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SANTA CLARA COUNTY 2018 CHILD CARE NEEDS ASSESSMENT



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INTRODUCTION

PURPOSE OF THE REPORT

The purpose of this report is to provide a compilation of data in accordance with the requirement by the California State Department of Education to conduct a needs assessment of early education and before- and after-school programs every five (5) years. This data describes key indicators of early care and education in Santa Clara County, which will serve to assist with planning and implementing programs and initiatives to serve children between the ages of 0-12 years in the community.

DATA SOURCES

The information included in this report come from a variety of local, county, state, and national sources. The intent was to have the most recent information related to the target child population and their early care and education needs. Chart and table source data and relevant notes are documented throughout. In addition to the individuals listed under Acknowledgements, various agencies and organizations assisted with compiling these data.

Santa Clara County Office of Education (SCCOE) contributors include the Migrant Education Program, Special Education Local Plan Area (SELPA), Inclusion Collaborative, Early Start, and Head Start Program. Significant external contributions were made by the Santa Clara County Social Services Agency, the Community Child Care Council of Santa Clara County (4Cs), the San Andreas Regional Center, FIRST 5 Santa Clara County, and through publicly accessible data available through the California Departments of Education and Finance and the U.S. Census Bureau. Calculations for unmet child care needs were based largely on population and enrollment data collected from the American Institutes for Research's Early Learning Needs Assessment Tool (ELNAT) and child care supply data provided by the 4Cs.

REPORT STRUCTURE

Data are organized into four categories:

- Demographics;
- Children with Additional Needs;
- Children Eligible for Child Care Subsidy Programs;
- Cost of Child Care; and
- Unmet Need for Child Care.

Demographics includes birth projections and information on how the child population is distributed across the County, data on child race and ethnicity, and data on languages spoken by children enrolled in K-12 public schools. **Children with Additional Needs** includes counts of the number of children in the County that receive special education services, special

education K-12 enrollment by age and type of disability, counts of the number of children in Child Protective Services, and counts of the number of children in Migrant Education. **Children Eligible for Child Care Subsidy Programs** includes counts of the number of children in families that are participating in the CalWORKs child care program (Stages 1, 2, and 3) and estimates for the number of children that qualify for state and federal funded child care subsidy programs such as Head Start and California State Preschool. Additional data on the number of children that qualify for the latter under the County's child care subsidy pilot are provided. **Cost of Child Care** includes data on Regional Market Rate reimbursement ceilings for licensed child care. These data are provided for full- and part-time care at child care centers and family child care homes. Connections with median household income are made. This report concludes with **Unmet Need for Child Care**. In this section, readers can learn more about the supply and demand for child care in Santa Clara County. Unmet need for full-day child care is estimated for the general population. Also included are unmet need estimates for part-day child care and subsidized child care.



DEMOGRAPHICS

CHILD POPULATION

MANDATED DATA

As of 2016, there were an estimated 314,062 children ages 0-12 years in Santa Clara County (see Table 1). Approximately 71,454 (23%) of these children were infants and toddlers (i.e., children ages 0-2 years), 50,302 (16%) were children of preschool age (i.e., children ages 3-4 years), and 192,306 (61%) were school-aged children (i.e., children ages 5-12 years). Children in these three age groups, their demographics, unique needs, and child care needs, are the focus of this assessment.

TABLE 1. NUMBER OF CHILDREN IN THE COUNTY BY AGE COHORT (2016)

Ages	1a. Number	Group Totals
< 1 Year	22,647.7	1b. 0-2 Years 71,454.1
1 Year	24,844.3	
2 Years	23,962.2	
3 Years	24,064.5	1c. 3 & 4 Years 50,301.6
4 Years	26,237.1	
5 Years	24,579.6	
6-12 Years	167,726.6	1d. 5 – 12 Years 192,306.2
Total	314,061.9	

Source: Population Data (2016), American Institutes for Research

SUPPLEMENTAL DATA

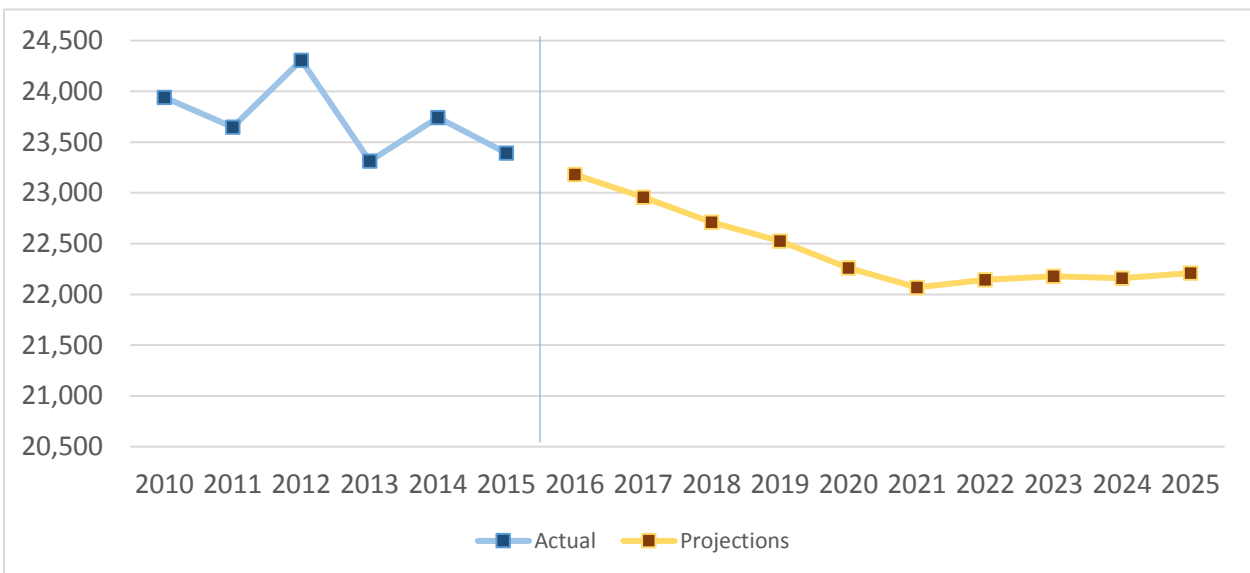
HIGHLIGHTS

- Actual births declined by 2% from 2010 to 2015
- Births are projected to decline by an additional 6% from 2015 to 2021
- 72% of children under the age of 6 years reside in the San Jose-Sunnyvale-Santa Clara Metropolitan Area
- San Jose alone accounts for 56% of the child population

BIRTH AND AGE COHORTS

As shown in Figure 1, the number of actual births in Santa Clara County, despite some fluctuation over time, has trended downwards since 2010. Data on actual births collected from the Centers for Disease Control provides that the number of births decreased by 2% from 2010 to 2015. Projections developed by the California Department of Finance anticipate an additional 6% decline in births by 2021.

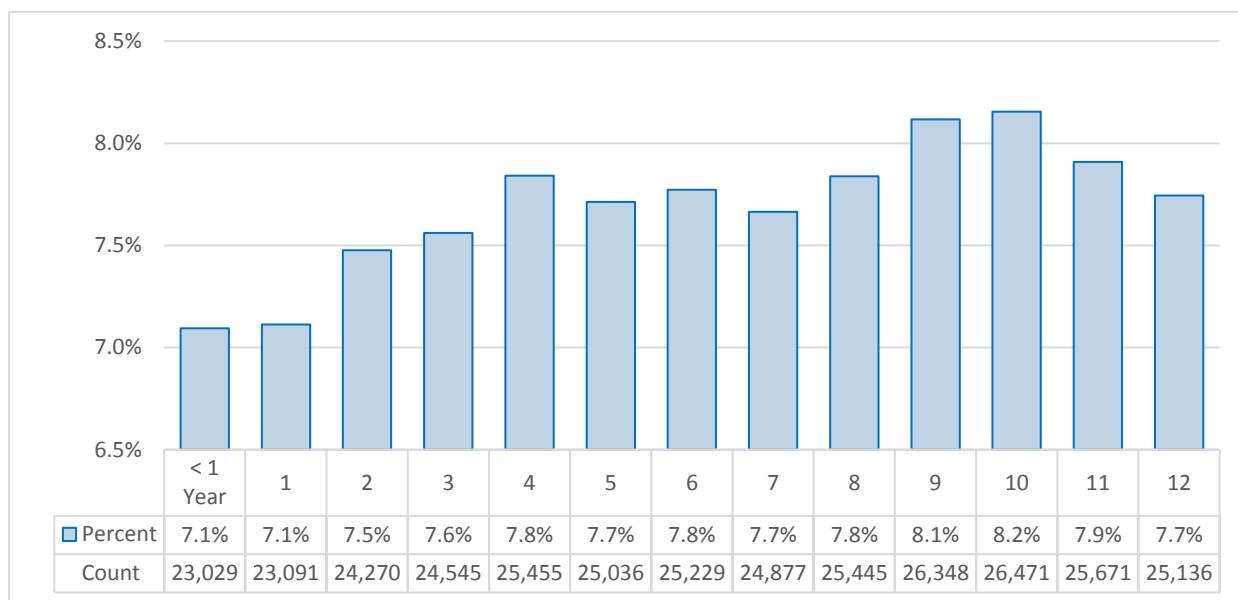
FIGURE 1. BIRTHS IN SANTA CLARA COUNTY: ACTUAL (2010-2015) AND PROJECTIONS (2016-2025)



Source: Actual Births - Natality, 2007/2015 Results, County by Year Birth Rates, Centers for Disease Control; Projected Births – Calendar year estimated and projected births for California and counties: 1990-2040, California Department of Finance

The projected 2017 population proportions for children age 12 years and under (N=324,603) that are displayed in Figure 2 further exemplify a declining Santa Clara County child population. A comparison of single-age cohorts indicates that children ages 3 years and younger make up the smallest proportions of children, at 7.6% and below. Of the projected child population, children less than 1 year in age and children age 1 year each account for 7.1%. Proportions range between 7.7% and 8.2% for all other age groups.

FIGURE 2. PERCENTAGE OF CHILDREN BY AGE COHORT (2017)



Source: Total Estimated Projected Population for California Counties: July 1, 2010 to July 1, 2060 in 1-year increments, California Department of Finance

Notes: Percentages were calculated by dividing the count for children within each age group by the total number children age birth to 12 (N=324,603).

When combined, children from birth to 2 years of age account for 21.7% of the projected 2017 child population 12 years and under (see Table 2). The proportion of children age 3 to 5 years is slightly larger at 23.1%.

TABLE 2. TOTAL CHILDREN IN THE COUNTY BY AGE GROUP (2017)

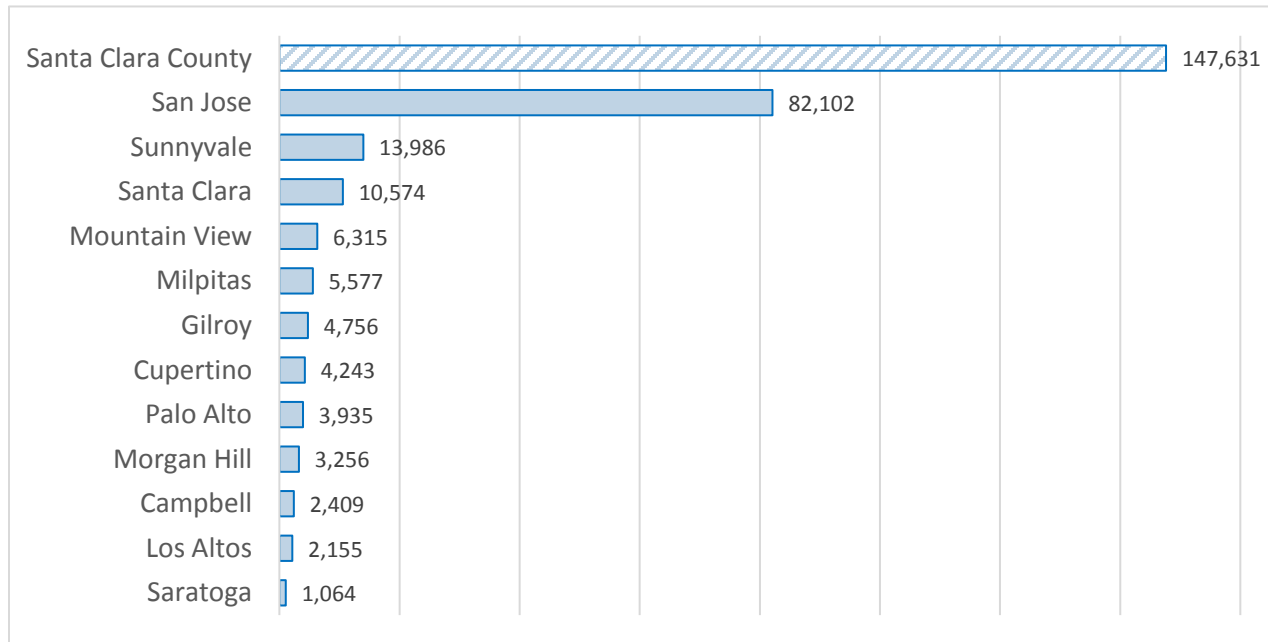
Age Group	Number	Percent
Birth to 2 Years	70,390	21.7%
3 to 5 Years	75,036	23.1%
6 to 12 Years	179,177	55.2%
Total	324,603	100.0%

Source: Total Estimated Projected Population for California Counties: July 1, 2010 to July 1, 2060 in 1-year increments, California Department of Finance

CHILDREN UNDER 6 YEARS BY MAJOR CITY

The data presented in Figure 3 are based on 5-year estimates calculated as part of the U.S. Census Bureau's American Community Survey. In 2015, there were an estimated 147,631 children under the age of 6 years in Santa Clara County. Seventy-two percent of these children reside in the San Jose-Sunnyvale-Santa Clara Metropolitan Area. The City of San Jose accounts for 56% of the child population.

FIGURE 3. CHILDREN UNDER 6 YEARS BY MAJOR CITY (2015)



Source: Children Characteristics, 2011-2015 American Community Survey 5-Year Estimates

CHILD RACE AND ETHNICITY

MANDATED DATA

Table 3 lists the percent of children enrolled in Santa Clara County K-12 schools by race and ethnicity. Approximately 39% of all children enrolled in the 2016/17 academic year identified as Hispanic or Latino. The second largest subgroup was Asian-Americans at 29%, followed by Caucasians (Whites) at 20%. Remaining subgroups account for just 12% of K-12 enrollment.

TABLE 3. PERCENT OF CHILDREN K-12 BY RACE/ETHNICITY (2016/17)

Ethnicity	Count	2. Percent
African American	5,306	1.9%
American Indian or Alaska Native	922	0.3%
Asian	79,525	29.1%
Filipino	11,537	4.2%
Hispanic or Latino	105,713	38.7%
Pacific Islander	1,322	0.5%
White	54,970	20.1%
Two or More Races	12,040	4.4%
Not Reported	1,929	0.7%
Total	273,264	100.0%

Source: 2016/17 Enrollment by Ethnicity, DataQuest, California Department of Education

SUPPLEMENTAL DATA

HIGHLIGHTS

- Approximately 1/3 of children in Santa Clara County identify as Asian-American
- U.S. Census Bureau estimates that 27% of children under the age of 18 are Hispanic
- K-12 public school enrollment declined by 1% from 2014/15 to 2016/17
- California Department of Finance projects that enrollment will decline an additional .6% by 2021/22
- The proportion of Asian and Hispanic students enrolled in K-12 increased by 13% and 15% respectively from 2008/09 to 2016/17
- The proportion of K-12 English Language Learners has declined by 9% over the past 10 years

GENERAL POPULATION CHARACTERISTICS

The data presented in Table 4 allows for a comparison of the K-12 race/ethnicity distribution (see Table 3) to the Santa Clara County general population. Unlike the California Department of Education classification just reviewed, which nests the Hispanic category within race, the U.S. Census Bureau classifies race and ethnicity separately. This likely explains the 12.1 and 28.2 percentage point differentials observed for Caucasian and Hispanic subgroups. The proportion of Asian-Americans is roughly equivalent across samples, ranging from 29.1% of the K-12 population to 33.8% of the general population. According to these data, children under the age of 18 account for 23% of the entire population. If the number of children under the age of 6 in Santa Clara County is 147,631 (see Figure 3), then children under the age of 6 account for approximately 8% of the general population.

TABLE 4. POPULATION CHARACTERISTICS OF SANTA CLARA COUNTY (2015)

	Count	Percent
Total Population	1,868,149	100.0%
Male	939,004	50.3%
Female	929,145	49.7%
<i>Race</i>		
White/Caucasian	902,404	48.3%
African American	48,310	2.6%
American Indian/Alaska Native	8,961	0.5%
Asian American	630,704	33.8%
Native Hawaiian/Pacific Islander	7,163	0.4%
Some Other Race	183,719	9.8%
Two or More Races	86,888	4.7%
Hispanic/Latino	497,074	26.6%
Population Under 18	435,435	23.3%
Population 18 and Over	1,432,714	76.7%
Households with Individuals Under 18	237,399	38.2%*

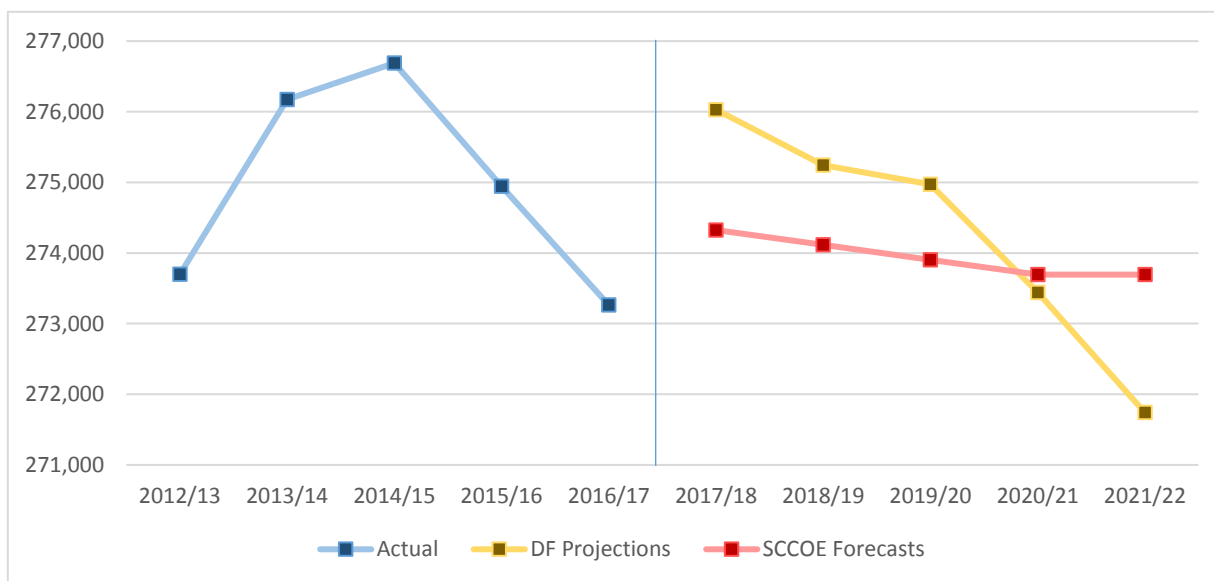
Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

Note: *Of total housing units in Santa Clara County (N=621,463)

PUBLIC SCHOOL ENROLLMENT

Like the number of actual and projected births, public school enrollment in Santa Clara County is expected to decline over the coming years. From 2014/15 to 2016/17 enrollment declined by The California Department of Finance projects that K-12 enrollment will fall to 271,742 by the 2021/22 academic year, a .6% reduction from 2016/17 enrollment figures (see Figure 4). It should be noted that the Department of Finance projections that are plotted in Figure 4 are based on antiquated data that do not account for the rise in actual enrollment observed in the 2013/14 and 2014/15 academic years. The SCCOE forecasts depicted below are based on growth observed from 2012/13 to 2016/17 and predict a more modest decline. Both anticipate higher enrollment in 2017/18 compared to 2016/17.

