

Office of Early Childhood OEC64800

Permanent Full-Time Positions

Fund	Actual FY 14	Actual FY 15	Governor Estimated FY 16	Original Appropriation FY 17	Governor Revised FY 17	Final FY 17	Difference Fin-Gov FY 17
General Fund	31	109	116	116	116	116	-

Budget Summary

Account	Actual FY 14	Actual FY 15	Governor Estimated FY 16	Original Appropriation FY 17	Governor Revised FY 17	Final FY 17	Difference Fin-Gov FY 17
Personal Services	2,426,128	5,771,689	8,785,880	8,876,246	-	8,289,321	8,289,321
Other Expenses	422,180	8,819,274	349,943	349,943	-	321,367	321,367
Other Current Expenses							
Children's Trust Fund	11,671,218	11,302,845	11,206,751	11,206,751	-	11,320,721	11,320,721
Early Childhood Program	6,747,998	9,759,569	10,840,145	10,840,145	-	-	-
Birth to Three	-	-	18,486,804	24,686,804	-	24,686,804	24,686,804
Early Childhood Advisory Cabinet	-	76	-	-	-	-	-
Community Plans for Early Childhood	599,982	712,476	703,125	712,500	-	659,734	659,734
Improving Early Literacy	150,000	142,500	140,625	142,500	-	142,500	142,500
Child Care Services	17,296,986	17,304,300	18,701,942	19,081,942	-	-	-
Evenstart	475,000	451,250	445,312	451,250	-	451,250	451,250
Agency Operations	-	-	-	-	61,904,247	-	(61,904,247)
Other Than Payments to Local Governments							
Head Start Services	2,610,743	2,706,743	5,630,593	5,630,593	-	5,744,162	5,744,162
Head Start Enhancement	1,684,350	1,734,350	-	-	-	-	-
Care4Kids TANF/CCDF	-	104,776,111	120,930,084	122,130,084	-	122,130,084	122,130,084
Child Care Quality Enhancements	3,078,575	2,582,381	3,107,472	3,148,212	-	2,894,114	2,894,114
Head Start - Early Childhood Link	2,090,000	1,985,500	693,875	720,000	-	-	-
Early Head Start-Child Care Partnership	-	-	1,300,000	1,300,000	-	1,165,721	1,165,721
Early Care and Education	-	-	-	-	235,452,005	111,821,921	(123,630,084)
Grant Payments to Local Governments							
School Readiness Quality Enhancement	2,160,408	4,733,178	4,111,135	4,676,081	-	4,172,930	4,172,930
School Readiness	73,050,289	77,958,418	83,399,834	83,399,834	-	-	-
Nonfunctional - Change to Accruals	149,313	11,720,136	-	-	-	-	-
Agency Total - General Fund	124,613,170	262,460,796	288,833,520	297,352,885	297,356,252	293,800,629	(3,555,623)
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	1,087,725	1,087,725
Agency Grand Total	124,613,170	262,460,796	288,833,520	297,352,885	297,356,252	294,888,354	(2,467,898)

Account	Governor Revised FY 17	Final FY 17	Difference from Governor
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Policy Revisions

Consolidate Appropriations for Agency Operations

Personal Services	(8,696,211)	-	8,696,211
Other Expenses	(343,646)	-	343,646
Children's Trust Fund	(12,319,388)	-	12,319,388
Birth to Three	(24,686,804)	-	24,686,804
Community Plans for Early Childhood	(705,469)	-	705,469
Agency Operations	62,226,404	-	(62,226,404)
Head Start Services	(5,630,593)	-	5,630,593
Child Care Quality Enhancements	(3,148,212)	-	3,148,212
Head Start - Early Childhood Link	(720,000)	-	720,000
Early Head Start-Child Care Partnership	(1,300,000)	-	1,300,000
School Readiness Quality Enhancement	(4,676,081)	-	4,676,081
Total - General Fund	-	-	-

Background

Currently, state agency appropriations are distributed between multiple line items. The Governor's Revised FY 17 budget consolidates funding by collapsing most or all appropriations into a new "Agency Operations" line item. Certain major line items such as Education Cost Sharing (ECS) grants, entitlements, pension and debt service payments, remain as separate line items within their respective agencies and are not consolidated.

Governor

Consolidate multiple agency appropriations into one account.

Final

Maintain existing appropriated accounts.

