of the new fulltime FTE is to complete the 134 intake requests in addition to ensuring that individuals currently on the waiver waitlist have completed clinical reviews needed for their prioritization upon the release of new waiver slots to Alexandria in the summer.

Early Childhood Wellness and Provider Development

Numbers Served: 200 center-based and Family Child Care classrooms

Number of Children on Waiting List: None

The purpose of this program is to improve outcomes for children, from birth up to 6 years of age, by developing, maintaining, or enhancing infant and early childhood mental health promotion, intervention, and treatment services. The program services are designed to promote positive social skill development and reduce behaviors that do not support classroom success through implementation of an Infant Early Childhood Mental Health (IECHMH) consultation model. The goal of the program is the development of a more sustainable approach to providing multigenerational services that strengthen positive adult-child relationships in the home and in the classroom, given the limited capacity to respond to increased unmet needs of children presenting with social emotional developmental concerns. The approach is two-fold: 1) Implementation of the Classroom Assessment Scoring System® (CLASS) to provide support and consultation primarily to teachers and administrators to enhance their capacity to boost student learning and development and 2) fill service gaps for evidence-based mental health promotion, prevention, early intervention, and treatment. This is done by leveraging a tiered public health framework into which care-givers, professionals, and systems can assess, align and implement evidenced based strategies and practices through resources of the DCHS Parent Infant Education (PIE) Program, the ACPS Child find Program, and evidenced based whole community public health strategies (universal developmental screening using the ASQ® and ASQ-SE® and The Basics Insights™) that build parent capacity to support their child's social/emotional development. This team supported 200 preschool classrooms through consultation and observation.

Coordinated Enrollment (ALX Preschool) Early Child Care Education (ECCE)

For the past year, Alexandria DCHS, ACPS, and early childhood community partners that serve as the Kids First Years Access Committee have worked to understand the early childhood landscape, identify challenges and opportunities to serve more of our youngest learners in high-quality preschool through a comprehensive approach. This coordinated effort to support preschool programs across a range of quality settings, building on the expertise and capacity of existing providers and leveraging existing Federal, state, and local funding led to the creation of the ALXPreschool initiative. ALX Preschool is a network of childcare programs, both public and private, including Head Start, VPI and private community partner programs, that participate in a newly developed coordinated enrollment process for early care and education (ECE). ALX Preschool was formed to 1) benefit parents by allowing families to use a single application and process facilitated by program registrars and making it easier to learn all potential services they are eligible for and choose from options that meet their needs; 2) ensure that all publicly funded programs reach their full capacity in the most efficient way; and 3) that enrollment prioritization allows us to maximize use of a funding pattern from Federal, State and Local funding.

On March 15, 2024, localities were notified of key proposed changes that would affect our school division, our VPI Community Partners and the City local match for VPI in the following manner:

- 1) **Increase in VPI Per Pupil Rate:** The proposed budget for FY25-FY26 contains changes which impact the total amount of funding for VPI programs. The VPI per-pupil rates increased due to state biennial re-benchmarking. The Per Pupil VPI rate will increase from \$8,989 to \$10,701.

- 2) **Local Composite Index:** Alexandria’s local match composite increased from 0.5 to 0.8.
- 3) **The Community Provider Add On rate paid to VPI community partners will decrease from \$3,500 to \$2,500.** A change in Methodology for the Community Provider Add-On requires the VDOE to calculate Community Provider Add-On rates to be based on comparable rates for the Child Care Subsidy Program (CCSP) in the locality. There is no City obligation to compensate providers for this reduced amount.
- 4) **The Child Care Subsidy Program (CCSP)** preschool rate for 180 days will remain the same at \$12,780. The Governor’s proposed budget included new state general fund investments to help continue to advance Virginia’s Early Child Care Education (ECCE) system and to sustain current service levels for the Child Care Subsidy Program (CCSP), Mixed Delivery, and the Virginia Preschool Initiative (VPI).

Virginia Preschool Initiative (VPI)

FY2025 Approved Budget: \$1,188,929 (Local Match based on 0.5 Composite Index)

Alexandria City Public Schools (ACPS) has oversight and receives state and local funds for VPI in the ACPS budget. To obtain state funding, the locality must ensure the provision of a quality preschool education, health services, family engagement, facilitation of comprehensive services and a plan for transportation. The program receives local funding through ACPS-VPI, DCHS budget, and the Alexandria Fund for Human Services (AFHS) grant. In FY24, 250 children are being served in twelve ACPS classrooms and 161 children are served in four community-based childcare centers. As the City is allocated 567 VPI slots by the state, this means that the city currently fills 72.4% of its VPI allocated full-time VPI slots.

Number of VPI Children Enrolled FY2024: 411 (0.5 Composite Index)

ACPS	250
Child and Family Network Centers	126
Creative Play Schools	11
Campagna Center	16
Hopkins House	8