FIGURE 4. PUBLIC SCHOOL ENROLLMENT: ACTUAL (2012-2016) AND PROJECTIONS/FORECASTS (2017-2021)

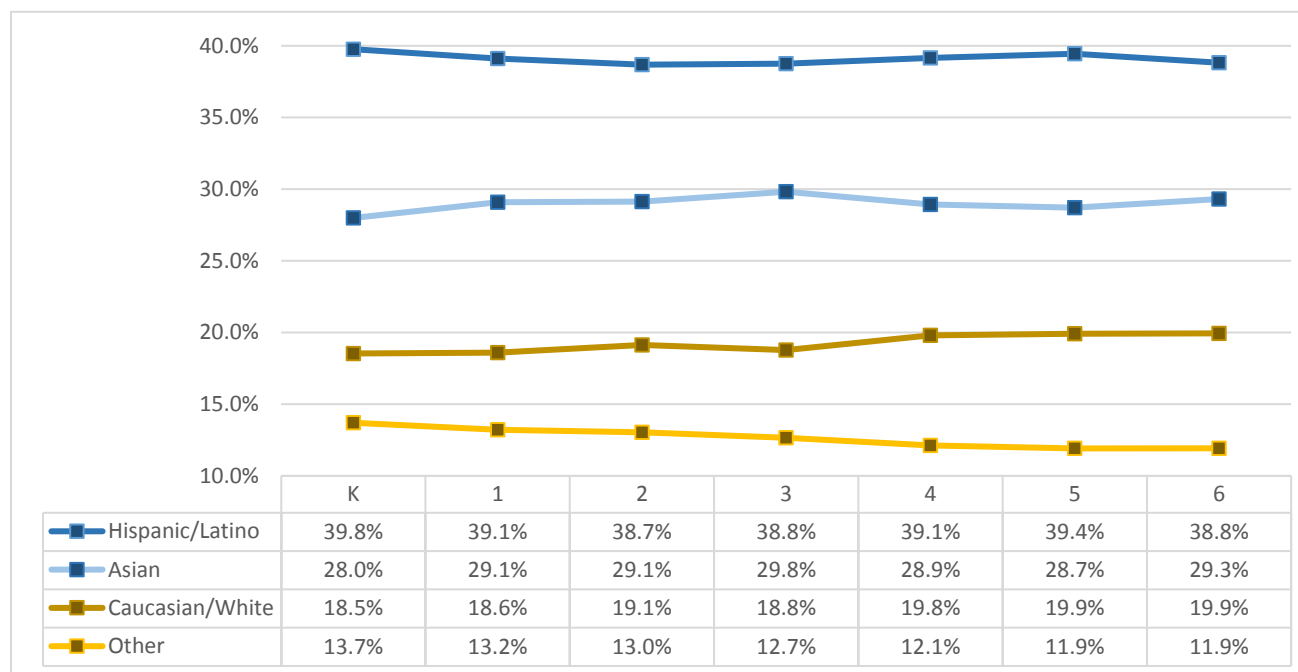


Source: Actual Enrollment – Enrollment by Ethnicity and Grade, DataQuest, California Department of Education; Projected Enrollment – Projection California Public K-12 Graded Enrollment by County by School Year, 2016 Series, Department of Finance; Forecasted Enrollment – calculations based on actual enrollment (2012-2016)

GRADE LEVEL COMPARISON OF K-12 DEMOGRAPHICS

Race and ethnicity distributions by grade level for the 2016/17 academic year are displayed in Figure 5. The variations in actual public school enrollment over the past five years that are displayed in Figure 4 have had little impact on demographic makeup. The proportions of Hispanic, Asian and Caucasian students are roughly equivalent across grade levels. The decline in the proportion of “Other” students that is observed across grade levels, from 13.7% of Kindergartners to 11.9% of 6th graders, is due in part to increases in the Santa Clara County mixed race population. In the past 3 years, the proportion of K-12 students that identify as “Two or More Races” has increased from 3.8% to 4.4%.

FIGURE 5. PERCENTAGE OF CHILD POPULATION BY GRADE AND RACE/ETHNICITY SUBGROUPS (2016/17)

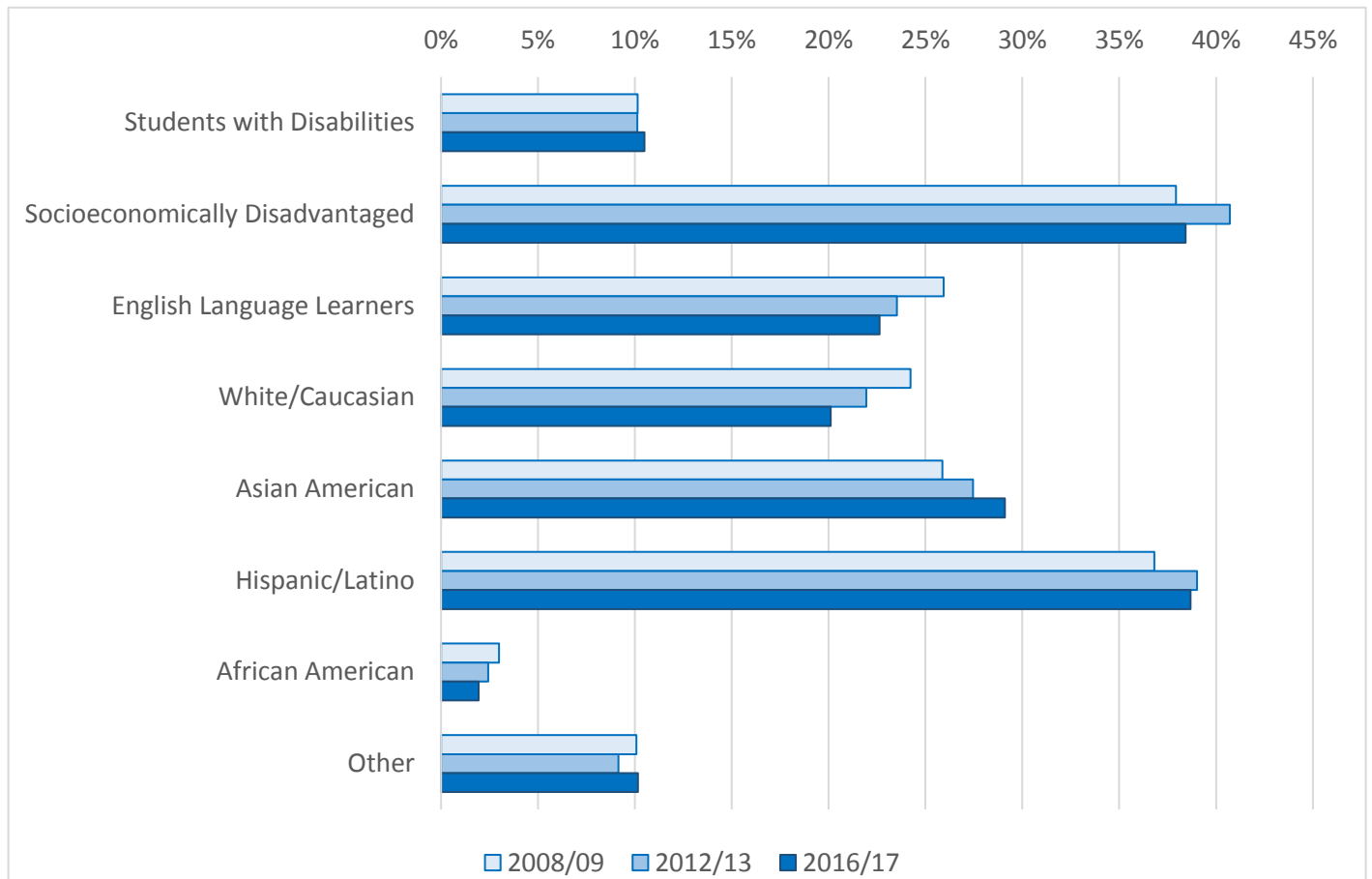


Source: 2016/17 Enrollment by Ethnicity, DataQuest, California Department of Education

Like Figure 5, Figure 6 provides insights into K-12 demographic shifts over time. In addition to race and ethnicity distributions, data on other, relevant K-12 subpopulations is included, such as students with disabilities (SD), socio-economically disadvantaged students (SED), and English language learners (ELL). Data is provided for three academic years (2008/09, 2012/13, and 2016/17), each separated by a 5-year interval.

With regards to race and ethnicity, change is more apparent than that observed in Figure 5. From 2008/09 to 2016/17 the number of Caucasian students in Santa Clara County decreased by 13% while the percentage of Asian and Hispanic students increased by 15% and 9% respectively. The number of African-American students decreased by 32% in this same time period.

FIGURE 6. DEMOGRAPHIC SHIFTS IN K-12 PUBLIC SCHOOL ENROLLMENT (2008-2016)



	<u>2008/09</u>		<u>2012/13</u>		<u>2016/17</u>	
	Count	Percent	Count	Percent	Count	Percent
SD	26,592	10%	27,738	10%	28,674	10%
SED	99,354	38%	111,408	↑ 41%	105,022	↓ 38%
ELL	67,943	26%	64,408	↓ 24%	61,845	↓ 23%
White/Caucasian	63,487	24%	60,059	↓ 22%	54,970	↓ 20%
Asian American	67,779	26%	75,129	↑ 27%	79,525	↑ 29%
Hispanic/Latino	96,442	37%	106,809	↑ 39%	105,713	39%
African American	7,836	3%	6,643	↓ 2%	5,306	2%
Other	26,401	10%	25,061	↓ 9%	27,750	↑ 10%
Total	261,945	100%	273,701	100%	273,264	100%

Abbreviations: **SD** = Students with Disabilities, **SED** = Socio-economically Disadvantaged, **ELL** = English Language Learners

Source: Enrollment by Ethnicity, Special Education, DataQuest, California Department of Education (2008/09, 2012/13, 2016/17)

Notes: Arrows indicate if rates increased (↑) or decreased (↓) from the previous observation.

Change is also apparent for other subpopulations. The percent of socio-economically disadvantaged students has fluctuated over time. In 2008/09, at the start of the great recession, 38% of the student population were identified as SED. By 2012/13, the number rose by 12%, from 99,354 students to 111,408 students, rebounding slightly to 105,022 students by 2016/17. The proportion of ELL students has declined steadily since 2008/09, by 9% over 10 years while the percent of students with disabilities has remained relatively stable over time.

CHILD THRESHOLD LANGUAGES

MANDATED DATA

Table 5 provides information on the languages spoken by ELL and Fluent English Proficient (FEP) K-12 students in Santa Clara County. Students classified as FEP are students whose primary language is not English but have met district criteria for determining proficiency in English. Languages spoken by fewer than 500 students have been collapsed into the “Other, Non-English Languages” category. Among ELL students, that majority (49%) speak Spanish. The second most common language is Vietnamese (13%), followed by Mandarin (8.6%), and Tagalog (3%). Combined, ELL and FEP students account for 52% of the entire K-12 student population in Santa Clara County.

TABLE 5. CHILD POPULATION (GRADES K-12) BY THRESHOLD LANGUAGE (2016/17)

Language	Count	3a. Percent of English Language Learners	3b. Percent of Total Enrollment
Spanish	69,526	48.8%	25.4%
Vietnamese	19,486	13.7%	7.1%
Mandarin (Putonghua)	12,265	8.6%	4.5%
Filipino (Pilipino or Tagalog)	4,221	3.0%	1.5%
Cantonese	3,383	2.4%	1.2%
Korean	3,307	2.3%	1.2%
Hindi	3,078	2.2%	1.1%
Telugu	2,101	1.5%	0.8%
Japanese	2,083	1.5%	0.8%
Russian	1,988	1.4%	0.7%
Punjabi	1,561	1.1%	0.6%
Tamil	1,559	1.1%	0.6%
Hebrew	1,451	1.0%	0.5%
Farsi (Persian)	1,278	0.9%	0.5%
French	953	0.7%	0.4%
Arabic	918	0.6%	0.3%
Marathi	824	0.6%	0.3%
Urdu	802	0.6%	0.3%
Gujarati	782	0.5%	0.3%
Kannada	607	0.4%	0.2%
Portuguese	538	0.4%	0.2%
Khmer (Cambodian)	529	0.4%	0.2%
German	510	0.4%	0.2%
Other, Non-English Languages	8,628	6.1%	3.1%
Total	142,378	100.0%	52.1%

Source: Language Group Data – Countywide (2016/17), DataQuest, California Department of Education

Notes: Total numbers displayed are for English Learners (EL) and Fluent English Proficient (FEP) students. Not all languages are displayed. Languages spoken by fewer than 500 students are collapsed into “Other, Non-English Languages.”

SUPPLEMENTAL DATA

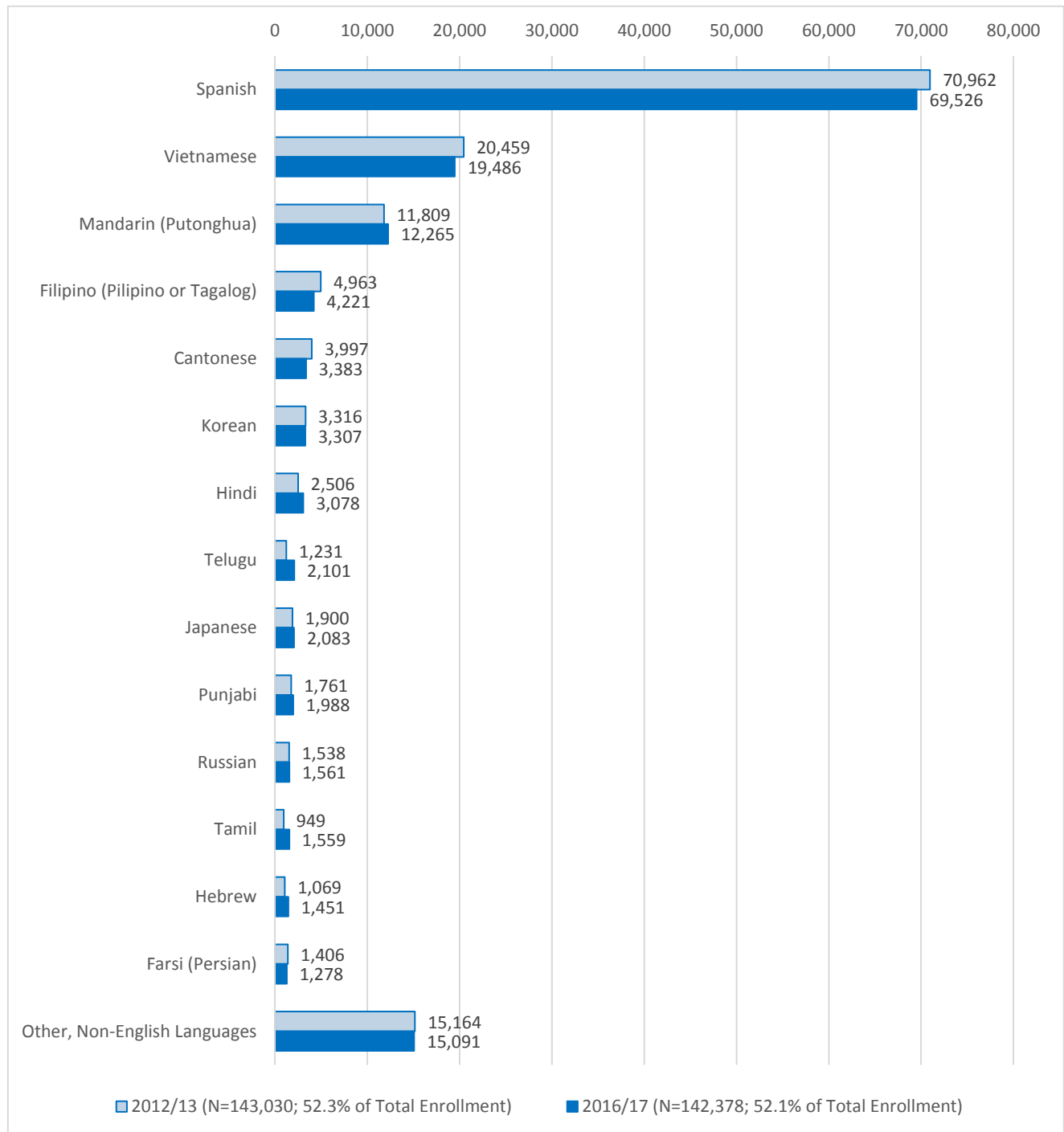
HIGHLIGHTS

- Spanish and Vietnamese are the two most common languages spoken by ELL and FEP K-12 students
- The number of Spanish-speaking ELL and FEP students decreased by 2% from 2012/13 to 2016/17
- The number of Vietnamese-speaking ELL and FEP students decreased by 5% from 2012/13 to 2016/17

TWO-YEAR COMPARISON OF K-12 SPOKEN LANGUAGES

A two-year comparison of common languages spoken by ELL and FEP K-12 students is provided in Figure 7. Like the data summarized in Table 5, languages are listed in descending order by frequency. Though Spanish and Vietnamese are the first and second most common primary languages, these data show a slight decline in numbers. The number of ELL and FEP students with Spanish as their primary language decreased by 2% from 2012/13 to 2016/17; Vietnamese by 5%. Conversely, from 2012/13 to 2016/17 the number of ELL and FEP students with Telugu and Tamil as their primary languages increased by over 60%.

FIGURE 7. NUMBER OF K-12 ENGLISH LANGUAGE LEARNERS (2012/13 TO 2016/17)



Note: Total numbers displayed are for English Learners (EL) and Fluent English Proficient (FEP) students. Languages spoken by fewer than 1,000 students are collapsed into “Other, Non-English Languages.”

Source: Language Group Data – Countywide (2016/17; 2012/13), DataQuest, California Department of Education



CHILDREN WITH ADDITIONAL NEEDS

CHILDREN WITH SPECIAL NEEDS

MANDATED

A child is eligible for an Individualized Family Services Plan (IFSP) if he/she is under the age of 3 years and meets certain criteria. Santa Clara County Office of Education (SCCOE) Early Start criteria specify that children under the age of 23 years are eligible for an IFSP if they:

- Meet one of the Federal categories for Special Education services, and
 - Are under the age of 2 years and exhibit a 33% delay in an area (e.g., cognitive, communication, social or emotional, adaptive, or physical and motor development including vision and hearing), or
 - Are age 2-3 years and exhibit:
 - (a) 33% delay in two areas, or
 - (b) 50% delay in one area.

