



It's Not Easy Being Three: The Effects on Young Children of Funding Cuts and the Absence of a State Budget

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Young children throughout Connecticut have been experiencing devastating effects resulting from cuts in program funding for July and August and the overall absence of a state budget. Because Connecticut failed to pass a budget by the start of the state fiscal year (July 1), all funding for state agencies and programs since June 30 has been determined by executive orders issued by the Governor. These two orders, issued in July and August, specified monthly allotments for certain agencies and programs to allow them to continue to operate absent a final budget.

Unfortunately, these two orders reduced or eliminated funding for a number of programs vital to the welfare of Connecticut's children, including Family Resource Centers, Head Start, and School Readiness.

Family Resource Centers (FRCs) provide a multitude of services for families. These 62 centers, located in public school buildings, offer parent education and training, child care, literacy programs, home visits and counseling to at-risk families, screening of young children for developmental delays, and basic social services, such as heating assistance.¹ Family Resource Centers received *no* funding from the Governor in July and August.²

As a direct result of this lack of funding,

- at least 8 FRCs (12% of all FRCs) have closed;³
- at least 33 staff at 13 FRCs have been laid off;⁴
- at least 17 FRCs have dramatically reduced programming by decreasing slots, shortening program length, terminating programs, and so on;
- direct social service interactions with families (e.g., home visits) have decreased; and
- FRCs are lacking materials for programs and general office use.

Perhaps most importantly, the uncertainty about future funding means that FRCs are unable to plan for the upcoming school year. Unless a state budget is passed by September 1, or the Governor includes funding for FRCs at FY 09 services levels in a September allotment, more FRCs will have to reduce programming or close entirely.

Head Start is a comprehensive child development program providing services to children ages 0-5 and their families, with the overall goal of increasing school readiness in low-income families.⁵ Head Start programs received *no* funding from the Governor for slots or quality enhancement in July and August.⁶

Because of this lack of funding,

- one or more classrooms have closed at 7 program sites, affecting almost 200 children and resulting in layoffs of at least 2-3 staff members in each closed classroom;
- at least 3 more classrooms, serving 60 children, will close if there is no state funding in September;
- at least 2 classrooms will close in September if state funding is inadequate to cover costs.⁷

The lack of state funding for Head Start also puts a significant amount of federal money – approximately \$52 million – at risk. Head Start programs are required to provide a 20 percent “match” for their federal funds; that is, for each dollar of federal funding the program receives, the program must provide 20 cents of its own. Programs may use state funds for this “match,” and, historically, programs have used state Head Start funds to meet up to half of their federal match requirement. Without state funds,

programs may be unable to fulfill the federal match requirement, which means those federal dollars, along with the slots for children that they fund, will vanish.

School Readiness is a state initiative which provides funding for three- and four-year-olds to attend high-quality preschool programs.⁸ Although the Governor's July allotment for School Readiness was sufficient to fully reimburse programs for services rendered in June, the August allotment was not sufficient to fully reimburse programs for services rendered in July. Two weeks into August, programs were informed that they would receive only 89 cents on the dollar for July program expenses.⁹ They were given no prior warning that the August allotment might be insufficient to cover July services, and thus had no opportunity to cut back on services in July and reduce costs.

Programs receiving School Readiness funding are particularly ill-equipped to absorb this financial blow, given that many of them suffered another financial setback in May when changes in eligibility requirements for Care4Kids (Connecticut's child care subsidy program, and an important funding stream for many School Readiness programs) reduced the number of families entitled to child care assistance.

Moreover, three weeks into August, programs have no way of knowing whether they will be reimbursed in full, in part, or not at all for services rendered this month, and, without a budget in place, have no way of knowing whether they will be reimbursed in full, in part, or not at all for services rendered in months to come. As a result, it is probable that programs will be forced to cut slots in order to ensure that they can continue to operate.

All three of these programs provide essential support services for low-income families and offer quality educational and child care services.

The lack of a budget and insufficient monthly allotments have already drastically affected Connecticut's children and families, leaving significant numbers of children without the services they need to be ready for school, and significant numbers of parents without the child care and other services they need to be able to contribute to Connecticut's economy as productive members of the workforce.

All of these programs must be included and fully funded in the final state budget. If no state budget

can be reached in the near future, the Governor's September allotment must include enough funding to keep these programs operating at full capacity. It is vital that Connecticut maintain programs that assist its hardworking families and promote success for its future generations.

¹ Although specific programs may vary from site to site, all FRCs are required to provide (or collaborate with other agencies to provide): "quality full-day child care and school readiness programs," "school-age child care," "resource and referral services," "families in training" assistance, "adult education," "support and training for family day care providers," and "teen pregnancy prevention (positive youth development)." For more information, see CT State Department of Education, "Family Resource Centers,"

<http://www.sde.ct.gov/sde/lib/sde/PDF/DEPS/Family/FRC/FRCs.pdf>.

² July allotment available at:

http://www.ct.gov/governorrell/lib/governorrell/fy10_july_allotments_30jun09.pdf. August allotment available at: http://www.ct.gov/governorrell/lib/governorrell/august_allotment.pdf.

³ Data collected by Annemarie Hillman, Connecticut Voices for Children, between August 3, 2009, and August 11, 2009. We were able to reach only 31 of 62 FRCs in the state, so it is quite likely that there have been other closings, reductions in programming, or layoffs of which we are not aware.

⁴ The number of layoffs includes staff at four of the FRCs that have been closed, but does not include the terminated staff at the Groton, New Britain, New London, or Stonington FRCs, which were unreachable, but were confirmed by other FRCs to have experienced entire staff layoffs.

⁵ For further information, see CT State Department of Education, "Head Start,"

<http://www.sde.ct.gov/sde/cwp/view.asp?a=2626&q=320766>.

⁶ The "Head Start-Early Childhood Link" grant, which provides funding for Bridgeport's ABCD Total Learning Program and for other Head Start programs via grant awards, did receive \$400,000 in August. See

http://www.ct.gov/governorrell/lib/governorrell/fy10_july_allotments_30jun09.pdf and

http://www.ct.gov/governorrell/lib/governorrell/august_allotment.pdf. However, according to the CT Bureau of Grants Management, no Head Start-Early Childhood Link grant awards will be made until a state budget is reached and the total amount of grant money available for the year is known. Conversation with Lynn Nauss, Bureau of Grants Management, CT State Department of Education, on August 12, 2009.

⁷ Email from Joan Karlsen, Executive Director, CT Head Start Association, on August 20, 2009.

⁸ For further information, see CT State Department of Education, "School Readiness,"

http://www.sde.ct.gov/sde/lib/sde/PDF/DEPS/Readiness/sr_overview.pdf.

⁹ Costs for July were calculated at \$4,336,379 by the State Department of Education; funds available to pay for those costs were totaled at \$3,874,541 by the State Department of Education. Email from Deborah S. Adams, Bureau of Teaching and Learning, CT State Department of Education, on August 14, 2009.