

AB 2663 (Cooper) Protect California's Quality After-School Programs



Background – California's After-School Programs Benefit 400,000+ Students at 4,000 Schools Daily

California's After School Education and Safety (ASES) program supports over 4,000 elementary and middle schools offering after-school and summer programs to more than 400,000 students daily. These programs operate at the highest poverty schools—those with an average of over 80% of students participating in the free and reduced-price meals program.

After-school programs are essential to closing the achievement and opportunity gap. They provide underserved students with meaningful academic and enrichment activities, keep kids safely off the streets during the prime time for crime by and against children, and offer essential child care for working parents. They also provide a crucial infrastructure for STEM, summer learning, physical activity, and leveraging hundreds of millions of federal dollars for nutritious snacks and meals.

California-specific research has proven that these programs have a range of positive impacts including improved school attendance, English fluency, academic success, crime prevention, improved health and nutrition, and important social-emotional skill development. They are also cost-effective—with \$2 to \$9 dollars saved for every \$1 invested.

The Problem – Increasing Costs and Stagnant Funding Risk Shutting Down Programs and Leaving the Most Vulnerable Kids and Families Without Quality Services

While the costs, demands, and expectations of ASES programs have consistently increased, the funding has remained stagnant for a decade.

- The statutory ADA rate of \$7.50—which experts say is woefully inadequate to run a high-quality program—has not been raised since 2006.
- Over the same time period, the California Consumer Price Index has increased by 17%.
- The state increased the minimum wage by \$1 to \$9 on July 1, 2014 and another \$1 to \$10

effective January 1, 2016, and state law now requires employers to offer 3 days of annual sick leave.

As costs significantly outpace funding, ASES programs have been stretched to their breaking point and find it increasingly difficult to deliver the same high-quality services. According to a recent survey of nearly 600 respondents representing more than 300 school districts:

- 75% of ASES funded programs had to reduce the number of enrichment activities offered, and over 60% reported academic supports were negatively impacted;
- 50% had to reduce staff hours, more than 60% reduced professional development, and over 80% found it more difficult to both attract and retain high quality staff.

Without additional funding, not only will program quality continue to suffer, but also:

- Nearly 50,000 students could lose access to after-school;
- Program hours could be reduced, making it harder for working families to get by;
- Eventually, programs risk being forced to close their doors altogether.

The result: more dropouts, higher crime, more of our most vulnerable students being left behind, and fewer jobs for individuals that minimum wage and paid leave laws are supposed to benefit.

The Solution

AB 2663 adds \$73,260,000 in FY 2016-17 to the \$550 million ASES budget, which will raise the daily ASES funding formula from \$7.50 to \$8.50 per student—a 13% increase to offset the \$2 increase in the minimum wage. Also, the bill enacts an annual cost of living adjustment to address ongoing future increased costs.

For additional information visit our web page at www.CA3Advocacy.org or email us at info@ca3advocacy.org

Sources:

ASES targets low-income students

California Afterschool Network. (2015). State of the State of Expanded Learning in California 2104-15. Retrieved from http://www.afterschoolnetwork.org/sites/main/files/file-attachments/state_of_the_state_of_expanded_learning_in_ca_2014-14.pdf
Percentage is for schools with either state or federally-funded after-school programs at all grade levels.

Increased attendance and improved English fluency

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Academic success: Dropout prevention and improved test scores

Huang, D., Kim, K.S., Marshall, A., & Perez, P. (2005). *Keeping kids in school: An LA's BEST example*. Los Angeles, CA: National Center for Research on Evaluation, Standards and Student Testing, University of California, Los Angeles. Retrieved from http://www.lasbest.org/imo/media/doc/Keeping_Kids_in_School.pdf; LA's BEST After School Enrichment Program. (2006). *Annual Report 2005-2006. Caught up in the act ... of success*. Retrieved from [http://www.lasbest.org/imo/media/doc/AR0506-web\[1\].pdf](http://www.lasbest.org/imo/media/doc/AR0506-web[1].pdf); Randy Barth, Founder and Chief Executive Officer, THINK Together, Santa Ana, CA. Personal communication on September 24, 2009; Jenel Prenovost, Director of Evaluation, THINK Together, Santa Ana, CA. Personal communication on December 7, 2009; University of California, Irvine. (2002). *Evaluation of California's After School Learning and Safe Neighborhoods Partnerships Program: 1999-2001*. Executive summary retrieved from <http://www.cde.ca.gov/ls/ba/as/execsummary.asp#fn1>