The IFSP eligibility criteria for San Andreas Regional Center (SARC)¹ Early Start services are slightly different from SCCOE criteria. To be eligible for SARC Early Start services, children must be under the age of 3 years and:

- Exhibit two or more high risk factors,² or
- 33% delay in one or more developmental domains (i.e., cognitive, social/emotional, adaptive, motor (gross or fine), and communication (expressive or receptive).

The SCCOE is the sole provider of services for those children who are considered “Solely Low Incidence” or have delays only in one domain of vision, hearing, or orthopedic impairment.

Current counts for the number of children with IFSPs in Santa Clara County were provided by the San Andreas Regional Center (SARC) and the Early Start Program. As shown in Table 6, a total of 2,328 children under the age of 3 have an IFSP, the majority (91%) of which are serviced by SARC.

¹ The San Andreas Regional Center is a community-based, private nonprofit corporation that is funded by the State of California to serve people with developmental disabilities as required by the Lanterman Developmental Disabilities Act. SARC is one of 21 Regional Centers throughout CA serving individuals and their families who reside within Monterey, San Benito, Santa Clara and Santa Cruz Counties.

² A complete listing of high risk factors can be found at <http://www.sanandreasregional.org/wp-content/uploads/2014/06/early-start-eligibility.pdf>.

TABLE 6. NUMBER OF CHILDREN WHO HAVE AN IFSP OR IEP BY AGE GROUP (DECEMBER 2016)

Age Group	4a. w/IFSP	4b. w/IEP	Total
0-2 Years	2,328	NA	2,328
3 & 4 Years	NA	1,730	1,730
5-12 Years	NA	15,175	15,175
Total	2,328	17,095	19,423

Source: IFSP – San Andreas Regional Center, Santa Clara County Early Start Program; IEP - Special Education Enrollment by Age and Disability, DataQuest, California Department of Education

Notes: Counts do not control for children that may be dually enrolled by SARC and the SCCOE Early Start Program.

Data on the number of children with Individualized Education Plans (IEPs) are available through the California Department of Education’s open access data system known as DataQuest. Counts reflect data collected as of the December 1, 2016 reporting cycle. Like IFSPs, children must meet certain criteria to be eligible for an IEP. Individualized Education Plans are provided to children between 3 and 21 years of age who are diagnosed with a disability or condition that adversely affects their educational performance. Disabilities are classified into 1 of 13 Federal Categories for Special Education and are determined by an IEP team. As of the last reporting cycle in the 2016/17 academic year, 17,095 children 3-12 years in age in Santa Clara County had an IEP. Of these children, 10% were of preschool age. A description of IFSP and IEP features can be found in Table 7.

TABLE 7. DESCRIPTION OF IFSP AND IEP FEATURES (2017)

IFSP	IEP
Used in early intervention for children ages birth through 2 and their families	Used in special education for children ages 3 to 21
Includes information about the child's present levels of development	Includes information about the child's present levels of educational performance and participation in developmentally appropriate activities
With the family's approval, it may also include information regarding the family's resources, priorities, and concerns related to the development of the child	Includes information about the family's concerns for enhancing the child's education
After the team determines a list of priorities and concerns, the IFSP team determines which outcomes will be included on the IFSP	The IEP team, including the parents or guardians and related service providers who work with the child, determines the goals
Includes the major outcomes desired for the child and family, as well as the methods, timelines, and a plan to measure progress	Includes measureable annual goals, academic and functionality, designed to: Enable the child to be involved in and make progress in the general curriculum; Describe how progress will be measured and how often Describe how progress will be reported to the family
Includes the natural environments where services will be provided	Describes services provided in the least restrictive environments (LREs) and an explanation of the extent, if any, that the child will not participate with typically developing children
Includes the early intervention services and supports necessary to meet the unique needs of the child and family in order to achieve the identified outcomes	Includes the special education, related services, supplemental aides and services, modifications, and supports to be provided to help the child make progress and participate in developmentally appropriate activities
Team membership includes: • A parent or parents of the child • Other family members as requested by the parent • An advocate or person outside the family, if parent requests that the person participate • Service coordinator • A person or persons involved in conducting evaluations and assessments	Team membership includes: • A parent or parents of the child • Regular education teacher • Special education teacher • A representative of the school district who can commit resources • A person who can interpret results of the evaluations • Others who have knowledge or special expertise about the child

Source: Pacer Center (2011), Action Information Sheet, What is the difference between an IFSP and an IEP, retrieved 1/9/2018 from www.pacer.org/parent/php/PHP-c59.pdf; updated 4/10/2018 by the Santa Clara County Office of Education

SUPPLEMENTAL

HIGHLIGHTS

- Specific learning disabilities, speech or language impairments, and autism were the 1st, 2nd, and 3rd most common disability diagnoses for K-12 students
- As of 2016, 35% of K-12 students were diagnosed with a specific learning disability such as dyslexia or dysgraphia
- Speech and language impairments are more commonly diagnosed at earlier ages whereas disability diagnoses involving specific learning disabilities are more commonly made when children are in middle or high school

SPECIAL EDUCATION ENROLLMENT BY AGE GROUP

Students receiving Special Education services account for approximately 10% percent of total student enrollment in Santa Clara County, a rate that has held constant for the past 10 years (see Figure 6). Counts for the number of children with disabilities by category and age group are provided in Table 8. In the 2016/17 academic year a total of 26,796 children between the ages 0-17 years were enrolled in Special Education. Thirty-eight percent of these children were diagnosed with a specific learning disability such as dyslexia or dysgraphia. Twenty-three percent of students were diagnosed with a speech or language impairment. Autism was the third most common diagnosis at 16%.

TABLE 8. SANTA CLARA COUNTY SPECIAL EDUCATION ENROLLMENT (DECEMBER 2016)

Disability	0-2 Years	3 & 4 Years	5 Years	6-12 Years	13-17 Years	Total
Intellectual Disability	27	50	53	571	506	1,207
Hard of Hearing	95	30	11	171	102	409
Deaf	*	*	*	12	*	12
Speech/Language	0	942	686	3,963	505	6,096
Visual Impairment	*	*	0	38	31	69
Emotional Disturbance	0	0	*	312	648	960
Orthopedic Impairment	*	40	18	151	126	335
Other Health Impairment	*	97	67	1,547	1,449	3,160
Specific Learning Disability	0	0	*	4,996	5,186	10,182
Deaf- Blindness	0	0	0	0	0	0
Multiple Disability	0	11	*	92	49	152
Autism	0	527	294	2,124	1,269	4,214
Traumatic Brain Injury	0	*	*	*	*	0
Total	122	1,697	1,129	13,977	9,871	26,796

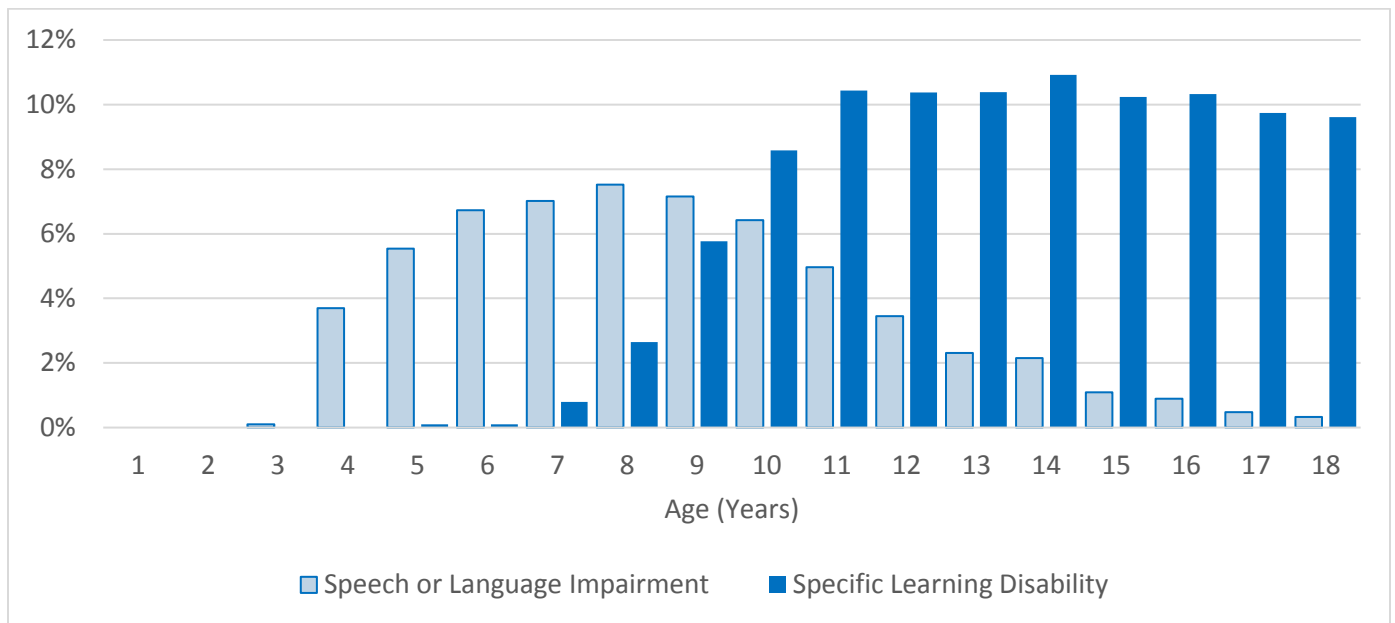
Source: Special Education Enrollment by Age and Grade (2016/17), DataQuest, California Department of Education

*Denotes values under 11 for individual ages (i.e., 0, 1, 2, ... , 17)

SPEECH AND LANGUAGE AND SPECIFIC LEARNING DISABILITY DIAGNOSES BY AGE

These data indicate that the majority of diagnoses for speech or language impairment (65%) are made during the elementary school grade levels whereas the majority of diagnoses for specific learning disabilities are made later, during middle and high school. These trends are visible in Figure 8.

FIGURE 8. SPEECH OR LANGUAGE IMPAIRMENT AND SPECIFIC LEARNING DISABILITY ENROLLMENT BY AGE (2016/17)



Source: Special Education Enrollment by Age and Grade (2016/17), DataQuest, California Department of Education

CHILDREN IN CHILD PROTECTIVE SERVICES

MANDATED

Information on the number of children receiving Child Protective Services (CPS) was provided by the Santa Clara County Social Services Agency's Department of Family and Children's Services. The data listed in Table 9 reflect current CPS records effective December 21, 2017. As of December 2017 there were a total of 1,010 children with open cases. Open cases include families receiving voluntary services (i.e., families participating in services without court jurisdiction). Slightly more than half of all cases (53%) were children ages 0-5 years. The data also show that 90 children of preschool age or younger were referred for child care.

TABLE 9. NUMBER OF CHILDREN SERVED IN CHILD PROTECTIVE SERVICES (DECEMBER 2017)

Age Group	5a. In the CPS System	5b. Referred for Child Care
0-2 Years	301	26
3-5 Years	235	64
6-12 Years	474	NR
Total	1,010	90

Source: Department of Family and Children's Services, Santa Clara County Social Services Agency

Notes: Data are current as of 12/21/2017. Data on the number of children ages 6-12 years who were referred for child care was not reported (NR) by the Department of Family and Children's Services.

SUPPLEMENTAL

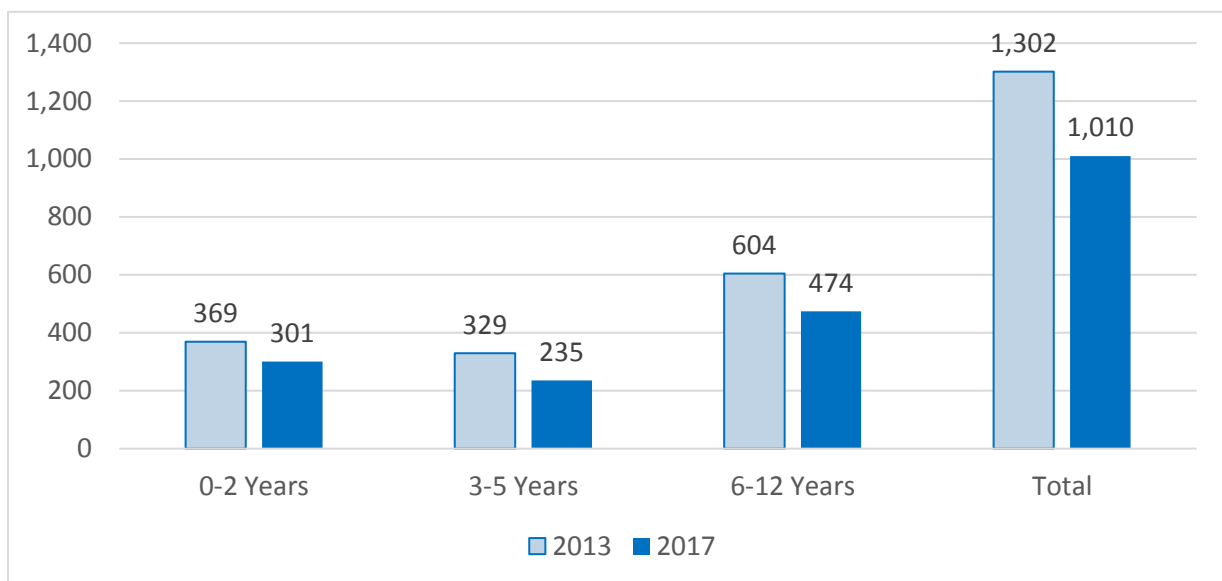
HIGHLIGHTS

- There were 22% fewer children between 0-12 years in Child Protective Services in 2017 compared to 2013
- Children ages 3-5 years in CPS saw the steepest decline at 29% from 2013 to 2017
- The number of children in out-of-home placements decreased by 15% from 2013 to 2017

TWO-YEAR COMPARISON OF THE NUMBER OF CHILDREN IN CHILD PROTECTIVE SERVICES

A comparison of the number of CPS cases by age group for two separate years is provided in Figure 9. Reductions in the number of CPS cases are apparent across age groups. From 2013 to 2017 the total number of cases declined by 22%. The greatest percent change in number of cases is observed for children ages 3-5 years. For this group, the number of cases in 2017 is 29% percent lower than the number of cases in 2013. The percent reduction in the number of infant/toddler and school-aged children cases are lower at 18% and 22% respectively.

FIGURE 9. SANTA CLARA COUNTY CHILD PROTECTIVE SERVICES CASES BY AGE GROUP, 2013 AND 2017



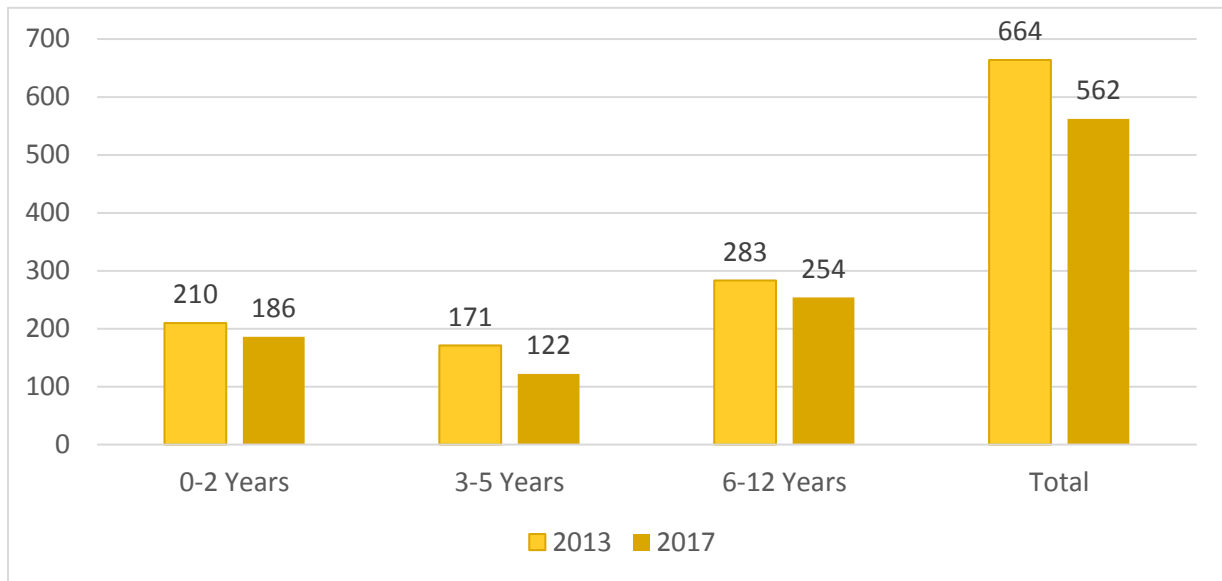
Source: Department of Family and Children's Services, Santa Clara County Social Services Agency

Notes: Data for 2013 were reported in the 2013 Needs Assessment. Data for 2017 are current as of 12/21/2017.

TWO-YEAR COMPARISON OF THE NUMBER OF CHILDREN IN OUT-OF-HOME PLACEMENT

Reductions in the number of children in out-of-home placement (i.e., caseloads in care) are also evident. According to CPS records, the total number of children in out-of-home placement decreased by 15%, from 664 cases in 2013 to 562 cases in 2017 (see Figure 10). Consistent with overall cases presented in Figure 9, the number of preschool-aged children in out-of-home placement in 2017 was 29% lower than the number of children in out-of-home placement in 2013.

FIGURE 10. SANTA CLARA COUNTY CPS CASELOADS IN CARE, 2013 AND 2017



Source: Department of Family and Children's Services, Santa Clara County Social Services Agency

Notes: Data for 2013 were reported in the 2013 Needs Assessment. Data for 2017 are current as of 12/21/2017.

CHILDREN IN MIGRANT FAMILIES

MANDATED

Children are eligible to receive Migrant Education Program services if they meet the definition of “migratory child” and if the basis for their eligibility is properly recorded on a certificate of eligibility (COE). To be eligible for this program, a child must all of the following criteria:

- The child is younger than 22 and has not graduated from high school or does not hold a high school equivalency certificate (this means that the child is entitled to a free public education or is of an age below compulsory school attendance);
- The child is a migrant agricultural worker or a migrant fisher or has a parent, spouse, or guardian who is a migrant agricultural worker or a migrant fisher;
- The child has moved within the preceding 36 months in order to obtain (or seek) or to accompany (or join) a parent, spouse, or guardian to obtain (or seek), temporary or seasonal employment in qualifying agricultural or fishing work;
- The child has moved from one school district to another; and
- The child has changed from one residence to another residence due to economic necessity.

Migrant Education Program data for Santa Clara County is collected by the Santa Clara County Office of Education’s Migrant Education Program, Region 1, which includes neighboring counties of San Mateo, Alameda, Santa Cruz, San Francisco and San Benito. Records as of October 2017 indicate that a total of 966 children ages 0-12 years in Santa Clara County are participating in the Migrant Education Program (see Table 10).

