



Response to Questions on the FY 2010 Advertised Budget Plan

Request By: Chairman Bulova

Question: Please explain the County's options related to the proposed \$3.5 million reduction in the Child Care Assistance and Referral program.

Response: As part of the Lines of Business (LOBs) reductions proposed in the FY 2010 budget, services for the non-mandated population (i.e. children from low-income working families) in the Child Care Assistance and Referral (CCAR) program were reduced by \$3.5 million. This will eliminate services for approximately 500 to 550 children. However, as a result of additional funding received from the state and reserve funding, it now appears that sufficient funding may be available to offset this reduction in FY 2010.

As the Board may recall, as part of the *FY 2008 Carryover Review*, a reserve of \$2.0 million was established to address CCAR funding requirements. In January 2009, the state allocated an additional \$750,000 to Fairfax County to serve children from low-income working families. As a result, \$750,000 in local funds will become available and can be held in reserve to address the FY 2010 proposed reduction. Therefore, the reserve funding, along with anticipated state funding from the 2008-2010 Biennium Budget bill will address the proposed FY 2010 reduction.

As a result of these actions, the County is able to address the proposed CCAR reduction in FY 2010. The table below summarizes funding:

	FY 2009 Adopted Budget	FY 2009 Pre-TQ Revised Budget¹	FY 2010 with \$3.5 Million Reduction	FY 2010 with Reserve Funding²
Expenditures	\$29.8 million	\$32.4 million	\$26.3 million	\$29.8 million
CCYs Served	3,784	4,113	3,346	3,784
Number of Children Served	4,730	5,141	4,183	4,730

¹ The FY 2009 Pre Third Quarter Revised Budget includes \$2.6 million which was funded as part of the *FY 2008 Carryover Review* as a result of additional revenue received from the state but due to the timing could not be expended in FY 2008. This funding provides services to approximately 400 children and is not funded in FY 2010. It is anticipated that this reduction can be managed through natural attrition and no children will be disenrolled from the program.

² Funds will be held in reserve and reallocated at the *FY 2010 Third Quarter Review*.

Please note the funding available in the reserve is one-time and will only address the FY 2010 reduction. Additional resources will need to be identified in FY 2011 and beyond to sustain the \$29.8 million funding level.