Crime prevention

Goldschmidt, P., & Huang, D. (2007). *The Long-Term Effects of After-School Programming on Educational Adjustment and Juvenile Crime: A Study of the LA's BEST After-School Program*. Los Angeles, CA: Center for Research on Evaluation, Standards and Student Testing, University of California, Los Angeles. Retrieved from http://www.lasbest.org/imo/media/doc/LASBEST_DOJ_Final%20Report.pdf; Damooui, J. (2008). *Economic impact of the Boys and Girls Clubs of Greater Oxnard and Port Hueneme on the community*. Retrieved on from http://www.positiveplace4kids.org/aboutus/Economic_Impact_Report_Final.pdf

Physical fitness

A World Fit for Kids! delivers proven results. (n.d.). Evaluation by Kaiser Group, Inc. Retrieved from http://www.worldfitforkids.org/images/pdfs/WFIT_Evaluation_Summary_2-PG_12-09.pdf; see also Mahoney, J. L., Lord, H., & Carryl, E. (2005). Afterschool program participation and the development of child obesity and peer acceptance. *Applied Developmental Science*, 9(4), 202-215. Retrieved from <http://www.informaworld.com/smpp/content~content=a783719379~db=all>

Cost-effectiveness

Brown, W.O., Frates, S.B., Rudge, I.S., Tradewell, R.L. (2002). *The Costs and Benefits of After School Programs: The Estimated Effects of the After School Education and Safety Program Act of 2002*. Claremont, CA: The Rose Institute of Claremont-McKenna College. Retrieved from http://middlechildhoodmatters.ca/wp-content/uploads/2012/10/claremontmckenna_CostsandBenefits.pdf; Goldschmidt, P., & Huang, D. (2007). *The Long-Term Effects of After-School Programming on Educational Adjustment and Juvenile Crime: A Study of the LA's BEST After-School Program*. Los Angeles, CA: Center for Research on Evaluation, Standards and Student Testing, University of California, Los Angeles. Retrieved from http://www.lasbest.org/imo/media/doc/LASBEST_DOJ_Final%20Report.pdf

Leveraging federal school meals funding

State of the State of Expanded Learning in California 2014-15. Retrieved from http://www.afterschoolnetwork.org/sites/main/files/file-attachments/state_of_the_state_of_expanded_learning_in_ca_2014-14.pdf

Cost of quality after-school programs

The Cost of Quality Out-of-School-Time Programs, by The Wallace Foundation. Retrieved from <http://www.wallacefoundation.org/knowledge-center/after-school/key-research/Pages/The-Cost-of-Quality-of-Out-of-School-Time-Programs.aspx>

Cost of living increase

Department of Finance. Calendar Year averages: from 1950. Retrieved from http://www.dof.ca.gov/HTML/FS_DATA/LatestEconData/FS_Price.htm

Survey of ASES programs

Gunderson, J. (2015, March 27). ASES Daily Rate Survey. Memorandum. Partnership for Children and Youth. Retrieved from <http://partnerforchildren.org/wp-content/uploads/2015/04/ASES-Daily-Rate-Survey-Memo.pdf>

Nearly 50,000 slots lost

If rate increased to \$8.50 without an increase in overall after-school funding, 47,211 students would lose access. Based on \$541.75 million in ASES grants.

INCREASE THE ASES RATE

RISING COSTS SQUEEZING PROGRAMS TO THE BREAKING POINT!