TABLE 10. NUMBER OF CHILDREN IN MIGRANT FAMILIES, 2016/17

	8. Number
Children in Migrant Families (Ages 0-12)	966

Notes: 2016/17 counts for children ages 0-5 will not be finalized until the end of this year. Counts are accurate as of 10/17/2017. SCCOE Migrant Education Program can no longer provide student counts for children ages 0-12 due to a change in data systems. The total number of children ages 0-12 is calculated by summing the number of migrant students, ages 3-5 years, with the number of migrant students in grades K-6.

Source: For children ages 3-5, SCCOE Migrant Education Program, Region 1;
For children ages 6-12, 2016-17 Enrollment by Ethnicity and Grade, DataQuest, CDE

SUPPLEMENTAL

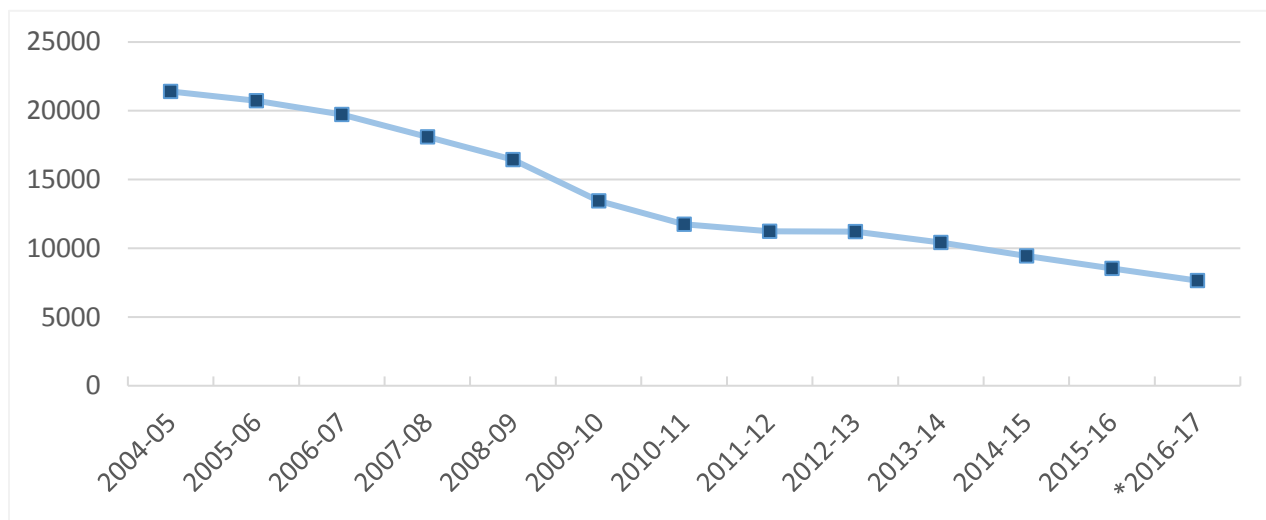
HIGHLIGHTS

- The number of children ages 3-21 years enrolled in Migrant Education declined by 32% from 2012/13 to 2016/17
- The number of children ages 3-5 years enrolled in Migrant Education declined by 29% from 2012/13 to 2016/17
- Alum Rock, Evergreen, and Franklin-McKinley Elementary School Districts saw the steepest declines in Migrant Education preschool enrollment

MIGRANT EDUCATION PROGRAM PARTICIPATION OVER TIME

The number of students in Santa Clara County participating in the Migrant Education Program has declined every year since 2004/05 (see Figure 11). At that time, 21,403 children were enrolled. As of October 2017, that number has fallen to 7,644 students between the ages of 3 and 21 years. Figure 11 shows that the steepest decline in student numbers coincided with the economic downturn which occurred in 2008.

FIGURE 11. NUMBER OF CHILDREN (AGES 3 TO 21) IN MIGRANT EDUCATION PROGRAM, REGION 1 (2005 – 2017)



*Counts for 2016/17 are accurate as of 10/17/2017.

Source: SCCOE Migrant Education Program, Region 1 (2017)

In the 2013 Needs Assessment it was reported that the percent change in the number of Migrant Education students decreased by 38% over a 5-year period, from 2008 to 2012. As shown in Table 11, that population further declined by 32% from the 2012/13 to the 2016/17 academic year.

TABLE 11. NUMBER OF CHILDREN (AGES 3 TO 21) IN MIGRANT EDUCATION PROGRAM, REGION 1 (2013 – 2017)

	Percent Change 2008-2012	2012/13	2013/14	2014/15	2015/16	2016/17	Percent Change 2013-2017
Number/Percent	-38%	11,212	10,410	9,446	8,532	7,644	-32%

Notes: Counts for 2016/17 are accurate as of 10/17/2017.

Source: SCCOE Migrant Education Program, Region 1 (2017)

MIGRANT EDUCATION PRESCHOOL ENROLLMENT OVER TIME

Declines in student numbers are evident as early as the preschool level. Counts for Migrant Education Program preschool enrollment for the past 5 academic years are provided in Table 12 by district. Percent change from 2012/13 to 2016/17 ranges from +30% in Santa Clara Unified School District to -80% in Alum Rock Elementary School District. In addition to Alum Rock, Evergreen and Franklin-McKinley Elementary School Districts have seen significant reductions in Migrant Education Program enrollment.

TABLE 12. MIGRANT EDUCATION PRESCHOOL STUDENT ENROLLMENT (AGES 3-5 YEARS), 2012/13 – 2016/17

School District	2012/13	2013/14	2014/15	2015/16	2016/17	Percent Change 2013-2017
Alum Rock Elementary	64	45	15	9	13	-79.7%
Evergreen Elementary	29	42	19	8	11	-62.1%
Franklin-McKinley Elementary	34	29	15	8	11	-67.6%
Gilroy Unified	69	81	52	53	74	+7.2%
Morgan Hill Unified	111	114	132	96	96	-13.5%
Mt. Pleasant Elementary	7	10	3	5	6	-14.3%
Oak Grove Elementary	39	33	29	27	31	-20.5%
Santa Clara Unified	20	28	22	22	26	+30.0%
SCCOE Charters	8	4	8	3	2	-75.0%
Total	381	386	295	231	270	-29.1%

Source: SCCOE Migrant Education Program, Region 1 (2017)

Many of the explanations for this decline that were cited in 2013 Needs Assessment are still valid today. Reasons include federal regulations and program quality control which ask families for detailed documentation verifying mobility and lack of affordable housing. Recent border policies and immigration laws that affect migrant families, their mobility, and their willingness to participate in federal and state programs have had a significant impact on current recruitment efforts.



CHILDREN ELIGIBLE FOR CHILD CARE SUBSIDY PROGRAMS

CHILDREN IN FAMILIES RECEIVING CALWORKS

MANDATED

Child care is essential to the success of the California Work Opportunity and Responsibility to Kids (CalWORKs) program. It allows the families to participate in welfare-to-work activity and work.

The CalWORKs child care program is administered in three different stages and is defined as follows:

- Stage 1 is administered by the California Department of Social Services (CDSS) through county welfare departments (CWDs). In Santa Clara County, Social Services Agency (SSA) administers Stage 1 Child Care. The program begins when a family starts a CalWORKs Welfare-to-Work activity. CalWORKs clients are served in Stage 1 until the family is stable (*Employed*).
- Stage 2 and 3 are administered by the California Department of Education (CDE) through contracts with the Alternative Payment Programs (APPs). In Santa Clara County, the APPs are 4C's and Choices for Children.

Clients are seamlessly transferred between Stage 1 and Stage 2 during bi-weekly transfer meetings in a collaborative partnership between SSA and the APPs. Families can be eligible for up to two years (24 months) in Stage 2 and then the APPs transfer the families to Stage 3.

Families remain in Stage 3 until the family's income exceeds 85 percent of the state median income (SMI) or until the children are over the eligibility age (13th birthday).

The CalWORKs data in Table 13 comes from two sources. Stage 1 data was provided by the Santa Clara County Social Services Agency. Counts reflect the number of children in families receiving aid in at least one month in 2016. Stage 2 and 3 data was downloaded from the American Institute for Research's Early Learning Needs Assessment Tool (ELNAT). The original data source for Stage 2 and 3 data is the CDE's CD-801 Monthly Report for October 2016.

In 2016 there were a total of 19,152 children that benefitted from the CalWORKs child care program. Of these children, 82% were recipients of Stage 1 cash aid. The remaining 18% of recipients were split evenly amongst Stage 2 and Stage 3 aid.

TABLE 13. NUMBER OF CHILDREN IN FAMILIES RECEIVING CALWORKS BY AGE GROUP AND STAGE (2016)

Age Group	6a. Stage 1	6b. Stage 2	6c. Stage 3	Total
0-2 Years	3,286	480	222	3,988
3 & 4 Years	2,476	474	315	3,265
5-12 Years	9,924	801	1,174	11,899
Total	15,686	1,755	1,711	19,152

Source: CalWORKs Stage 1, Santa Clara County Social Services Agency; CalWORKs Stage 2 & 3, Early Learning Needs Assessment Tool, American Institutes for Research

Notes: Counts for CalWORKs Stage 1 are the number of children in families receiving CalWORKs at least one month from January 2016 to December 2016. CalWORKs Stage 2 & 3 counts come from the California Department of Education's CD-801A Monthly Report (Oct 2016).

SUPPLEMENTAL

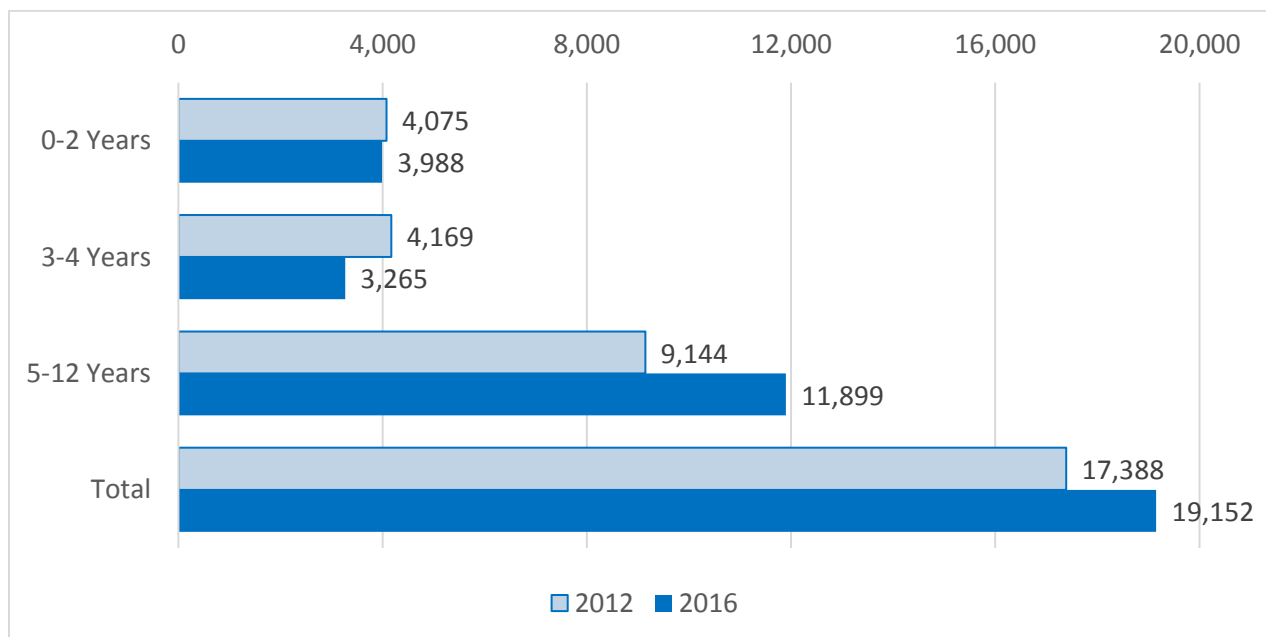
HIGHLIGHTS

- The number of children ages 0-2 years and 3-4 years in families receiving CALWORKs (Stages 1-3) fell 2% and 22% respectively between 2012 and 2016
- 3,000 more children ages 5-12 years in Santa Clara County were in families receiving CALWORKs (Stages 1-3) in 2016 compared to 2012
- The number of children in families receiving CALWORKs Stage 1 who were serviced by license-exempt and licensed (CCTR, CSPP) center-based providers increased by 20% from 2015 to 2016

TWO-YEAR COMPARISON OF THE NUMBER OF CHILDREN IN FAMILIES RECEIVING CALWORKS

Aggregate counts for the number of children in families that benefitted from the CalWORKs child care program are provided in Figure 12. In 2012, 17,388 children ages 0-12 years received assistance. In 2016, that number increased by 10% to 19,152. Counts for each age group reveal that the number of infant/toddler and preschool-aged children recipients decreased since 2012, by 22% for children ages 3-4 years and 2% for children ages 0-2 years. Nearly 3,000 more children ages 5-12 years received CalWORKs aid in 2016 than 2012.

FIGURE 12. NUMBER OF CHILDREN IN FAMILIES RECEIVING CALWORKS BY AGE GROUP, 2012 AND 2016



Source: CalWORKs Stage 1, Santa Clara County Social Services Agency; CalWORKs Stage 2 & 3, Early Learning Needs Assessment Tool, American Institutes for Research

Notes: Counts for CalWORKs Stage 1 are the number of children in families receiving CalWORKs at least one month from January 2016 to December 2016. CalWORKs Stage 2 & 3 counts come from the California Department of Education's CD-801A Monthly Report (Oct 2016).

CHILDREN IN FAMILIES RECEIVING STAGE 1 CALWORKS BY ZIP

Table 14 provides data on the number of children in Santa Clara County ages 0-5 years (by ZIP) who are in families receiving Stage 1 services from license-exempt and licensed (CCTR, CSPP) center-based providers. As of July 2016, there were 1,136 children receiving State 1 aid in Santa Clara County; a 20% increase from the previous year's count of 947 children. Cities where more than 20 children receive child care subsidies live in parts of Gilroy, Milpitas, Morgan Hill, Santa Clara and Sunnyvale. Seventy-seven percent (N=875) of Stage 1 recipients reside in the City of San Jose.

TABLE 14. STAGE 1 CHILD CARE SUBSIDY RECIPIENTS AGE 0-5 IN SANTA CLARA COUNTY BY ZIP CODE (2016)

City	ZIP	Count	City	ZIP	Count
Alviso	95002	3	San Jose	95123	44
Campbell	95008	9	San Jose	95124	25
Cupertino	95014	5	San Jose	95125	35
East Palo Alto	94303	4	San Jose	95126	32
Gilroy	95020	113	San Jose	95127	88
Los Gatos	95032	1	San Jose	95128	21
Los Gatos	95033	2	San Jose	95129	6
Milpitas	95035	31	San Jose	95130	8
Morgan Hill	95037	37	San Jose	95131	9
Mountain View	94040	6	San Jose	95132	31
Mountain View	94041	4	San Jose	95133	38
Mountain View	94043	8	San Jose	95134	3
Palo Alto	94301	1	San Jose	95135	4
Palo Alto	94306	2	San Jose	95136	31
San Jose	95110	23	San Jose	95138	17
San Jose	95111	85	San Jose	95139	5
San Jose	95112	65	San Jose	95148	33
San Jose	95113	4	San Martin	95046	9
San Jose	95116	78	Santa Clara	95050	27
San Jose	95117	25	Santa Clara	95051	16
San Jose	95118	20	Santa Clara	95054	10
San Jose	95119	9	Sunnyvale	94085	6
San Jose	95120	3	Sunnyvale	94086	16
San Jose	95121	36	Sunnyvale	94087	3
San Jose	95122	95	Sunnyvale	94089	10
					Total Count = 1,136

Source: Santa Clara County Social Services Agency, January 2016 to December 2016

CHILDREN ELIGIBLE FOR HEAD START AND STATE SUBSIDIZED CHILD CARE

MANDATED

Head Start is a Federal program that promotes the school readiness of children from birth to age five from low-income families by enhancing their cognitive, social, and emotional development. Head Start programs provide a learning environment that supports children's growth in many areas such as language, literacy, and social and emotional development. Head Start emphasizes the role of parents as their child's first and most important teacher. These programs help build relationships with families that support family well-being and many other important areas.

Children from birth to age five from families with low income, according to the Poverty Guidelines published by the Federal government, are eligible for Head Start and Early Head Start services.

In order to qualify, a family must have an annual household income (before taxes) that is below the following amounts:

TABLE 15. HEAD START INCOME GUIDELINES (2018)

Household Size	Maximum Income Level (Per Year)
1	\$12,060
2	\$16,240
3	\$20,420
4	\$24,600
5	\$28,780
6	\$32,960
7	\$37,140
8	\$41,320

*For households with more than eight people, add \$4,180 per additional person. Always check with the appropriate managing agency to ensure the most accurate guidelines.

Children in foster care, homeless children, and children from families receiving public assistance (Temporary Assistance for Needy Families or Supplemental Security Income) are also eligible for Head Start and Early Head Start services regardless of income.

Head Start programs may enroll up to 10% of children from families that have incomes above the Poverty Guidelines. Programs may also serve up to an additional 35% of children from families whose incomes are above the Poverty Guidelines, but below 130% of the poverty line if the program can ensure that certain conditions have been met.

Families with incomes that exceed Head Start income eligibility guidelines can qualify for other, state- and federally-funded subsidized child care programs that use centers and family child care home networks operated or administered by either public or private agencies and local educational agencies. A full listing of Title 5 programs, which includes General Child Care (CCTR) and the California State Preschool Program (CSPP), can be found on the California Department of Education (CDE) website under Early Care and Education Support Division (EESD) programs.³ Families can qualify for CCTR and CSPP if their incomes do not exceed 70% of State Median Income (SMI) from the most recent year.

In order to qualify, a family must have an annual household income (before taxes) that is below the following amounts:

TABLE 16. STATE INCOME GUIDELINES FOR SUBSIDIZED CHILD CARE (2018)

Household Size	Maximum Income Level (Per Year)
1-2	\$48,360
3	\$52,076
4	\$58,528
5	\$67,888
6	\$77,252
7	\$79,008
8	\$80,763

Source: State Guidelines, Santa Clara County Office of Education

Counts for the number of children in families at or below the federal poverty level (i.e., eligible for Head Start) and the number of children that fall at or below 70% SMI (i.e., eligible for CDE EESD programs) in 2016 are provided in Table 17.

³ <https://www.cde.ca.gov/sp/cd/op/cdprograms.asp>

TABLE 17. ESTIMATED NUMBER OF CHILDREN BY INCOME CATEGORY, BY AGE (2016)

Age Group	7a. @ FPL	7b. @ 70% SMI	7c. > 70% SMI	@ 85% SMI	> 85% SMI
0-2 Years	7,431.2	18,088.0	53,366.1	21,081.0	50,373.1
3 & 4 Years	5,231.4	13,632.0	36,669.6	16,130.0	34,171.6
5-12 Years	19,422.9	53,271.0	139,035.2	64,301.0	128,005.2
Total	32,085.5	84,991.0	229,070.9	101,512.0	212,549.9

Abbreviations: FPL = Federal Poverty Level, SMI = State Median Income

Source: Population Data (2016), American Institutes for Research; Title V Eligibility (2016), Early Learning Needs Assessment Tool, American Institute for Research.

