

Agency 357

**Department of Early Learning**

**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2009-11 Expenditure Authority</b>	195.0	121,323	244,859	366,182
<b>Supplemental Changes</b>				
Career and Wage Reduction		(1,500)		(1,500)
ECEAP Reduction	(.5)	(10,500)		(10,500)
Federal Funding Adjustment			3,940	3,940
Reduction to Operations/Staff	(.1)	(45)		(45)
Home Visitation Transfer	.5	1,245		1,245
Average Final Compensation		2	4	6
Health Insurance Increase		42	119	161
Resource and Referral Reduction		(425)		(425)
<b>Subtotal - Supplemental Changes</b>	(0.1)	(11,181)	4,063	(7,118)
<b>Total Proposed Budget</b>	194.9	110,142	248,922	359,064
Difference	(.1)	(11,181)	4,063	(7,118)
Percent Change	(0.1)%	(9.2)%	1.7%	(1.9)%

**SUPPLEMENTAL CHANGES**

**Career and Wage Reduction**

General Fund-State funding for the Career and Wage Ladder Program is eliminated for the 2009-11 Biennium. An equal amount of American Recovery and Reinvestment Act funds will support the pilot program in Fiscal Year 2010.

**ECEAP Reduction**

In the 2010-11 school year, 1,563 Early Childhood Education and Assistance Program (ECEAP) preschool slots for three-year-old children will be eliminated. The program's priority to serve four-year-old children will be maintained. A corresponding reduction of \$94,800 to the program's administration is also made.

**Federal Funding Adjustment**

The federal expenditure authority is increased to include additional Child Care and Development Fund dollars awarded to the Department in Federal Fiscal Year 2009. (General Fund-Federal)

**Reduction to Operations/Staff**

Along with reduction to child care programs, the Department will take a corresponding reduction in staff and operating costs related to management of those programs and contracts.

## **EDUCATION - OTHER**

### **Home Visitation Transfer**

Evidence-based home visiting programs are transferred from the Council for Children and Families to the Department. This transfer reflects a streamlining of state government services and the alignment of home visitation with the Department's mission and early intervention strategies. Included is \$1.1 million for contracts with home visitation program providers, one FTE staff, and associated expenses.

### **Health Insurance Increase**

Washington State employee medical and health insurance expenditures are projected to exceed budgeted levels. With the current trend, the Public Employees Benefits Board (PEBB) fund is anticipated to have a negative fund balance exceeding \$200 million. Increases in revenues will be accomplished by using the entire Premium Stabilization Reserve; transferring \$35 million from the Incurred But Not Received (IBNR) reserve account; and modifying point of service costs (e.g., deductibles) for PEBB plan offerings beginning in calendar year 2011. The current Fiscal Year 2011 monthly contribution rate of \$768 is increased to \$830 to make up the remaining fund deficit.

### **Resource and Referral Reduction**

Fiscal Year 2011 General Fund-State dollars designated for the Washington State Child Care Resource and Referral Network are eliminated. American Recovery and Reinvestment Act (ARRA) funds will continue as will other federal funding contracted to the organization.