AFTER SCHOOL EDUCATION AND SAFETY (ASES) PROGRAM BASICS

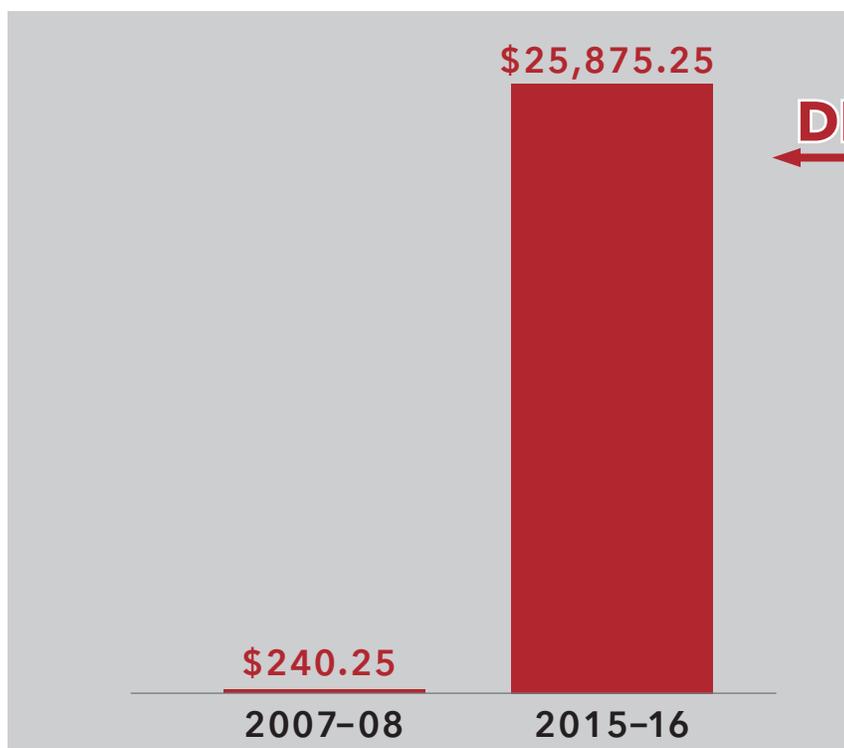
- Elementary school grant awards = \$112,500, with a required 33% match (at least \$37,500).
- Current ASES daily rate is \$7.50 per kid/per day.
- Minimum average daily attendance = 84 students.
- Supervision ratio 1:20.

FUNDING DOESN'T ADD UP*

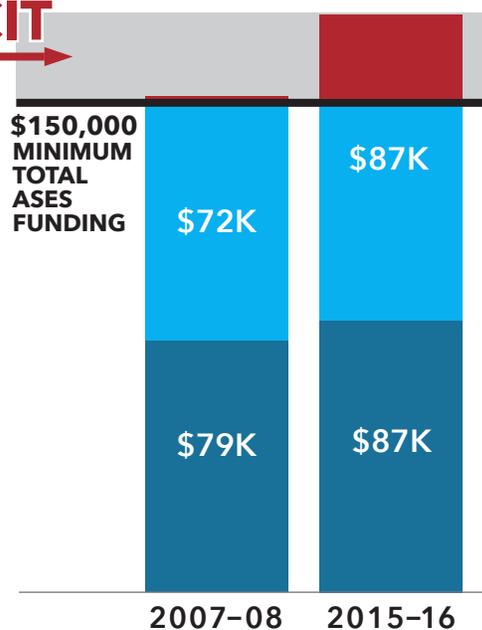
Personnel costs increased in 8 years	20% ↑
Operating costs increased in 8 years	14% ↑
ASES funding increased in 8 years	0%

*see the budget breakdown on page 2

FUNDING DEFICIT 2007-08 VS. 2015-16



ASES PROGRAM BUDGET VS. ASES FUNDING 07-08 & 15-16



Operating Expenses Personnel Expenses Deficit

	2007-08	2015-16
Total Expense	\$150,240.25	\$175,875.25
ASES Funding (\$112,500 Grant award + \$37,500 Mandated match)	\$150,000.00	\$150,000.00
DEFICIT	\$240.25	\$25,875.25

ASES FUNDING FALLS SHORT

The amount of additional revenue needed to meet the most basic program standards has increased almost **100 fold in 8 years**. Without sufficient funding, programs risk closure.

BUDGET BREAKDOWN

These numbers reflect the **most conservative** site level budget that can be operated while meeting the minimum education and labor code requirements. Throughout most of California, minimum wage and cost of living are significantly higher than the expenses reflected in this budget.

	2007-08 BUDGET	2015-16 BUDGET
PERSONNEL EXPENSES		
Site Coordinator (40 hours a week/40 weeks a year)	\$ 25,600.00	\$ 32,000.00
4 Line Staff ¹	\$ 29,600.00	\$ 35,520.00
Certificated Site Administrator	\$ 2,500.00	\$ 2,500.00
Program Supervisor/Manager (.1 FTE per site)	\$ 4,500.00	\$ 5,000.00
TAXES/BENEFITS		
Site Coordinator (25% salary)	\$ 6,400.00	\$ 8,000.00
Line Staff (15% wages)	\$ 4,400.00	\$ 5,328.00
Program Supervisor (25% salary)	\$ 1,125.00	\$ 1,250.00
Line staff sick leave	n/a	\$ 1,324.00
TOTAL PERSONNEL EXPENSES	\$ 74,125.00	\$ 90,922.00
OPERATING EXPENSES²		
Misc (Supplies/Curriculum/Events) (\$1/kid per day)	\$ 15,120.00	\$ 15,120.00
Direct/Indirect Admin (15% of grant award)	\$ 16,875.00	\$ 16,875.00
Facilities ³	\$ 9,281.25	\$ 9,281.25
Required Snack	\$ 10,584.00	\$ 12,852.00
Custodial	\$ 4,230.00	\$ 4,950.00
Transportation	\$ 14,400.00	\$ 18,000.00
Additional Admin Costs	\$ 5,625.00	\$ 7,875.00
TOTAL OPERATING EXPENSES	\$ 76,115.25	\$ 84,953.25
TOTAL EXPENSE	\$ 150,240.25	\$ 175,875.25
ASES FUNDING	\$ 150,000.00	\$ 150,000.00
DEFICIT	\$ 240.25	\$ 25,875.25