Notes: Estimated number of children living at or below the poverty level calculated by multiplying the U.S. Census Bureau's 2016 estimates for (a) the percentage of Santa Clara County families with related children under the age of 5 years (10.4%) by the estimated number of children for the 0-2 and 3-4 age groups and (b) the percentage of Santa Clara County families with related children 5-17 years (10.1%) by the estimated number of children ages 5-12 years.

SUPPLEMENTAL

HIGHLIGHTS

- 6.4% of families with children under the age of 18 years were living below poverty in 2015
- The rate for children under the age of 18 years who were living below poverty in the City of Gilroy is nearly double the countywide rate at 11.5%
- Over 10% of children under the age of 6 years residing in Gilroy, Morgan Hill, San Jose, Saratoga and Los Altos Hills are living below the poverty level
- Nearly 30% of children under the age of 6 years residing in Gilroy are living below the poverty level
- 16,521 more children ages 0-12 years in Santa Clara County qualify for subsidized child care under the Child Care Subsidy Pilot
- The percent of children enrolled in K-6 public schools that are eligible for free or reduced price lunch decreased by 11% from 2011/12 to 2016/17

PROPORTION OF FAMILIES WITH CHILDREN UNDER 18 YEARS WHO ARE LIVING BELOW THE POVERTY LEVEL

According to the U.S. Census Bureau, if a family's total income is less than the family's threshold then that family and every individual in it is considered in poverty (Note: The official poverty definition uses income before taxes and does not include capital gains or noncash benefits such as public housing, Medicaid, and food stamps). Poverty rates among families with children under the age of 18 years are provided in Table 18. As of 2015, 6.4% of families countywide lived below the poverty level. From 2010 to 2015, the proportion of families living below the poverty level increased in 10 of 15 cities, most notably in the City of Gilroy where the poverty rate rose by 4.5 percentage points.

TABLE 18. PERCENTAGE OF FAMILIES WITH CHILDREN UNDER THE AGE OF 18 YEARS THAT ARE BELOW POVERTY (2015)

	<u>2010</u>		<u>2015</u>		<u>Percentage Point Change 2010-2015</u>
	Total # Families in County*	% of Families in Poverty	Total # Families in County*	% of Families in Poverty	% of Families in Poverty
Santa Clara County	421,343	6.1	446,734	6.4	+0.3
Campbell	9,667	5.1	10,116	2.7	-2.4
Cupertino	15,371	3.0	16,049	2.6	-0.4
Gilroy	11,163	7.0	12,262	11.5	+4.5
Los Altos	8,253	2.0	8,513	1.7	-.03
Los Altos Hill town	2,420	2.2	2,487	2.5	+0.3
Los Gatos town	7,888	2.1	8,154	3.6	+1.5
Milpitas	15,120	4.7	16,763	6.0	+1.3
Monte Sereno	1,008	0.9	1,096	3.6	+2.7
Morgan Hill	9,625	6.5	10,732	7.2	+0.7
Mountain View	16,854	3.0	18,516	5.3	+2.3
Palo Alto	16,003	3.3	17,182	4.2	+1.1
San Jose	218,468	7.9	28,799	8.0	+0.1
Santa Clara	26,908	5.6	28,799	4.6	-1.0
Saratoga	8,603	2.6	8,925	1.9	-0.7
Sunnyvale	34,763	4.0	37,249	4.7	+0.7

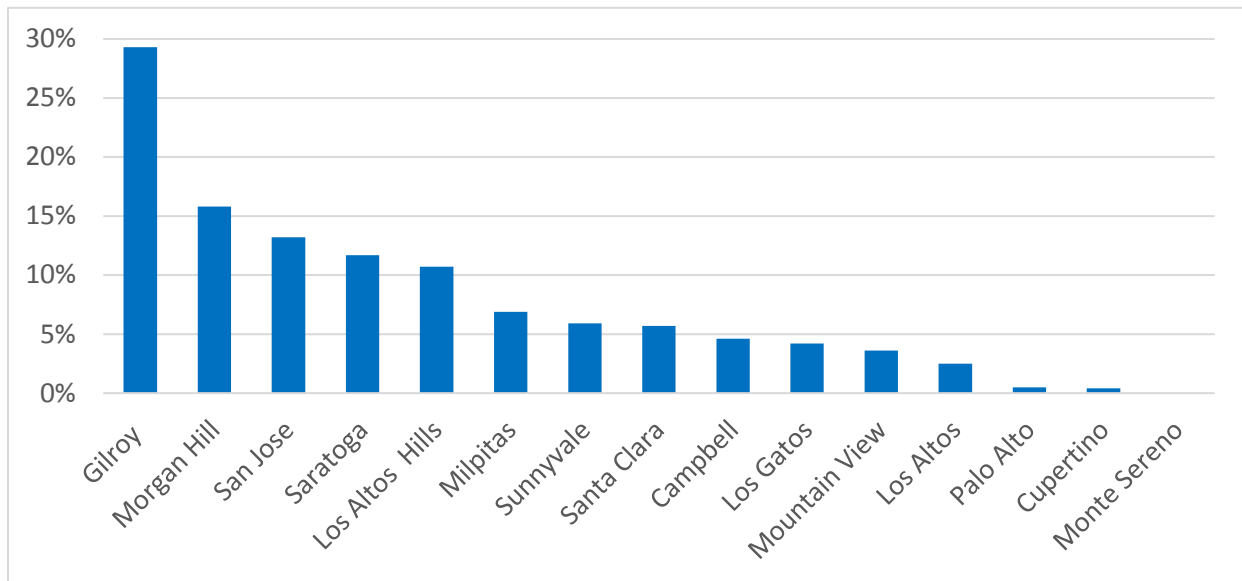
Note: Children are defined as 18 years or younger.

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates, report S1702

CHILDREN UNDER 5 YEARS WHO ARE LIVING BELOW POVERTY BY CITY

Poverty rates among children under the age of 5 years are fairly consistent with the family poverty rates presented in Table 18. According to American Community Survey 5-year estimates, nearly 30% of children under 5 who reside in Gilroy live below poverty, followed by Morgan Hill with 16% (see Figure 13). San Jose, which ranked 2nd in percent of families with children under the age of 18 years that are living below poverty (8%), ranks 3rd in percent of children under 5 years that are below poverty (13%).

FIGURE 13. PERCENT OF CHILDREN UNDER 5 YEARS THAT ARE BELOW POVERTY BY CITY (2015)



Source: Poverty Status in the Past 12 Months, 2011-2015 ACS 5-Year Estimates, U.S. Census Bureau

ELIGIBILITY FOR STATE SUBSIDIZED CHILD CARE PROGRAMS UNDER THE CHILD CARE SUBSIDY PILOT

In 2016, the Santa Clara County Office of Education (SCCOE) and Kidango, Inc., the largest early care and education provider in the Bay Area, co-sponsored Assembly Bill #2368, which authorized an Individualized Child Care Subsidy Pilot for Santa Clara County. The bill was signed into law by Governor Jerry Brown in September of 2017 and is to take full-effect in 2018/19 fiscal year. A full description of the pilot plan can be found on the SCCOE website.⁴

To summarize, the pilot allows the County to implement new strategies to try to improve support to families who struggle to afford subsidized child care. It grants the County greater flexibility in adjusting the initial income eligibility threshold that determines whether families qualify for subsidized care from 70% SMI to 85% SMI, adjusting reimbursement rates for subsidized child care providers, re-allocating contracts away from providers that are not earning their full share of contract slots to those that are, and lengthening the re-certification timelines for families that initially qualify for subsidized child care from every year to every two years. This pilot plan is implemented without provision of any additional funds.

The difference the pilot makes in terms of family income eligibility is significant. A comparison of State and County (Pilot) income cutoff's for various household sizes is provided in Table 19. Under the pilot, a family of four can earn up to \$71,065 and still qualify for subsidized child care. That is a \$12,537 increase from State guidelines.

⁴ <https://www.sccoe.org/depts/students/lpc/Documents/PilotPlan.pdf>

TABLE 19. COMPARISON OF STATE AND PILOT INCOME GUIDELINES FOR SUBSIDIZED CHILD CARE PROGRAMS

Household Size	State Guidelines ¹	County Pilot Guidelines ²	Difference
	Maximum Income Level (Per Year)	Maximum Income Level (Per Year)	
1-2	\$48,360	\$58,724	+\$10,364
3	\$52,076	\$63,235	+\$11,159
4	\$58,528	\$71,065	+\$12,537
5	\$67,888	\$82,436	+\$14,548
6	\$77,252	\$93,806	+\$16,554
7	\$79,008	\$95,938	+\$16,930
8	\$80,763	\$98,070	+\$17,307

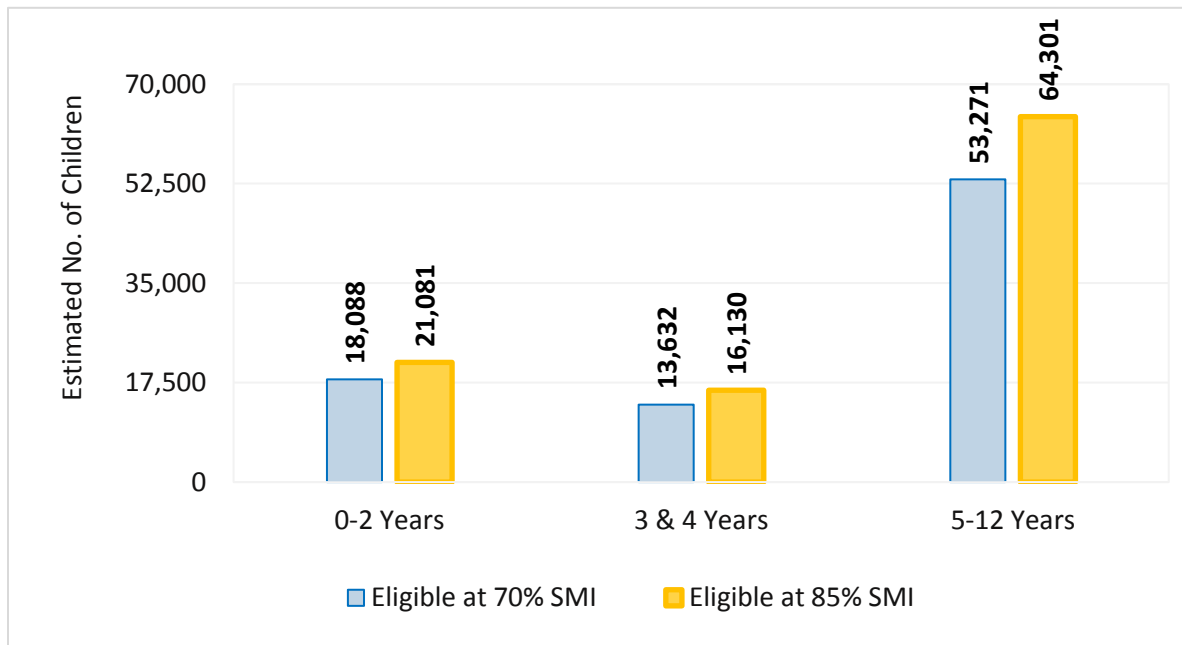
¹ Eligibility determined at 70% SMI

² Eligibility determined at 85% SMI

Source: State Guidelines, State Preschool, Santa Clara County Office of Education; “New Income Threshold Increases Access to Childcare and Preschool,” Santa Clara County Office of Education

Counts for the number of children that fall at or below 85% SMI are provided alongside counts for the number of children that fall at or below 70% SMI. As shown in Figure 14, under the pilot, 17%, 18%, and 21% more children ages 0-2, 3-4, and 5-12 years respectively qualify for subsidized child care. An estimated 16,521 more children ages 0-12 years in Santa Clara County now qualify for subsidized child care as a result of the pilot.

FIGURE 14. ESTIMATED NUMBER OF TITLE 5 ELIGIBLE CHILDREN UNDER THE CHILD CARE SUBSIDY PILOT (2016)



Source: Title V Eligibility (2016), ELNAT, American Institutes for Research

CHILDREN ELIGIBLE FOR FREE OR REDUCED PRICE LUNCH

In the school setting, a family's household income is used to determine whether or not a child is eligible for free or reduced price meals under the California National School Breakfast and Lunch Program. To qualify for free meals, a student must be from a household with an income at or below 130% of the poverty income threshold. Those with incomes between 130% and 185% of the poverty level are eligible for reduced-price meals. The maximum income levels qualifying families for this program are provided in Table 20 for household sizes that include 1 to 8 members. A family of 4 must earn \$44,955 or less annually, before taxes, to qualify.

TABLE 20. MAXIMUM INCOME LEVELS (PER YEAR) TO QUALIFY FOR FRL (2018)

Household Size*	Maximum Income Level
1	\$21,978
2	\$29,637
3	\$37,296
4	\$44,955
5	\$52,614
6	\$60,273
7	\$67,950
8	\$75,646

*For households with more than 8 people, add \$7,696 per additional person

Counts for the number of children in Santa Clara County that qualified for free or reduced price meals by grade level (Kindergarten through 6th grade) are provided in Table 21. In the aggregate, the number of children that qualified for this program has declined by 11% since the 2011/12 academic year. The percent reduction in students qualifying for the program ranged from 5% of 6th grade students to 18% of 1st grade students.

TABLE 21. NUMBER OF CHILDREN THAT QUALIFY FOR FREE OR REDUCED-PRICE LUNCH, BY GRADE (2011 TO 2016)

Grade Level	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Percent Change 2012-2017
Kindergarten	9,238	8,959	9,436	9,152	9,000	8,393	-9.15%
1	9,407	9,678	8,975	8,697	7,946	7,731	-17.82%
2	9,143	9,340	9,509	8,873	8,501	7,757	-15.16%
3	9,400	9,036	9,293	9,330	8,586	8,199	-12.78%
4	9,323	9,142	8,930	9,072	9,050	8,266	-11.34%
5	9,210	9,039	9,059	8,741	8,701	8,626	-6.34%
6	8,799	8,847	8,836	8,824	8,487	8,360	-4.99%
Total	64,520	64,041	64,038	62,689	60,271	57,332	-11.14%

Source: Enrollment by Ethnicity and Grade (2011/12 to 2016/17), DataQuest, California Department of Education

CHILDREN ENROLLED IN CHILD CARE SUBSIDY PROGRAMS

MANDATED

Child care subsidy program enrollment data were compiled by the American Institutes for Research (AIR). All data, with the exception of CalWORKs Stage 1 counts, were downloaded from AIR's Early Learning Needs Assessment Tool. Data on the number of children in families receiving CalWORKs Stage 1 assistance in 2016 were provided by the Santa Clara County Social Services Agency.

Combined, 17,552 children ages 0-12 years in Santa Clara County were served by child care subsidy programs in 2016 (see Table 22). A total of 11,540 children were served in direct-service programs such as CCTR and CSPP and by licensed FCCH and license-exempt providers. Fifty-nine percent of children served by direct-service programs were of preschool-age. Of these children, the majority (88%) were enrolled in CSPP (56%) and Head Start (32%). Infants and toddlers and school-aged children each accounted for approximately 20% of children served. Care for the majority (74%) of infants and toddlers was provided by Early Head Start (40%) and FCCH providers (34%). Forty-two percent of school-aged children were cared for by FCCH providers, followed by licensed centers (30%) and license-exempt centers (28%).

TABLE 22. NUMBER OF CHILDREN SERVED IN CHILD CARE SUBSIDY PROGRAMS (2016)

Funding/Program Type	15a. Infant/Toddlers (0-2 Years)	15b. Preschool (3 & 4 Years)	15c. School-Age (5-12 Years)
Full-day Center (CCTR)	452	68	713
Full-day State Preschool (CSPP)	NA	1,425	NA
Part-day State Preschool (CSPP)	NA	2,401	NA
FCCH Networks	809	583	995
Migrant Education (CMIG)	7	4	0
Handicap Program (CHAN)	0	0	0
Head Start	NA	2,169	NA
Early Head Start	941	NA	NA
Other (License-Exempt)	167	153	653
Subtotal	2,376	6,803	2,361
Alternative Payment	248	149	434
CalWORKs Stage 1	729	565	762
CalWORKs Stage 2	480	474	627
CalWORKs Stage 3	222	315	1,007
Subtotal	1,679	1,503	2,830
Total	4,055	8,306	5,191

Sources: Early Learning Needs Assessment Tool (2016), American Institutes for Research; Santa Clara County Social Services Agency (2016) for CalWORKs Stage 1 counts; Program Information Report (2016), Head Start, Santa Clara County Office of Education

An additional 6,012 children ages 0-12 years countywide benefitted from indirect child care subsidy programs. This count includes approximately 1,700 infants/toddlers, 1,500 preschool-aged children, and 2,800 school-aged children (see Table 22). More infants and toddlers (43%) and preschool-aged children (38%) were in families that received CalWORKs Stage 1 than any other type of aid. The most common type of aid received by families of school-aged children was CalWORKs Stage 3.



COST OF CHILD CARE

REGIONAL MARKET RATES ALLOWED FOR STATE SUBSIDIZED CHILD CARE

MANDATED

Rates collected through the Regional Market Rate survey are used to set maximum reimbursement ceilings by type, age, and hours of child care. Ceilings are set so that licensed providers are reimbursed up to the 85th percentile of the rates charged by private providers in the area offering the same type of child care. This means that parents should be able to access 85% of providers in their market. If a parent chooses a provider above the maximum ceiling then the parent would need to pay the additional cost of care. The purpose of the maximum ceiling was to increase parental choice for low-income families so that they would have quality child care options in the face of a limited supply of licensed care and consistent with the choices available for private-pay families.⁵

Maximum and average reimbursement ceilings for full- and part-time subsidized child care at licensed center and family child care homes (FCCHs) are provided in Table 23. Data on maximum reimbursements reflect ceilings as of January 1, 2017. Data on average reimbursements were collected as part of the 2016 Regional Market Rate Survey of California Providers. Taken together, these data indicate that (a) child care through licensed centers is more costly compared to care through FCCHs and (b) the cost for infant/toddler care exceeds the cost of care for preschool- and school-aged children across settings.

