

PERALTA COLLEGES' CHILD CARE PROGRAM RESTRUCTURING

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- Peralta's child care centers (at Laney, Merritt, and COA) are funded through the California Department of Education and the State Chancellor's Office. Both sources have made cuts to funding. With the State of California's ongoing budget crisis and more cuts likely, the Peralta Colleges must continue to adapt so that expenditures do not exceed revenues.
- The State Chancellor's office has reduced funding for child care centers. For example, their allotment to Peralta for the three centers in 2009-10 dropped from an expected \$755,000 to \$370,000, a loss to the three centers of \$294,000. Making matters worse, the cut was **implemented retroactively**, after the centers had already begun operations for the year.
- Funding from the Department of Education is based on 'child contact hours'—the amount of time that children are actually cared for in the centers. When centers do not meet the target for 'child contact hours,' funding is reduced—even though the cost of staffing and maintaining the centers remains fixed. When funding is cut, the centers operate at a deficit and drain funds from other programs.
- Even with extensive effort, it has been very difficult recruiting and trying to maintain the required number of children that Peralta is paid to serve. The COA Child Care Center has historically had the most difficulty maintaining a fully enrolled program.
- During 2005-06, 2006-07, and 2007-08, the District failed to meet its obligation to serve the required number of students; Peralta could never recruit more than 88% of the required number. When service targets are not met, funding is cut. In 2008-09, for example, the state withdrew approximately \$280,000 in funding from the prior year's level, because of low 'child contact hours.'
- There is no waiting list of children and parents that want to use Peralta's children's centers. Even maintaining just two facilities, it will be difficult to recruit an adequate number of subsidized students required to use our facilities, per our funding requirements.
- The restructuring and downsizing of Peralta's Child Care Program will have no impact on the number of students and parents that Peralta has been serving. All those needing the service will receive it, and we will continue to serve the same number of children that we have always served, albeit some at a different location. Peralta's child care facilities have been underused and underfunded, and have been operating at a deficit, relying on funds from other programs to pay their staff and other costs. And, after retroactive cuts from the State Chancellor's Office, effective back to July 1, 2009, sustaining three children's centers with the current level of funding has become impossible.