

**Providing Forty Years of Early Childhood Development in Austin**

Child Inc approaches the needs of the whole child and the family by providing health, education, social services, and parent-community engagement in one program. Early childhood education is one of the most cost-effective methods of developing better local worker skills.

- Federal Head Start grantee for Austin and Travis County since 1972 meeting the needs of 2120 very low income children and their families on an annual basis.
- Received funding from the City of Austin Social Services Dept until 2011. Last contract amount: \$334,824.
- The last City contract generated about \$1,440,000 in federal dollars with a 4:1 match.
- Former contract provided 66.4 full day child slots for low income preschoolers at \$420.21 per child per month.
- Child Inc recently underwent a lengthy Head Start review/audit of program and financial controls. Child Inc. did not have any findings and will continue to operate as Head Start provider.

Current Child Inc Challenges

Two critical events impacted Child Inc this year.

- First, the funding partnership between the agency and the City ended resulting in a loss of nearly \$335K used by Child Inc for critical matching and program funds.
- Second, the Federal Head Start Regional Office in Dallas has instructed Child Inc to shift over 800 preschoolers to a traditional Head Start classroom model
 - ✓ Former home based teaching model used for 15 years allowed for more efficient use of existing funds.
 - ✓ **Additional cost of transition into new traditional model effective May 1, 2013 - \$1.8MM over two years.**
 - ✓ **No additional funding available from Head Start for transition.**
 - ✓ Recommendations for new model delivered to Child Inc in Fall of 2012 allowing little time to diversify funding sources.
- Child Inc receives 10 percent less per child than other programs in the US.
- Currently providing Austin families with extended 10 hour per day services. Funding levels will now only allow for full day services of 6.5 hours per day effective Fall 2013.
- **No funding available for 2013 summer program.**

Immediate Issue

- Without reinstatement of City funds, it is almost certain that the **8 week summer program will be canceled.**
- **Eliminating services for 600 children, including 400 children of working parents with very short notice.**
- Resulting in a **layoff of about 150 Child Inc staff** that will have to survive on unemployment or find other jobs. This will likely result in the loss of many key staff who will not return for the fall semester.
- Area day care providers will be unable to absorb the 400- 600 children left without care causing financial hardship for very low income working families.

Criteria	Cost of Providing Services					
	100	200	300	400	500	600
Total number of children served:						
Cost per child	\$1,115	\$1,115	\$1,115	\$1,115	\$1,115	\$1,115
Cost of an 8-week summer pgm	\$111,456	\$222,912	\$334,368	\$445,824	\$557,280	\$668,736

INVESTING IN THE FUTURE THROUGH EARLY CHILDHOOD EDUCATION

EDUCATING CHILDREN. RAISING FAMILIES

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