



**To:** Commissioners, First 5 Ventura County

**From:** Petra Puls, Executive Director

**Date:** June 27, 2019

**Re: Recommendation to Increase Contract with Child Development Resources of Ventura County, Inc. for the Preschool Scholarship Program for FY 2019-21**

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### **Background**

In May 2019, the Commission granted the Executive Director authority to contract with Child Development Resources of Ventura County, Inc. (CDR) for the Preschool Scholarship Program for FY 2019-21 in the communities of Ojai Valley, Moorpark, and Simi Valley, not to exceed \$296,100.

In addition to preschool scholarships, the Commission approved transitional funding for existing preschool spaces and established certain criteria for continued funding. One of the programs considered for funding is a private, licensed child care center in Port Hueneme where the Commission currently funds 40 preschool spaces. As part of the contract renewal process it was determined that the contractor no longer meets the Commission's requirement for continued funding.

In order to support families affected by the discontinuation of the 40 First 5 funded preschool spaces at that center, staff identified the following solutions: 1) expansion of existing contractors approved for continued First 5 funding that operate preschool programs nearby; or 2) expand CDR's scholarship program to offer an additional 40 scholarships to families from Port Hueneme. Staff explored options with existing preschool partners and determined that there is very limited, if any, capacity to expand their nearby preschool programs. Expansion of the scholarship program is a viable option.

With regard to the scholarship program, concerns have been raised about the scholarship amount that was contemplated for this program. The amount was based on the scholarship programs implemented by the Ojai Valley and Moorpark/Simi Valley Neighborhoods for Learning. Given the total allocation of \$126,000, the maximum award to serve the target of 104 families amounted to \$120 per month for a 10-month school year. Market information indicates that this amount is low for quality preschool programs, where tuition can range from \$500-\$600 per month. Since there are sufficient unallocated funds available in the Commission's total preschool allocation, the recommendation is to increase the maximum scholarship amount to \$240/month, or \$2,400 per year.

Summary of recommended changes for scholarship program:

	<b>Current contract (per FY)</b>	<b>Revised contract (per FY)</b>
# of scholarships	104	144
Maximum per scholarship	\$1,200	\$2,400
Scholarship total	\$126,000	\$348,000
Program implementation	\$22,050	\$52,000
<b>Total</b>	<b>\$148,050</b>	<b>\$400,000</b>

**Recommendation**

The recommended action would authorize the Executive Director to increase the FY 2019-21 contract with Child Development Resources, Inc. by \$251,950 per year for two years to provide scholarships for families in Hueneme/South Oxnard and to adjust the per-child scholarship amount. The total contract would be for an amount not to exceed \$800,000 for July 1, 2019 through June 30, 2021. No new allocation of funds is required, as funds are available within the total preschool initiative allocation.