STATE MANDATED POLICY CHANGES

Minimum wage increased from \$8/hr to \$9/hr, beginning July 1, 2014; beginning January 1, 2016, increases from \$9/hr to \$10/hr

Part-time workers are granted up to 24 hours of annual sick leave, beginning July 1, 2015

1. To ensure qualified staff, programs pay at least \$2 above minimum wage.
2. At minimum, ASES requires a 33.3% match from the grantee, which is most often in-kind operational expenses.
3. Facilities [EC §8483.7(a)(7)]

Updated 1/21/16

As part of the California Afterschool Advocacy Alliance, PCY is proud to coordinate the statewide effort to increase the ASES daily rate. Learn how you can help at www.saveafterschool.com.



Dedicated to protecting and strengthening California's publicly-funded after-school programs

\$73 Million for After-School — Why the State Should Act



www.CA3Advocacy.org

Protecting Quality After-School Programs Is a State Responsibility

- **The State of California, together with the voters who overwhelmingly approved Proposition 49 in 2002, made a long-term commitment to after-school programs: It needs to protect its \$5 billion decade-long investment and the vast infrastructure of over 4,000 after-school programs.** The State relies on these programs to deliver low-income students needed enrichment, physical activity, academic support, and STEM learning and to leverage hundreds of millions of federal dollars for healthy snacks and meals.
- **While funding for the After School Education and Safety (ASES) program has remained static for a decade, the State has increased funding for other protected State categorical education programs that were not eliminated to create the Local Control Funding Formula.** Over just the past two years the State enacted increases in child care and preschool rates (11-12%) to help sustain program quality, similar to the increase sought for ASES. In 2015, the State increased funding for the Foster Youth Services program by 67%.
- **The Governor said in his recent budget proposal that “the state must shoulder higher wages in its programs” resulting from the minimum wage increase.** The State mandated the minimum wage increase and paid sick leave to meet important needs, and it has a responsibility to make the adjustments needed for after-school programs consistent with minimum wage adjustments made for other state-funded programs. We should ensure that the same workers these policies seek to benefit do not lose work hours, benefits, and even jobs because the programs are not funded to meet the new mandates. After-school programs cannot simply pass along these costs to their overwhelmingly low-income customers.

The Local Control Funding Formula (LCFF) is Not the Solution

- **LCFF is not intended to maintain the status quo for underserved students and simply sustain existing programs like ASES.** In fact, it is questionable whether LCFF Supplemental & Concentration funds can be used to provide the same level of services in existing ASES programs because by law they must be used to “increase or improve” services for high-need students.
- **Few districts are investing LCFF dollars in ASES programs, and even those few investments don’t address increased personnel costs** resulting from increases in the minimum wage and cost of living. New investments are often focused on expanding access and services, which is a critical need, but is adding weight to an already strained infrastructure.
- **After-school programs generally find it difficult to compete for limited LCFF funds.** Districts are far more inclined to prioritize programs with district employees, including district-operated categorical programs eliminated under LCFF, than ASES programs that are typically operated by community-based organizations.
- **Relying on LCFF funds alone would result in unequal treatment of students.** Without uniform State action, many at-risk kids will be left with lower quality programs or no programs at all.
- **Consistent with LCFF equity goals, increasing State funding for existing ASES grants would target low-income students more effectively than directing funds generally to LCFF.** ASES serves almost exclusively schools with predominantly low-income populations, while LCFF, although it provides more funding for high-need than other students, still spreads funding across all schools and all students.

For additional information visit our webpage at www.saveafterschool.com or email us at info@ca3advocacy.org