TABLE 23. WEEKLY REGIONAL MARKET RATES BY AGE AND TYPE OF CARE (2016/17)

14a. Center Regional Market Rates	Center Full-Time Maximum ¹	Center Full-Time Average ²	Center Part-Time Maximum ¹	Center Part-Time Average ²
Infant/Toddler	\$464.26	\$362.73	\$389.59	\$255.23
Preschool	\$391.91	\$288.13	\$290.90	\$193.87
School-Age	\$263.12	\$199.21	\$144.52	\$119.21
14b. FCCH Regional Market Rates	FCCH Full-Time Maximum ¹	FCCH Full-Time Average ²	FCCH Part-Time Maximum ¹	FCCH Part-Time Average ²
Infant/Toddler	\$269.08	\$257.67	\$215.24	\$185.86
Preschool	\$261.64	\$244.97	\$215.56	\$170.18
School-Age	\$209.68	\$191.32	\$162.21	\$134.78

Sources: **1** – Reimbursement Ceilings for Subsidized Child Care (January 1, 2017), California Department of Education, Retrieved from <http://www3.cde.ca.gov/rcsccl/> on 4/10/2018; **2** – Final Report (April 14, 2017), 2016 Regional Market Rate Survey of California Providers, Retrieved from <https://cappa.memberclicks.net> on 4/10/2018

⁵ California Child Care Resource and Referral Network

SUPPLEMENTAL

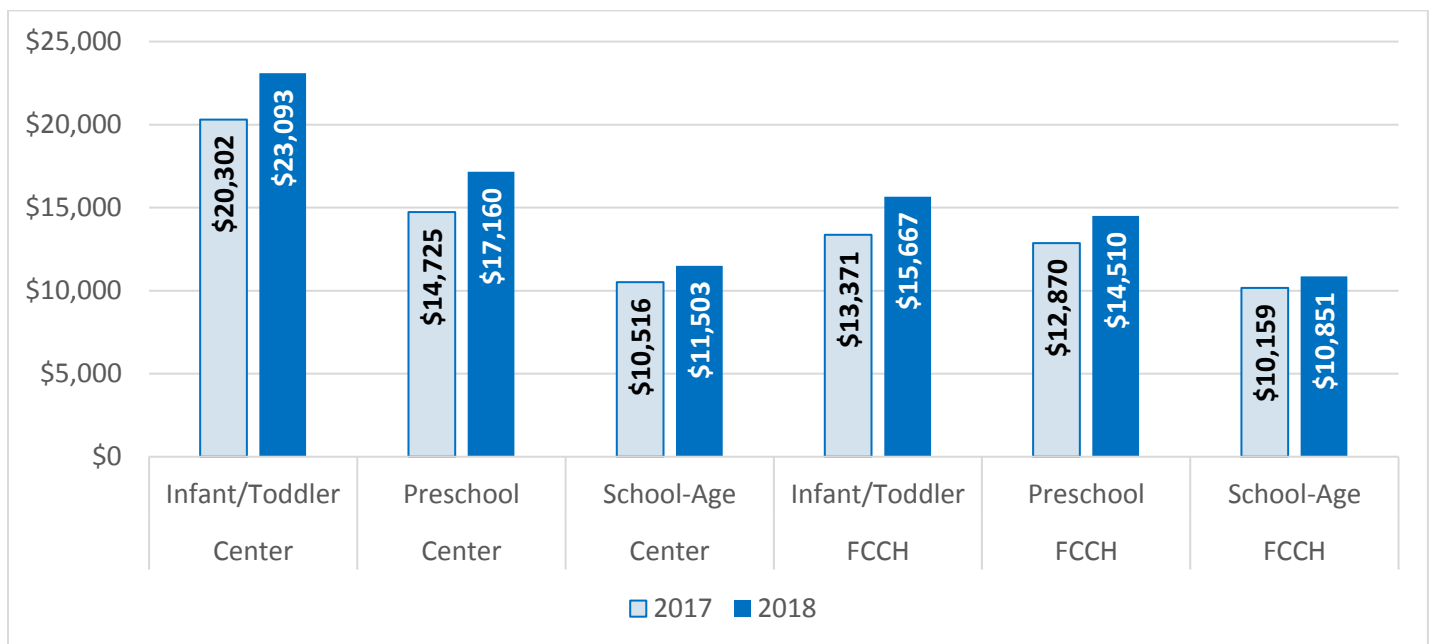
HIGHLIGHTS

- Maximum annual reimbursements for subsidized, full-time care increased from 2017 to 2018 for all age groups at both licensed centers and family child care homes
- The maximum annual reimbursement for subsidized, full-time infant/toddler care through licensed centers increased by 17% from 2017 to 2018; by 14% at family child care homes
- Data suggests that a large proportion of families with more than 1 child under the age of 6 years in need of licensed care, especially those residing in San Jose and in cities to the South of San Jose, can expect to allocate 30% or more of their income to child care

ANNUAL MAXIMUM REIMBURSEMENT CEILINGS FOR FULL-TIME SUBSIDIZED CHILD CARE BY AGE GROUP

The cost of child care continues to increase. In just one year's time, from January 1, 2017 to January 1, 2018, maximum annual reimbursement rates for full-time, subsidized infant/toddler, preschool, and school-age child care in Santa Clara County increased for both licensed centers and FCCHs (see Figure 15). The maximum annual reimbursement ceiling for subsidized infant/toddler care at FCCHs and preschool at centers saw the greatest increases at 17%, followed by a 14% increase for infant/toddler care at centers.

FIGURE 15. COMPARISON OF ANNUAL MAXIMUM REIMBURSEMENT CEILINGS FOR SUBSIDIZED FULL-TIME CHILD CARE (2017, 2018)



Sources: Reimbursement Ceilings for Subsidized Child Care (January 1, 2017; January 1, 2018), California Department of Education

In terms of dollar amounts, in 2018 center-based providers in Santa Clara County can receive a per child maximum reimbursement that is nearly \$3,000 more for the provision of subsidized infant/toddler care, nearly \$2,500 more for the provision of preschool, and nearly \$1,000 more for the provision of care to school-aged children (see Table 24). Licensed FCCH providers can be reimbursed between \$700 and \$2,300 more per child in 2018 depending on the age of the child.

TABLE 24. DOLLAR INCREASE IN ANNUAL MAXIMUM REIMBURSEMENT CEILINGS FOR SUBSIDIZED FULL-TIME CHILD CARE (2017/18)

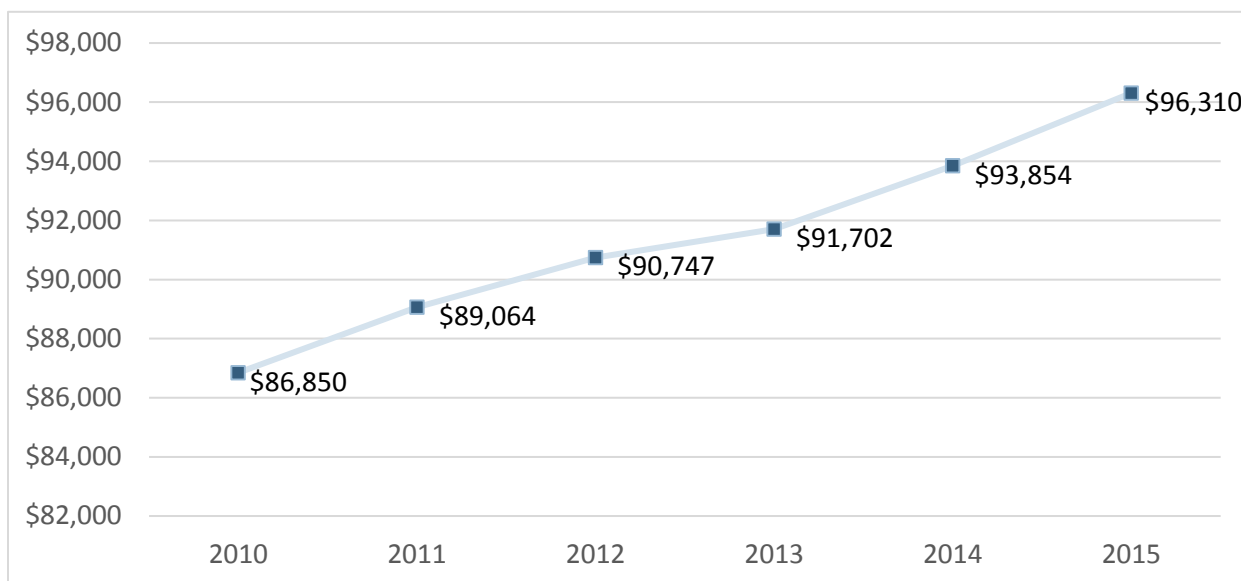
	2017	2018	Difference
Licensed Centers			
Infant/Toddler	\$20,301.84	\$23,092.80	+\$2,790.96
Preschool	\$14,725.20	\$17,159.76	+\$2,434.56
School-Age	\$10,516.20	\$11,502.60	+\$986.40
Licensed FCCHs			
Infant/Toddler	\$13,371.12	\$15,667.08	+\$2,295.96
Preschool	\$12,870.48	\$14,509.56	+\$1,639.08
School-Age	\$10,159.32	\$10,850.88	+\$691.56

Sources: Reimbursement Ceilings for Subsidized Child Care (January 1, 2017; January 1, 2018), California Department of Education

MEDIAN HOUSEHOLD INCOME OVER TIME

The U.S. Department of Health and Human Services defines child care as affordable when it costs families no more than 7% of their household income per child. According to the 2017 Child Care Portfolio, a family in Santa Clara County can expect to pay \$19,212 annually for full-time infant care at a licensed center; \$13,994 for preschool. Using the U.S. Department of Health and Human Services definition, a family of four with one infant and one preschool-aged child in need of full-time care at a licensed center would have to earn \$237,186 for that care to be affordable. As shown in Figure 16, even with steady increases over the past 6 years, 50% of households in Santa Clara County earn \$96,310 or less.

FIGURE 16. MEDIAN HOUSEHOLD INCOME IN SANTA CLARA COUNTY (2010-2015)

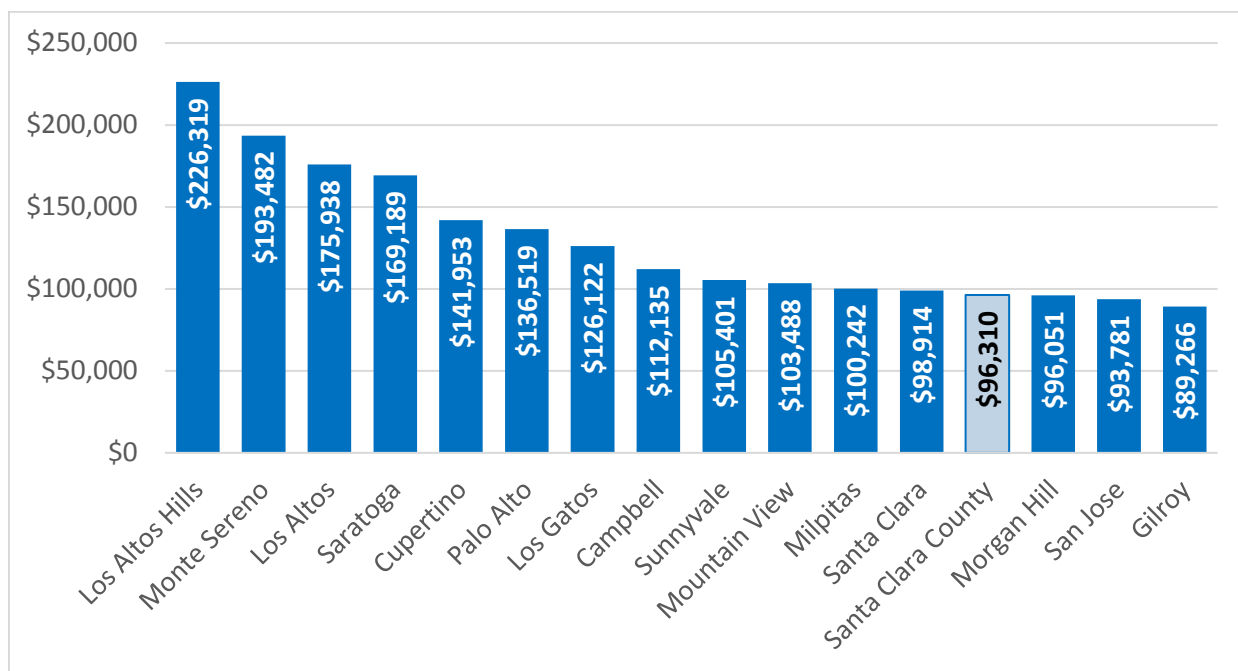


Source: Selected Economic Characteristics (2006/10 to 2011/15), American Community Survey 5-Year Estimates

MEDIAN HOUSEHOLD INCOME BY MAJOR CITY

A deeper analysis of median household incomes in Santa Clara County reveals that wealthier families reside in cities that are proximally located to San Mateo and Alameda County (see Figure 17). The Median Household Income (MHI) in Saratoga, Los Altos, Monte Sereno, and Los Altos Hills are 76% higher than the County median. Conversely, the MHI in San Jose, Morgan Hill and Gilroy fall below the County median of \$96,310. Morgan Hill and Gilroy are Santa Clara County's more rural cities and are proximally located to San Benito County.

FIGURE 17. MEDIAN HOUSEHOLD INCOME FOR MAJOR CITIES IN SANTA CLARA COUNTY (2015)

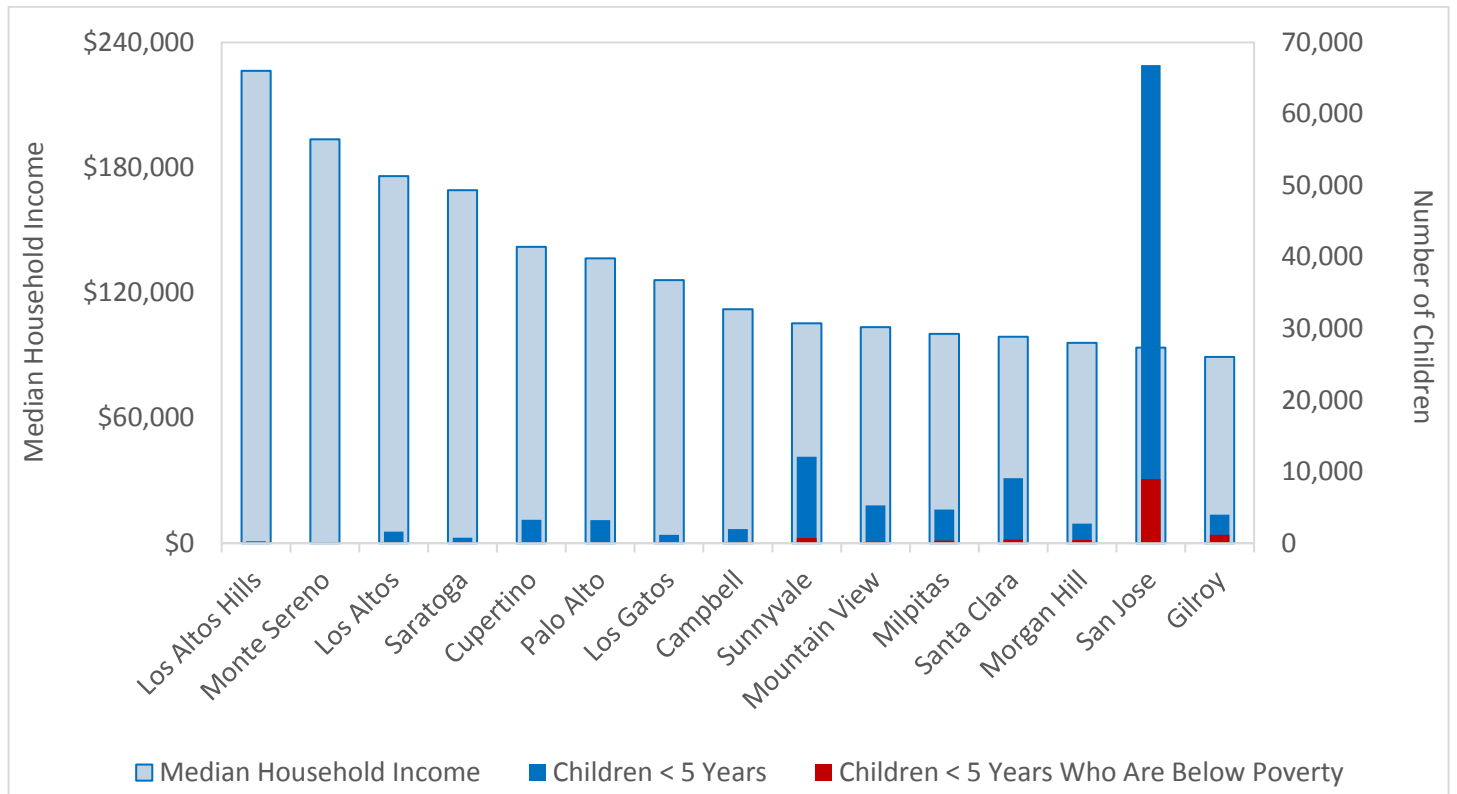


Source: Selected Economic Characteristics (2011-2015), American Community Survey 5-Year Estimates

RELATIONSHIP BETWEEN MEDIAN HOUSEHOLD INCOME AND CHILD POPULATION BY MAJOR CITY

If every household in the County consisted of two adults, one infant, and one preschool-aged child, both requiring full-time care at a licensed center, at least half of households in Sunnyvale, Mountain View, Milpitas, Santa Clara, Morgan Hill, San Jose, and Gilroy would be pay 30% or more of their income towards child care. As shown in Figure 18, cities with the lowest MHIs are those with the largest child populations. Los Altos Hills, the only city where approximately half of households can afford child care (at 7% of MHI per child), is home to the smallest child population under 5 years in the County.

FIGURE 18. MEDIAN HOUSEHOLD INCOME AND NUMBER OF CHILDREN UNDER 5 YEARS BY MAJOR CITY (2015)



Source: Selected Economic Characteristics (2011-2015), Poverty Status in the Past 12 Months, American Community Survey 5-Year Estimates



UNMET NEED FOR CHILD CARE

CHILD CARE DEMAND

MANDATED

A summary of the number of children that require child care given parent workforce participation and income characteristics is provided in Table 25. Of the 314,062 children ages 0-12 years in Santa Clara County, 197,740 (63%) have both parents in the workforce. Thirteen percent have working parents and qualify for state subsidized child care programs at 70% SMI. Of the 50,302 children ages 3-4 years in Santa Clara County, 59% are in families with both parents working (require full-time care), 41% are in families with at least one working parent (require part-time care), and 11% are in families with at least one working parent and who qualify for subsidized child care (require part-time, subsidized child care).

TABLE 25. DEMAND FOR CHILD CARE AMONG ALL CHILDREN, CHILDREN THAT QUALIFY FOR SUBSIDIZED CHILD CARE (@ 70% SMI), AND CHILDREN THAT QUALIFY FOR PART-DAY PRESCHOOL (2016)

Demand Populations	Age Groups		
	0-2 Years	3 & 4 Years	5-12 Years
9a. Number of Children in Families with Working Parents Who Are At or Below 70% SMI	9,036	7,100	28,378
10. Number of Children with All Parents in the Workforce (All Income Levels)	39,287	29,566	128,887
11. Number of Children Ages 3 & 4 Years with At Least 1 Non-working Parent (All Income Levels)	NA	20,735.6	NA
12a. Number of Children Ages 3 & 4 Years with At Least 1 Non-working Parent in Families Who Are At or Below 70% SMI	NA	5,619.3	NA

Source: Early Learning Needs Assessment Tool (2016), American Institutes for Research

Notes: Number of children ages 3 & 4 years with at least 1 non-working parent (all income levels) is calculated by subtracting the number of children with all parents in the workforce (all income levels) from the total number of children ages 3 & 4 years (N=50,301.6). Number of children ages 3 & 4 years with at least 1 non-working parent in families who are at or below 70% SMI is calculated by multiplying the number of children ages 3 & 4 years with at least 1 non-working parent (all income levels) by the proportion of children ages 3 & 4 years who are in families at or below 70% SMI (Pr=.271).

