



## **State Expenditures**

**Background.** Currently, 17 site agencies are part of the Community Consolidated Child Care Services Pilot Program with 30 counties participating in the 17 pilot sites. Current year funding for the pilot program is \$1,600,172 federal Child Care Development Funds. The bill incorporates the 17 pilot sites and early childhood councils or partnerships into a new and expanded integrated statewide system of EC Councils.

**Total Program Costs and Federal Funds.** Total program costs to add 13 EC Councils (30 total) are estimated at **\$3,735,029 in FY 2007-08 and \$3,695,014 in FY 2008-09** and include ongoing federal funding of \$1,682,692 for the current Community Consolidated Child Care Services Pilot Program and child care quality initiatives.

**Net Program Costs.** The net fiscal impact of the bill is **\$2,052,337 in FY 2007-08 and \$2,012,322 in FY 2008-09 and 3.0 FTE in both fiscal years.** Costs are incurred in the CDHS, the Colorado Department of Education (CDE) and the Office of the Lt. Governor. Table 1 on page 3 identifies the bill's cost components and identifies the respective departments where costs are incurred.

**Department of Human Services.** All moneys for the EC Councils are first appropriated to the department because it has governance over the councils. This said, the department currently has an interagency agreement with the CDE to perform work related to the pilot program for the Community Consolidated Child Care Services Pilot Program. Currently, all moneys appropriated for such services are transferred to CDE. Under HB07-1062, new costs are incurred in the CDHS to provide general oversight and support to the EC Councils and ensure each council develops and executes strategic plans to respond to local needs and conditions. These costs are identified at \$51,743 in year one and \$48,738 in year two. The department will require 1.0 FTE in both fiscal years.

**Department of Education.** The department will incur new costs of \$1,920,951 in year one and \$1,886,046 in year two. The department will require 1.0 FTE in both fiscal years.

**Office of the Lt. Governor.** The office will require \$80,543 in FY 2007-08 and \$77,538 in FY 2008-09 to staff the EC Council Advisory Team; 1.0 FTE is required in both fiscal years.

**Section 26-6.5-119 of the bill.** This section allows the CDHS to expend up to 5 percent of moneys annually appropriated from the Early Childhood Cash Fund for implementation costs; the department cannot exceed this 5 percent limit. As calculated, administrative costs represent 7.6 percent of total program costs.

**Funding for HB07-1062.** Total funding for the bill is the result of a reduction of \$2,052,337 from the FY 2007-08 appropriation for the Child Care Assistance Program included in SB07-239 (Long Bill). Of the total amount, 50 percent is General Fund and 50 percent is Federal Child Care Development Funds.

<b>Table 1: Costs Under HB07-1062</b>		
<b>Bill Statutory Cite — Program Costs</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>
<b>Section 26-6.5-103.7</b>		
Coordinator of Direct Support Services to EC Councils — CDE	\$ 51,743 1.0 FTE	\$ 48,738 1.0 FTE
Direct Costs to Support EC Councils (est. 30 councils total):		
16 Emerging Councils @ \$49,900 each	798,400	798,400
9 Capacity Building Councils @ \$123,900 each	1,115,100	1,115,100
5 Model Councils @ \$197,300 each	<u>986,500</u>	<u>986,500</u>
Subtotal — CDE	\$ 2,900,000	\$ 2,900,000
Less Federal Child Care Development Funds	(1,682,692)	(1,682,692)
Support Services to EC Councils — CDE	\$ 1,217,308	\$ 1,217,308
Staff for General Oversight and Support to EC Councils — CDHS	\$51,743 1.0 FTE	\$48,738 1.0 FTE
<b>Section Total</b>	<b>\$ 1,320,794</b>	<b>\$ 1,314,784</b>
<b>Section 26-6.5-105</b>		
Staff to EC Council Advisory Team — Office of Lt. Governor	\$ 51,743 1.0 FTE	\$ 48,738 1.0 FTE
Costs to Convene EC Council Advisory Team — Office of Lt. Governor	28,800	28,800
Technical Assistance to EC Councils:		
30 Councils @ \$20,000 each — CDE	<u>600,000</u>	<u>600,000</u>
<b>Section Total</b>	<b>\$ 680,543</b>	<b>\$ 677,538</b>
<b>Section 26-6.5-108</b>		
Evaluation Components:		
State Efficiency and Effectiveness in Support of EC Council Advisory Team and Local EC Councils (\$20,000 for 2 years = \$40,000)	\$ 20,000	\$ 20,000
Barriers to Successful Operation of EC Councils (one-time cost)	8,000	0
CCAP Policies and Effectiveness (one-time cost)	8,000	0
Effectiveness of EC Councils in Serving Children and Families (one-time cost)	<u>15,000</u>	<u>0</u>
<b>Section Total — All Costs in CDE</b>	<b>\$ 51,000</b>	<b>\$ 20,000</b>
<b>PROGRAM TOTAL</b>	<b>\$ 3,735,029</b>	<b>\$ 3,695,014</b>
<b>Less Currently Appropriated Federal Child Care Development Funds</b>	<b>(1,682,692)</b>	<b>(1,682,692)</b>
<b>BILL TOTAL</b>	<b>\$ 2,052,337</b>	<b>\$ 2,012,322</b>
<b>Early Childhood Cash Fund</b>	<b>1,026,168</b>	<b>1,006,161</b>
<b>Federal Child Care Development Funds</b>	<b>1,026,169</b>	<b>1,006,161</b>
<b>FTE</b>	<b>3.0</b>	<b>3.0</b>