Reduce Funding for Various Accounts

Personal Services	-	(406,890)	(406,890)
Other Expenses	-	(22,279)	(22,279)
Children's Trust Fund	-	(998,667)	(998,667)
Community Plans for Early Childhood	-	(45,735)	(45,735)
Agency Operations	(3,578,018)	-	3,578,018
Head Start Services	-	(565,031)	(565,031)
Child Care Quality Enhancements	-	(254,098)	(254,098)
Head Start - Early Childhood Link	-	(41,400)	(41,400)
Early Head Start-Child Care Partnership	-	(134,279)	(134,279)
School Readiness Quality Enhancement	-	(503,151)	(503,151)
Total - General Fund	(3,578,018)	(2,971,530)	606,488

Background

The Governor reduces funding in the new Agency Operations accounts across state agencies by \$267.9 million.

Governor

Reduce funding by \$3,578,018 to reflect a 5.75% reduction.

Final

Reduce funding by \$2,971,530 to reflect reductions to various accounts.

Consolidate Appropriations for Early Care and Education

Early Childhood Program	(10,840,145)	(10,840,145)	-
Child Care Services	(19,081,942)	(17,581,942)	1,500,000
Care4Kids TANF/CCDF	(122,130,084)	-	122,130,084
Early Care and Education	235,452,005	111,821,921	(123,630,084)
School Readiness	(83,399,834)	(83,399,834)	-
Total - General Fund	-	-	-

Account	Governor Revised FY 17	Final FY 17	Difference from Governor
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Background

The School Readiness account supports the Priority School District program for 3 and 4 year old children. The program may include non-resident children if approved by the local School Readiness council, but residents have priority. The majority of slots are for families with incomes at or below 75% of SMI (at least 60%). Programs can be part-day, school-day, full-day, or extended-day. The FY 16 budget included a rate increase for the full-day full-year rate from \$8,670 to up \$8,927 (related to section 324 of PA 15-5 JSS).

The Early Childhood Program account is the competitive portion of the Early Childhood (School Readiness) Grant. Children, ages 3 and 4, receive either a part-day, school-day or full-day school readiness program in school districts that have a severe need school in participating districts where 40% or more of students are in the reduced price or free lunch program or for communities that fall in the 50 lowest town wealth ranking (excluding priority school districts).

The Child Care Services account supports the development and operation of child day care centers for children disadvantaged by reasons of economic, social or environmental conditions. Programs provide early care and education to infants and toddlers, preschoolers and/or school age children.

Governor

Consolidate multiple agency appropriations into the new Early Care and Education account. Consolidated programs include School Readiness, Child Care Services, and Care4Kids.

Final

Consolidate funding for the Early Childhood Program, School Readiness, and Child Care Services accounts into the new Early Care and Education account. Programs shall continue to serve existing target populations and funding should be used to maximize child care seats for children in various settings. Section 93 of PA 16-3 MSS, the budget implementer, allows the agency to increase certain rates paid to state-funded child care facilities, up to the amount paid under the school readiness program (\$8,927). Section 94 of PA 16-3 MSS, establishes reporting requirements regarding School Readiness and state-funded child care facility capacity and utilization information.

Consolidate Funding for Head Start Services

Head Start Services	-	678,600	678,600
Head Start - Early Childhood Link	-	(678,600)	(678,600)
Total - General Fund	-	-	-

Background

Head Start is a child development program that services children from birth to age five and their families. Connecticut programs are administered by community action agencies, local education agencies and other nonprofit agencies.

Final

Consolidate funding for Head Start Services.

Eliminate Funding for Evenstart and Improving Early Literacy

Improving Early Literacy	(142,500)	-	142,500
Evenstart	(451,250)	-	451,250
Total - General Fund	(593,750)	-	593,750

Background

Even Start is a state-funded, two-generational program, focusing on family literacy. Eligible families include a parent lacking a high school diploma and/or basic reading skills or needing English-as-a-second-language skills and have a child under the age of eight. The Improving Early Literacy program aims to strengthen relationships between school and community based early literacy efforts and improve kindergarten transitions. The program is also supported by the Graustein Memorial Fund.

Governor

Reduce funding by \$593,750 to reflect the elimination of the Evenstart and Improving Early Literacy accounts.

Final

Maintain funding for Improving Early Literacy and Evenstart.

Transfer Healthy Start from DSS

Children's Trust Fund	1,224,704	1,224,704	-
Total - General Fund	1,224,704	1,224,704	-

Account	Governor Revised FY 17	Final FY 17	Difference from Governor
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Background

Healthy Start provides case management and assistance with obtaining Medicaid/HUSKY coverage for eligible pregnant women and their children.

Governor

Provide funding of \$1,224,704 to reflect the transfer of the Healthy Start Program from the Department of Social Services (DSS). OEC currently manages the program via a Memorandum of Agreement (MOA).

