

January 2011 E-Newsletter

From The Director, Joe Valentine:

As the Legislature wrestles with the difficult decisions needed to close the state's \$25 Billion budget shortfall, health, social service, and child care programs wait with apprehension knowing that continued reductions to our programs will be unavoidable. EHSD has conducted a preliminary analysis of what the Governor's proposed cuts in human service and child care support might mean for Contra Costa County. Here is a summary of what some of the major impacts on Contra Costa County might be:

- The maximum time that families can receive a full grant from CalWORKS would be reduced from 60 months to 48 months as of July 1, 2011. This change would take place immediately, and it is estimated that over 1,500 families with almost 3,000 children would lose cash aid overnight.
- After the maximum time limit is reached, cash aid to meet the needs of the children only [these are called the "safety net" families] would continue only if the parent was fully meeting their "work participation requirement". Based on current estimates, only about 360 of the affected 1,500 families would meet this requirement. Given the current high levels of unemployment in the county, this will prove to be an especially challenging provision.
- CalWORKS grants themselves would be reduced by 13 %. All 11,310 CalWORKS families and the 19,000 children in these families would be affected. For a family of 3 the average cash aid grant would be reduced from \$694 to \$604.
- Cuts will be made to welfare-to-work support services for CalWORKS families as well as to Mental Health and Substance Abuse Services.
- A Series of cuts to child care support would be made including:
 - Eliminating services for 11 and 12 year olds [an estimated 174 children on the department's own caseloads would be affected];
 - An \$800,000 cut to "Stage 1" Child Care for CalWORKS families;
 - A reduction in state funding for "Stage 2" child care that would result in an estimated loss of \$100,000 in the EHSD administered Stage 2 child care program and the loss of child care services for 13 children;
 - Eligibility for state funded child care for non-CalWORKS families would be reduced from 75% to 60% of the State Median Income;
 - Cuts to state funding for "General Child Care" would result in a loss of \$883,000 in Contra Costa County and the elimination of child care services for at least 75 children.
- The elimination of \$80 million in funding for Child Welfare Services would be continued; resulting in continued diminished staffing levels and cuts in contracted services.

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Community Services Bureau CHANGES



Dr. Patricia Stroh, Director of the Community Services Bureau, Employment and Human Services Department will be retiring February 25, 2011. Dr. Stroh came to the county in 1998 as the Head Start Director and soon became Family and Children Services Director overseeing the collaborated Head Start and State Child Development programs. Most recently Dr. Stroh has led the former Community Services Department as it has become an integral part of EHSD. While with the county, Dr. Stroh grew the program from one of part-day part-year to 85% full-day full-year services in order to better serve the changing needs of families. Under Dr. Stroh's leadership, the program became a Program of Excellence, 75% National Association for the Education of Young Children Accredited, and received Community recognition at the State, Federal and local levels. We wish her well on her retirement. Camilla Rand, Community Services Division Manager, has been named as the Interim Bureau Director.

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- Over \$176,000 would be cut from the local senior nutrition program administered by Health Services.
- Last year's cut of 3.6% in authorized hours for the In-Home Supportive Services Program [IHSS] would be increased to a total cut of 12% resulting in a loss of approximately 912,000 IHSS service hours in Contra Costa County alone.
- Domestic and related services for adult recipients who have shared living arrangements with other family members would be eliminated – it is estimated that there are currently over 4,500 IHSS recipients in our county who have such shared living arrangements.
- IHSS services for recipients without a physician's certificate would also be cut but it's difficult to estimate how many persons this would affect.
- The cost of business increase for determining Medi-Cal eligibility would continue to be suspended for another year, further stretching county resources to keep up with a growing number of Medi-Cal applications.

In addition to budget cuts, the Governor is also proposing “realigning” a number of programs to the counties including Child Welfare Services and Adult Protective Services. While such a realignment could potentially provide the flexibility for more efficient and responsive program administration, there are number of challenging issues to be explored. One of the key issues is whether the realigned revenue sources would be adequate given the fact that both of these programs are already significantly underfunded. Another key issue for Child Welfare Services in particular is how much additional flexibility the state could realistically provide the counties given the extensive array of federal policies and court decisions that currently regulate the administration of Child Welfare Services. Whatever the outcome of both the budget reduction proposals as well as the realignment proposals, it's clear that EHSD will have to work even more closely with community based partners and other local organizations to develop creative approaches to addressing the continued decline in funding for basic social services.

Joe Valentine, EHSD Director

Earn It, Keep It, Save It Contra Costa (EKS)

EKS offers FREE income tax preparation services offered by trained volunteers for low to moderate income families (making under \$49,000/year). The EKS campaign helps low-income working families to claim important tax credits, such as the federal Earned Income Tax Credit (EITC) and Child Care Tax Credit (CTC). Depending on household income and size, eligible families can receive up to \$5,600 in EITC. Free tax assistance is provided at Volunteer Income Tax Assistance (VITA) sites throughout the county, operated by local public, private, and non-profit agencies. EKS is operated by the Community Housing Development Corporation, and supported regionally by the United Way of the Bay Area and the IRS.

EKS is important in Contra Costa County because it is the country's most effective anti-poverty program! Every year, \$20 million in EITC tax refunds goes unclaimed in Contra Costa County. If all EITC refunds were claimed it would result in over \$21 million in business sales, close to \$5 million in wages, and nearly 100 new jobs in Contra Costa. Given that 80% of tax refunds are spent locally, this loss of revenue not only impacts working families but the communities in which they live.

**Visit www.earnitkeepitsaveit.org/contra-costa-tax-sites
for additional information and to find free tax site locations**



Earn It!
Keep It!
Save It!