SUPPLEMENTAL

HIGHLIGHTS

- Under eligibility criteria set by the Child Care Subsidy Pilot, 53,186 children ages 0-12 years are estimated to require child care (i.e., are in families with working parents)
- Over 1,000 more children are estimated to require part-day State Preschool (i.e., have at least 1 parent in the workforce) under the Child Care Subsidy Pilot
- As of 2016, 57% of children ages 3-4 years were enrolled in public or private preschool programs
- The number of children enrolled in Transitional Kindergarten increased by 44% from 2013/14 to 2015/16

DEMAND FOR SUBSIDIZED FULL- AND PART-TIME CHILD CARE

Table 25 provides a summary of demand estimates for subsidized child care using income eligibility criteria defined by the State. Currently, Santa Clara County is authorized to conduct an individualized child care subsidy pilot. Under the pilot plan, the income eligibility cutoff is set at 85% SMI, not 70% SMI. As discussed under **Children Eligible for Head Start and State Subsidized Child Care**, the fifteen percentage point increase in the initial income eligibility cutoff results in an estimated 16,521 more children ages 0-12 years in Santa Clara County that qualify for subsidized child care.

As shown in Table 26, of the 101,512 children ages 0-12 years in Santa Clara County that qualify for subsidized child care programs at 85% SMI, 53,186 (52%) are estimated to have both parents in the workforce (require full-time care). Of the 50,302 children ages 3-4 years in Santa Clara County, 13% are in families that qualify for subsidized child care (at 85% SMI) and have at least one non-working parent (require part-time, subsidized child care).

TABLE 26. DEMAND FOR CHILD CARE AMONG CHILDREN THAT QUALIFY FOR SUBSIDIZED CHILD CARE (@ 85% SMI), AND CHILDREN THAT QUALIFY FOR PART-DAY PRESCHOOL (2016)

Demand Populations	Age Groups		
	0-2 Years	3 & 4 Years	5-12 Years
9b. Number of Children in Families with Working Parents Who Are At or Below 85% SMI	10,531	8,401	34,254
12b. Number of Children Ages 3 & 4 Years with At Least 1 Non-working Parent in Families Who Are At or Below 85% SMI	NA	6,656.1	NA

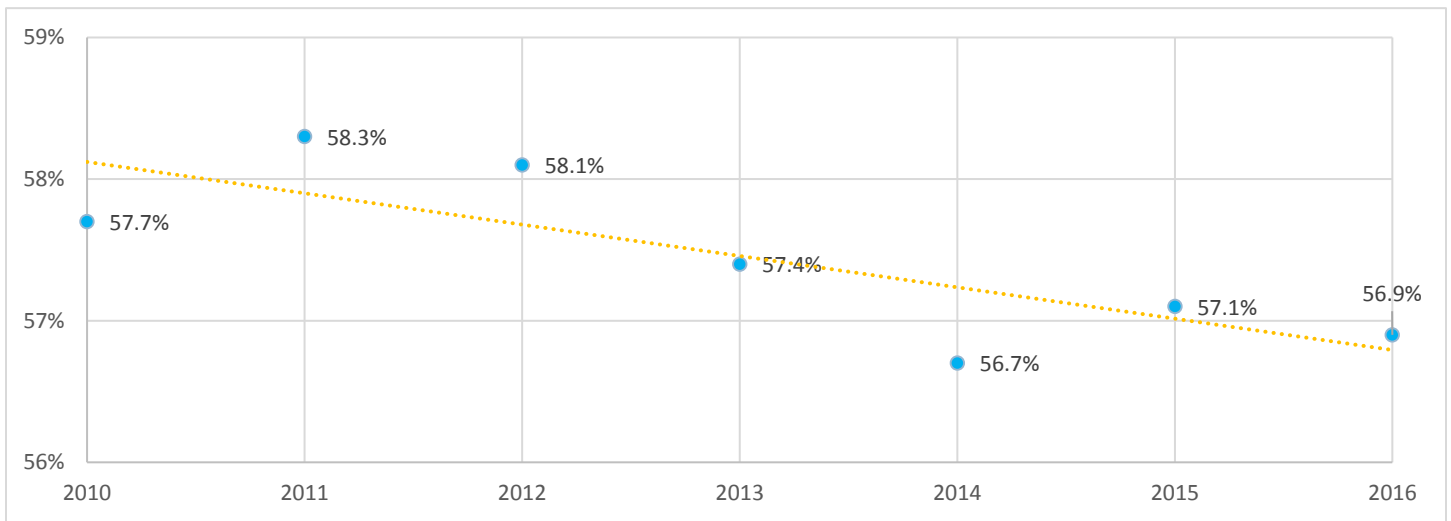
Source: Early Learning Needs Assessment Tool (2016), American Institutes for Research

Notes: Number of children in families with working parents who are at or below 85% SMI is calculated by multiplying the numbers of children in families who are at or below 85% SMI (Ages 0-2 years = 21,081; Ages 3 & 4 years = 16,130; Ages 5-12 years = 64,301) by the proportions of children at or below 70% SMI with working parents (Ages 0-2 years = .4996; Ages 3 & 4 years = .5208; Ages 5-12 years = .5327). The number of children ages 3 & 4 years with at least 1 non-working parent in families at or below 85% SMI is calculated by multiplying the number of children ages 3 & 4 years with at least 1 non-working parent (all income levels) by the proportion of children ages 3 & 4 years who are in families at or below 85% SMI (Pr=.3210).

PRESCHOOL AND TRANSITIONAL KINDERGARTEN ENROLLMENT

According to American Community Survey 5-year estimates, the proportion of children ages 3-4 years in Santa Clara County that are enrolled in preschool is trending downwards. In 2010, 58% of 3- and 4-year old children were enrolled in a public or private school setting. That proportion fell to 57% in 2014 where it has remained for the past three recorded years (see Figure 19).

FIGURE 19. PROPORTION OF CHILDREN AGES 3-4 YEARS ENROLLED IN PRESCHOOL IN SANTA CLARA COUNTY (2010-2016)

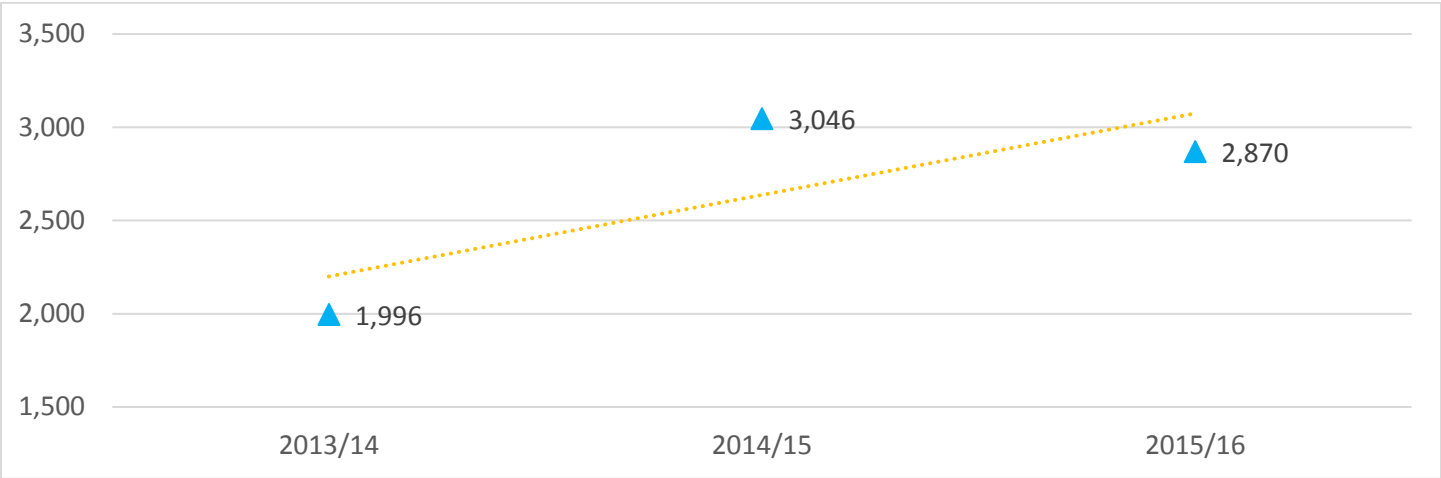


Source: School Enrollment (2006/10 – 2012/16), American Community Survey 5-Year Estimates

The reduction in the proportion of children ages 3-4 years that are enrolled in preschool could be explained, in part, by the introduction and spread of Transitional Kindergarten (TK) programs in Santa Clara County. Transitional Kindergarten is an entitlement program introduced to the California public school system in 2010 in an effort to prepare qualifying children (i.e., children that turn five year between September 1 and December 1) for the rigors of elementary school. It is free to parents.

Over the past three years, more and more families that may have traditionally enrolled their children in preschool have chosen instead to enroll their qualifying children in TK programs. From 2014 to 2016, the number of children enrolled in TK in Santa Clara County increased by 44% (see Figure 20). As of the 2017/18 academic year, 52% of elementary schools in Santa Clara County with Kindergarten programs have TK classrooms.

FIGURE 20. NUMBER OF CHILDREN ENROLLED IN TRANSITIONAL KINDERGARTEN IN SANTA CLARA COUNTY (2014-2016)



Source: Transitional Kindergarten Data (2014-2016), California Department of Education

CHILD CARE SUPPLY

MANDATED

Data on child care supply were provided by the Community Child Care Council (4Cs) of Santa Clara County. Counts for the number of children licensed center, family child care home, and license-exempt providers are willing to serve (i.e., desired capacity) are provided in Table 27 by age group. In total, there are 83,155 child care slots available to children ages 0-12 years in Santa Clara County. The majority of slots (61%) are available through licensed centers, followed by license-exempt centers (22%), and family child care homes (17%). Fifty-three percent of slots are available to children of preschool age. Slots available to children ages 0-2 years account for just 9% of all child care slots.

TABLE 27. LICENSED CAPACITY BY AGE GROUP AND PROVIDER TYPE (2017)

Provider Type	Age Group			Total
	13a. Infants (0-2 Years)	13b. Preschool (3 & 4 Years)	13c. School-Age (5-12 Years)	
Licensed Centers	3,656	36,989	10,020	50,665
Licensed Family Child Care Homes	3,472	6,304	4,344	14,120
License-Exempt Centers	280	485	17,605	18,370
Total	7,408	43,778	31,969	83,155

Source: Community Child Care Council of Santa Clara County (4Cs)

Notes: Counts reflect desired capacity of licensed centers, family child care homes, and license-exempt centers. “Desired capacity” is defined as the number of children a provider is willing to serve. Licensed capacity data were substituted for providers with missing desired capacity data. For family child care homes, staffing regulations for maximum number of children that can be served per designation (Small, Large) were applied. For example, slots at a small family child care home licensed to serve 8 children were divided among infants (2), preschoolers (4), and school-age children (2). Slots at a large family child care home licensed to serve 14 children were divided among infants (3), preschoolers (9), and school-age children (2). Data are current as of December 31, 2017.

SUPPLEMENTAL

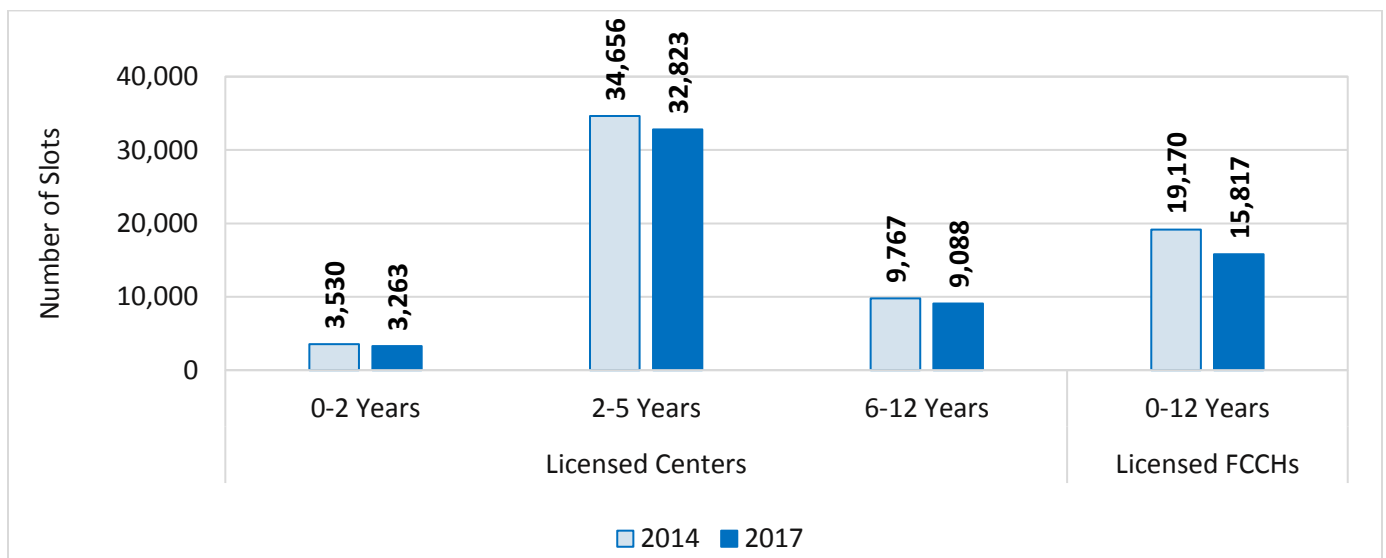
HIGHLIGHTS

- The number of slots available to infants/toddlers through licensed centers fell 8% from 2014 to 2017; by 7% for preschool-aged children and 5% for school-aged children
- The number of slots available to children age 0-12 years through family child care homes fell 17% from 2014 to 2017
- As of 2018, 3% of licensed family child care homes and 20% of licensed centers in Santa Clara County are participating in FIRST 5 Santa Clara County's Quality Rating Improvement System (QRIS) Consortium
- 68% of licensed centers participating in QRIS received a high rating

CHANGE IN NUMBER OF LICENSED CHILD CARE SLOTS

From 2006 to 2014 the number of slots available to children through licensed centers and family child care homes increased by 22% and 30% respectively. The period from 2014 to 2017 saw the first reduction in number of licensed slots in over eight years. According to data reported in the 2017 California Child Care Portfolio, the number of licensed slots available to infants/toddlers through licensed centers decreased by 8% during this time period and the number of licensed preschool and school-age slots fell 5-7% (see Figure 21). The number of slots available through licensed family child care homes decreased by 17% from 2014 to 2017. In 2017, there were 35 fewer licensed centers and 357 fewer family child care homes in operation in Santa Clara County compared to 2014.

FIGURE 21. LICENSED CHILD CARE CAPACITY BY AGE GROUP AND PROVIDER TYPE (2014, 2017)



Source: California Child Care Portfolio (2014, 2017), Santa Clara County

QRIS PARTICIPATION AMONG LICENSED CHILD CARE PROVIDERS

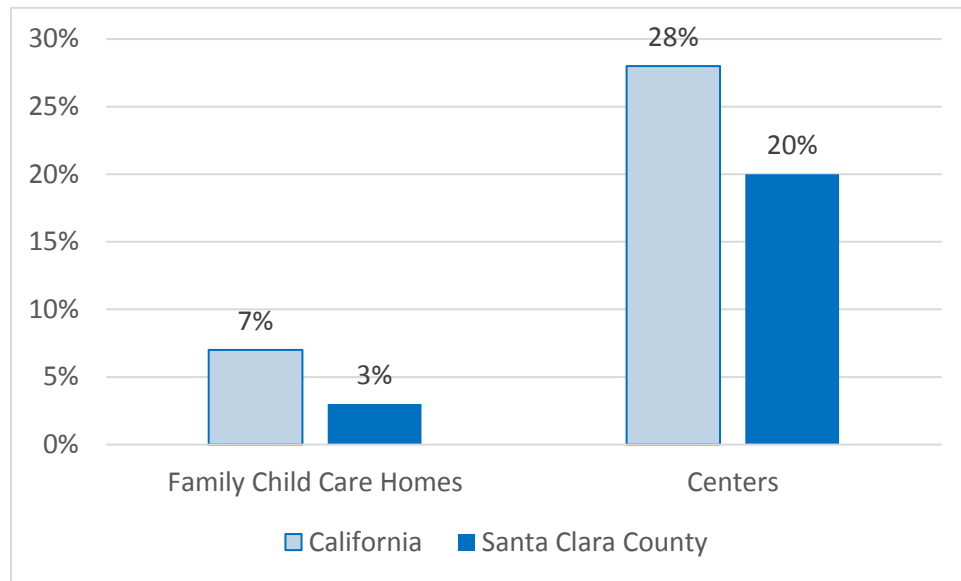
Born out of a three-year grant first issued by the California Department of Education in 2012 in response to the Federal Race to the Top Early Learning Challenge (RTT-ELC), FIRST 5 Santa Clara County has developed a Quality Rating and Improvement System (QRIS) for licensed early care and education providers operating in Santa Clara County. The system, which is now part of FIRST 5's Quality Matters initiative, is designed to:

- Define a common understanding of quality for early care and education programs;
- Measure programs against standards and gives programs a quality rating;
- Provide educators with training and support to achieve higher levels of quality; and
- Inform the community on the importance of high quality care and education for children.

Participating centers are quality rated on seven elements that include child observation, developmental and health screening, lead teacher training and education, effective teacher-child interactions, ratios and group size, environment, and director training and education. Element ratings are assigned on a five-point scale that ranges from 1 (Very Low) to 5 (Very High) and are averaged to create an overall provider rating. Providers that fail to achieve high quality ratings on one or more elements are provided with a Quality Improvement Plan (QIP) and funds to take corrective action. Those that earn high quality ratings across elements are assigned a status of Platinum, which signifies excellence in quality standards, and receive a stipend that they may use at their discretion. More information related to QRIS and the FIRST 5 Santa Clara County Quality Matters initiative can be found on the FIRST 5 website (<https://www.first5kids.org/>).

As of January 2018, an estimated 20% of licensed child care centers (N=631) and 3% of family child care home providers (N=1,510) in operation in Santa Clara County were participating in QRIS. As shown in Figure 22, the participation rate among family child care home providers (FCCH) providers statewide is double the County rate. Further, the proportion of licensed centers that are participating in QRIS in Santa Clara County is eight percentage points lower than the State.