Final

Same as Governor

Rollout FY 16 DMP

Children's Trust Fund	(112,067)	(112,067)	-
Community Plans for Early Childhood	(7,031)	(7,031)	-
Total - General Fund	(119,098)	(119,098)	-

Background

PA 15-1 December Special Session (AA Making Certain Structural Changes to the State Budget and Adjustments to the State Budget for the Biennium Ending June 30, 2017) made FY 16 General Fund expenditure modifications of \$195.8 million in various agencies and accounts. The Governor's FY 17 budget includes the rollout of \$90.5 million of the FY 16 DMP across various agencies.

Governor

Reduce funding by \$119,098 in FY 17 to reflect the rollout of expenditure reductions in PA 15-1 DSS.

Final

Same as Governor

Distribute Lapses

Personal Services	(180,035)	(180,035)	-
Other Expenses	(6,297)	(6,297)	-
Total - General Fund	(186,332)	(186,332)	-

Background

The Original FY 16 - 17 Biennial Budget included bottom line savings targets (lapses) totaling \$95,110,616 in FY 16 and \$100,816,745 in FY 17. These savings targets were allocated to agencies via holdbacks in FY 16.

Governor

Reduce funding by \$186,332 to reflect the allocation of these lapses in the FY 17 revised budget.

Final

Same as Governor

Transfer Funding to Agencies for Fringe Benefits

Agency Operations	3,255,861	-	(3,255,861)
Total - General Fund	3,255,861	-	(3,255,861)

Background

Funding for fringe benefits for General Fund and Special Transportation Fund supported employees is budgeted centrally in the State Comptroller-Fringe Benefit accounts.

Governor

Transfer funding of \$3,255,861 from the Office of the State Comptroller to the Agency Operations account to support fringe benefit costs for employers' social security and Medicare taxes, active employee health, and the normal retirement costs for employees whose earnings are supported by the General Fund and the Special Transportation Fund.

Final

Maintain funding for fringe benefits within the Office of the State Comptroller.

Account	Governor Revised FY 17	Final FY 17	Difference from Governor
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Current Services

Adjust for Current Expenditure Requirements

Child Care Services	-	(1,500,000)	(1,500,000)
Total - General Fund	-	(1,500,000)	(1,500,000)

Background

The Child Care Services account is adjusted annually (mid-year) to reflect prior year utilization.

Final

Reduce funding by \$1.5 million for Child Care Services to reflect the estimated FY 16 lapse amount.

Carry Forward

Carry Forward School Readiness

Early Care and Education	-	928,723	928,723
Total - Carry Forward Funding	-	928,723	928,723

Final

Carry forward funding to support professional development for early childhood care and education program providers, and staff employed in such programs. Per CGS Section 10-16(p)(e)(B), up to \$1,000,000 in carry forward funding can be used for such purposes.

Carry Forward Child Care Quality Enhancement

Child Care Quality Enhancements	-	159,002	159,002
Total - Carry Forward Funding	-	159,002	159,002

Final

Carry forward funding to support professional development activities per the SEIU Day Care Union contract, Article 15, Section one.

Totals

Budget Components	Governor Revised FY 17	Final FY 17	Difference from Governor
Original Appropriation - GF	297,352,885	297,352,885	-
Policy Revisions	3,367	(2,052,256)	(2,055,623)
Current Services	-	(1,500,000)	(1,500,000)
Total Recommended - GF	297,356,252	293,800,629	(3,555,623)

Positions	Governor Revised FY 17	Final FY 17	Difference from Governor
Original Appropriation - GF	116	116	-
Total Recommended - GF	116	116	-

Other Significant Legislation**PA 16-2, An Act Adjusting the State Budget for the Biennium Ending June 30, 2017**

Sections 26, 34, 35, and 36 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 17 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 16-2. This includes an Unallocated Lapse of \$598,483 and a Targeted Lapse of \$1,445,651. See the FY 17 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	8,289,321	(497,359)	7,791,962	6.00%
Other Expenses	321,367	(9,640)	311,727	3.00%
Children's Trust Fund	11,320,721	(113,207)	11,207,514	1.00%
Birth to Three	24,686,804	(740,604)	23,946,200	3.00%
Community Plans for Early Childhood	659,734	(107,981)	551,753	16.37%
Improving Early Literacy	142,500	(142,500)	-	100.00%
Evenstart	451,250	(13,537)	437,713	3.00%
Head Start Services	5,744,162	(172,324)	5,571,838	3.00%
Child Care Quality Enhancements	2,894,114	(86,823)	2,807,291	3.00%
Early Head Start-Child Care Partnership	1,165,721	(34,971)	1,130,750	3.00%
School Readiness Quality Enhancement	4,172,930	(125,188)	4,047,742	3.00%