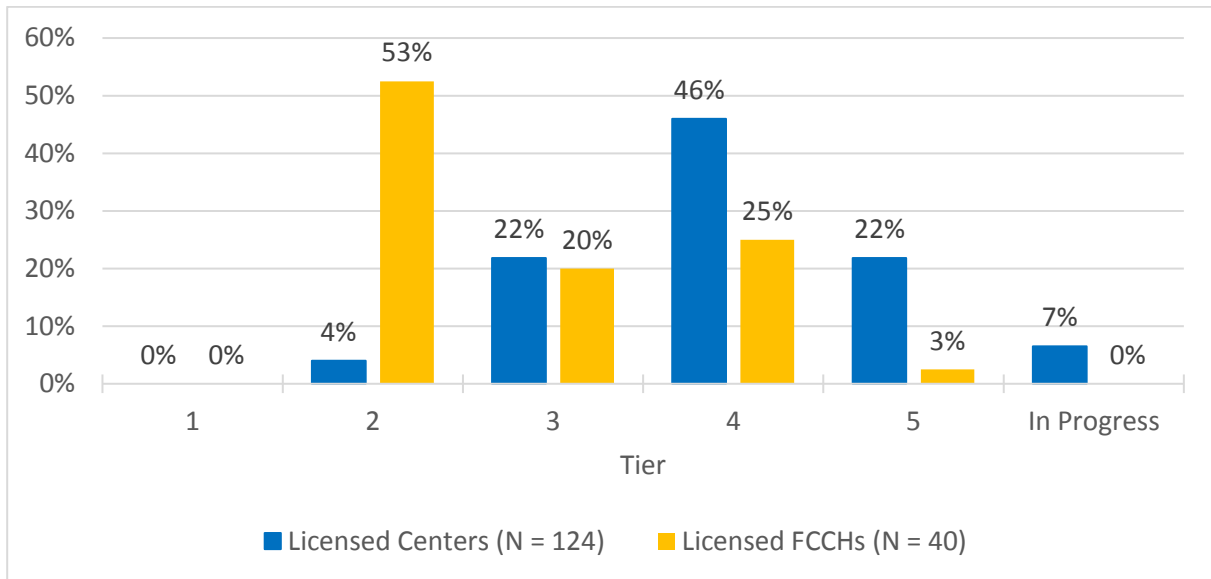
FIGURE 22. COMPARISON OF STATE AND COUNTY QRIS PARTICIPATION RATES (2017/18)



Source: California – QCC Common Data File FY 2016/17; California Resource and Referral Network, 2016; Santa Clara County – FIRST 5 Santa Clara County, January 2018

Of the licensed centers, 68% achieved an overall rating of 4 points or higher at their most recent assessment (Note: Eight providers had a current status of “In Progress” listed for their overall tier rating). This applied to 28% of participating licensed FCCHs. The majority of FCCHs (53%) were assigned an overall rating of 2 points at their most recent assessment. A summary of most recent, overall tier ratings distributions for licensed centers and FCCHs is provided in Figure 23.

FIGURE 23. OVERALL TIER RATINGS DISTRIBUTIONS FOR LICENSED CENTERS AND FAMILY CHILD CARE HOMES (2018)



Source: FIRST 5 Santa Clara County, 2018

UNMET NEED FOR CHILD CARE

MANDATED

Estimates for unmet need for child care by age group are provided in Table 28. Child care supply and demand data indicate that there are enough child care slots to care for 19% of children ages 0-2 years that have full-time working parents. Combined, subsidized child care providers in Santa Clara County have the capacity to serve 39% of children ages 0-2 years that have full-time working parents and who qualify for subsidized child care under the child care subsidy pilot. The corresponding percentages for school-aged children are 25% and 15% respectively. There are nearly 100,000 children ages 5-12 years countywide who are in need of child care. The need for and of after-school programs for school-aged children is an area in need of further study.

TABLE 28. UNMET NEED FOR FULL- AND PART-DAY CHILD CARE (2016/17)

	Infant/Toddler (0-2)		Preschool (3-4)		School-Age (5-12)	
	No. Unserved	Pct. Served	No. Unserved	Pct. Served	No. Unserved	Pct. Served
16a. Full-time care for working parents	-31,879	19%	+14,212	148%	-96,918	25%
16b1. Full-time care for working families eligible for State subsidy (@70% SMI)	-4,981	45%	+1,206	117%	-23,187	18%
16b2. Full-time care for working families eligible for State subsidy (@85% SMI)	-6,476	39%	-95	99%	-29,063	15%
16c. Part-time preschool for enrichment/school readiness	NA	NA	-16,620	20%	NA	NA
16d1. Part-time preschool for enrichment/school readiness and eligible for state subsidy (@70% SMI)	NA	NA	-1,503	73%	NA	NA
16d2. Part-time preschool for enrichment/school readiness and eligible for state subsidy (@85% SMI)	NA	NA	-2,540	62%	NA	NA

Sources: Early Learning Needs Assessment Tool (2016), American Institutes for Research for (a) estimated number of children in working families and (b) enrollment in subsidized child care programs; Community Child Care Council of Santa Clara County (December 31, 2017) for licensed center, family child care home and license-exempt center desired capacity data; Santa Clara County Social Services Agency (2016) for CalWORKs Stage 1 counts; Program Information Report (2016), Head Start for part-day enrollment.

Notes: **16a** – No. unserved is calculated by subtracting the estimated number of children with working parents within each age group (see Item 10, Table 25) from the number of children providers are willing to serve within each group (see Total, Table 27). **16b1/16b2** – No. unserved calculated by subtracting the estimated number of children with working parents and who qualify for subsidized child care within each age group (see Item 9a, Table 25 (@70% SMI); Item 9b, Table 26 (@85% SMI)) from the number of children serviced in subsidized child care programs (see Total, Table 22). **16c** – No. unserved calculated by subtracting the number of children ages 3-4 years in families with at least 1 non-working parent (see Item 11, Table 25) from the number of children enrolled in part-day Head Start (N=1,715) or CSPP (N=2,401). Estimate does not account for children enrolled in licensed, non-subsidized child care programs. **16d1/16d2** - No. unserved calculated by subtracting the number of children ages 3-4 years in families with at least 1 non-working parent and who qualify for subsidized child care (see Item 12a, Table 25 (@70% SMI); Item 12b, Table 26 (@85% SMI)) from the number of children enrolled in part-day Head Start (N=1,715) or CSPP (N=2,401). Estimate does not account for children enrolled in licensed, non-subsidized child care programs.

Unlike infant/toddler and school-age child care, the number of child care slots available to children of preschool-age exceeds the demand. There are an estimated 14,000 more preschool slots countywide than there are children with full-time, working parents. Data also indicate that the countywide need for full-time subsidized child care programs is met. Slots are available for approximately 99% of children ages 3-4 years with full-time working parents that qualify for subsidized care under the child care subsidy pilot. There are enough part-day CSPP and Head Start slots to meet the needs of 62% of eligible children in the County. Additional information on unmet need for preschool in Santa Clara County is provided in the following section.

SUPPLEMENTAL

HIGHLIGHTS

- Three-quarters or more of school-aged children and infants/toddlers in Santa Clara County are in need of yet without full-time child care
- Countywide, there are 14,000 more slots available to children ages 3-4 years with working parents than there are children who require care
- Licensed and license-exempt center-based providers in Santa Clara County have the capacity to serve 42% of children ages 0-12 years that require child care
- Unmet need for infant/toddler care exists in every major city in Santa Clara County, from 47 children in Alviso to over 20,000 children in San Jose
- Gilroy, Morgan Hill, and San Martin are the only major cities in Santa Clara County where the number of children who require care is greater than the number of child care slots

UNMET NEED FOR FULL-TIME CARE AMONG CHILDREN IN WORKING FAMILIES BY AGE GROUP

A more detailed summary of the data used to calculate unmet need for full-time care among children with both parents in the workforce is provided in Table 29. Combined, there are enough child care slots to meet the need for 42% of children ages 0-12 years in Santa Clara County. Over 80% of children ages 0-2 years with one (for single-parent families) or both (for two-parent families) parents in the workforce are in need of full-time child care.

TABLE 29. SUMMARY OF DEMAND, SUPPLY AND UNMET NEED FOR FULL-TIME CARE AMONG CHILDREN IN WORKING FAMILIES (2016/17)

Age Group	Demand		Supply (No. of Slots)				Need	
	No. of Children	No. in Working Families	Licensed Centers	FCCHs	LECs	Total	Surplus or Shortage	Pct. of Need Met
0-2 Years	71,454	39,287	3,656	3,472	280	7,408	-31,879	19%
3 & 4 Years	50,302	29,566	36,989	6,304	485	43,778	+14,212	148%
5-12 Years	192,306	128,887	10,020	4,344	17,605	31,969	-96,918	25%
Total	314,062	197,740	50,665	14,120	18,370	83,155	-114,585	42%

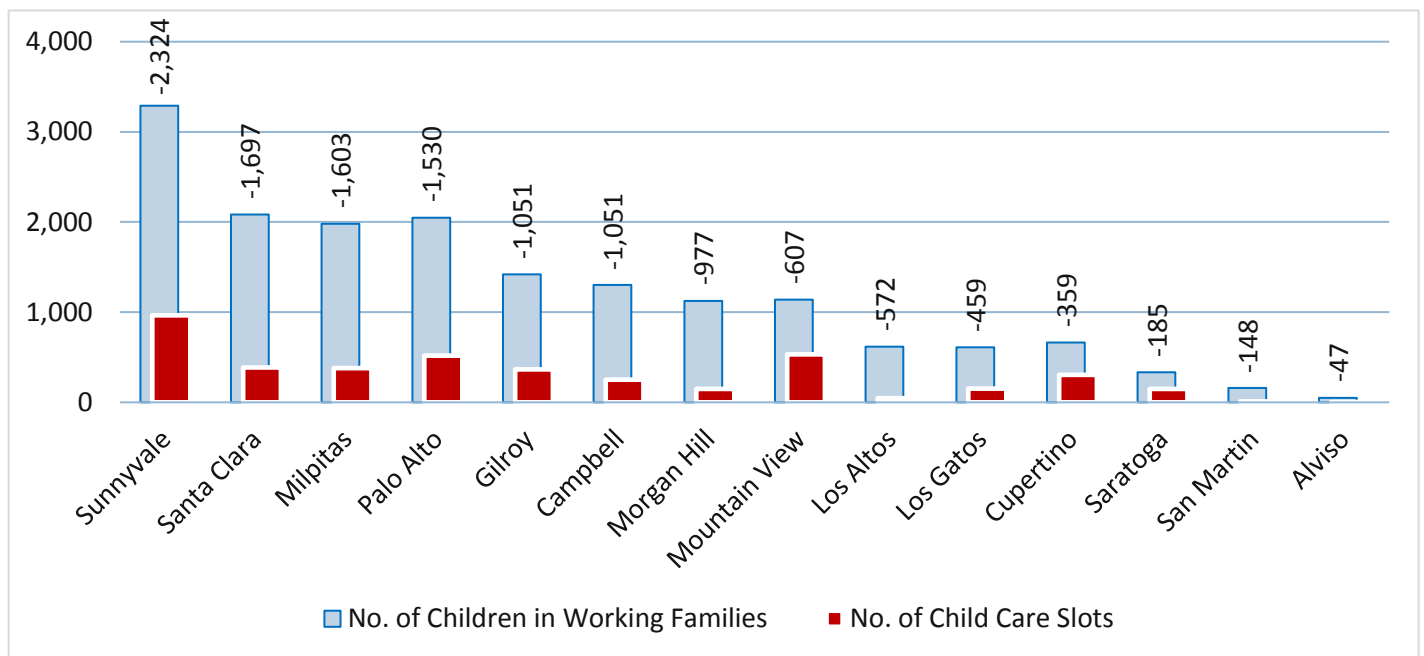
Notes: Counts under supply reflect desired capacity of licensed centers, family child care homes, and license-exempt centers. Additional details on these data are provided in the previous sections.

Sources: **Demand** – American Institutes for Research, 2016; **Supply** – Community Child Care Council of Santa Clara County, December 31, 2017

UNMET NEED FOR FULL-TIME INFANT/TODDLER CARE AND PRESCHOOL BY MAJOR CITY

The need for full-time infant/toddler care and preschool varies throughout the County. As shown in Table 29, there are nearly 32,000 children ages 0-2 years that are in need of full-time care. Unmet need for infant/toddler care exists in every major city in the County (see Figure 24). Excluding San Jose, cities where there are nearly 1,000 or more children in need of full-time child care include Morgan Hill (-997), Campbell (-1,051), Gilroy (-1,051), Palo Alto (-1,530), Milpitas (-1,603), Santa Clara (-1,697), and Sunnyvale (-2,324). In San Jose, there are over 20,000 children ages 0-2 years for which there is no child care slot (see Figure 26).

FIGURE 24. UNMET NEED FOR FULL-TIME INFANT/TODDLER CARE BY MAJOR CITY (2016/17)

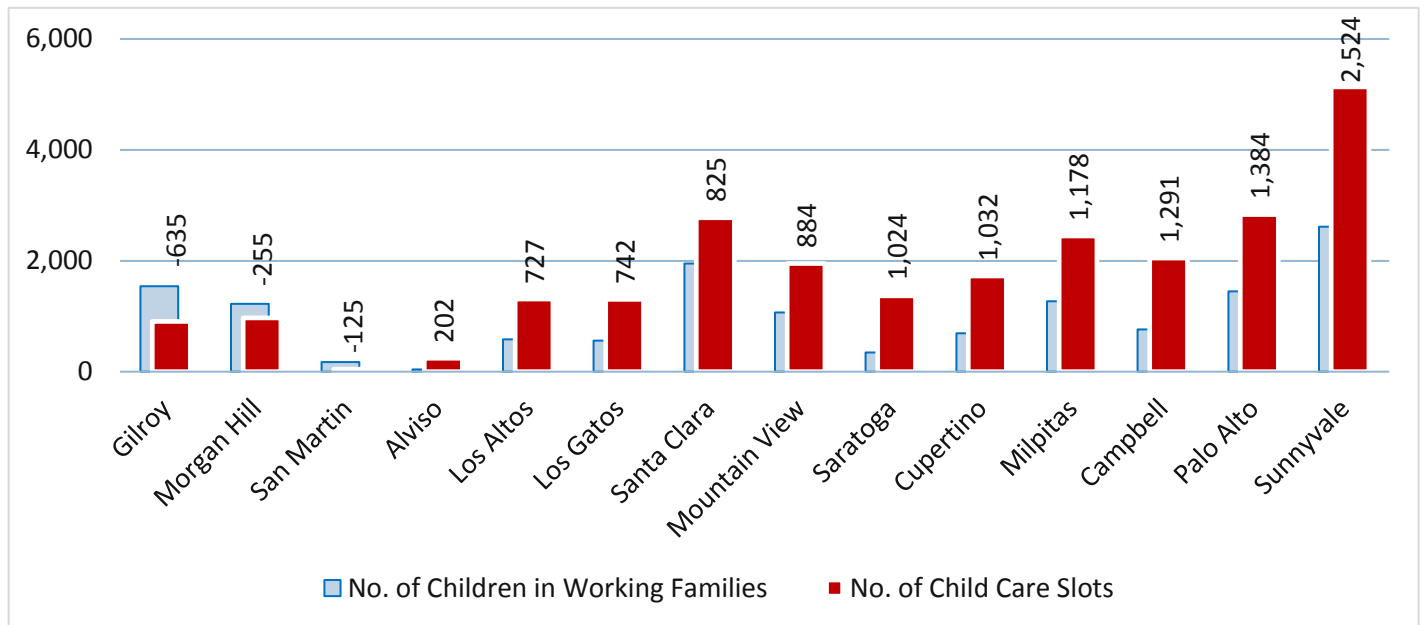


Sources: **No. of Children in Working Families** – Early Learning Needs Assessment Tool (2016), American Institutes for Research; **No. of Child Care Slots** – Community Child Care County of Santa Clara County (December 31, 2017)

Notes: Counts reflect the estimated number of children in need of full-time child care.

There are three major cities in Santa Clara County where the number of preschool-aged children that demand full-time care exceeds the number of preschool slots (see Figure 25). These cities include Gilroy (-635), Morgan Hill (-255), and San Martin (-125). Cities with child care supply that exceeds demand include Alviso, Los Altos, Los Gatos, Santa Clara, Mountain View, Saratoga, Cupertino, Milpitas, Campbell, and Palo Alto. Collectively, providers in the City of Sunnyvale have the capacity to serve 2x the estimated number of children in working families that reside in Sunnyvale. In San Jose, providers have the capacity to serve 3,000 more children (see Figure 26).

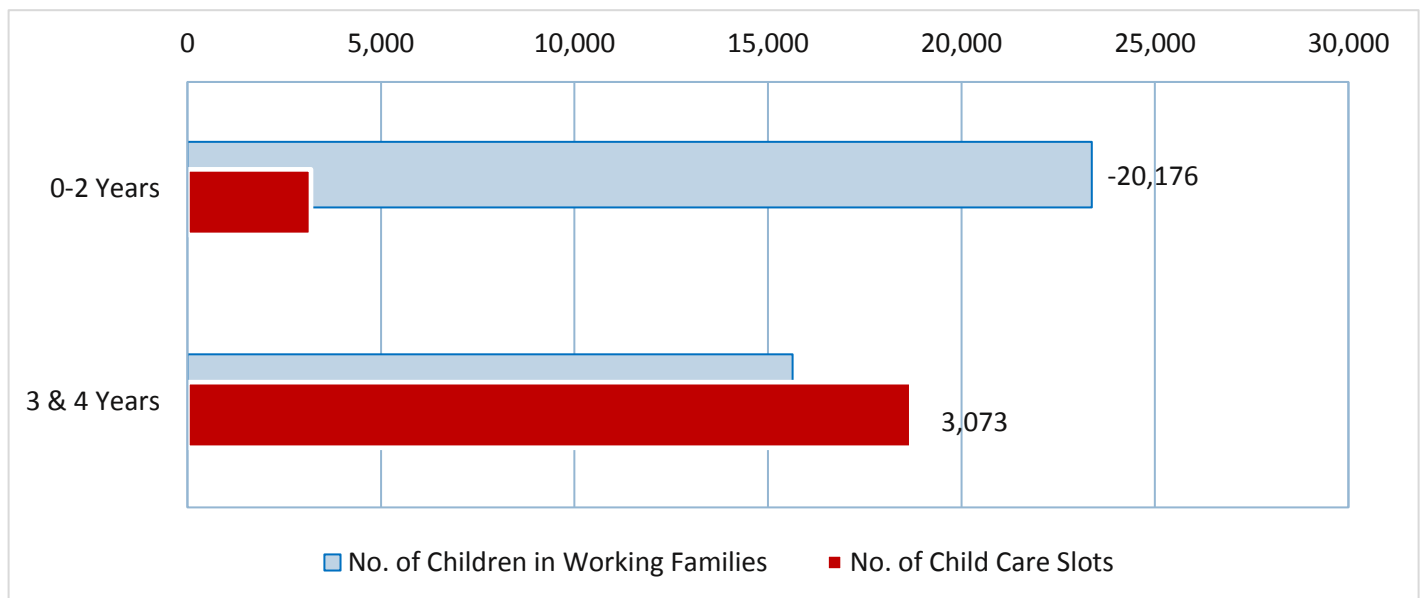
FIGURE 25. UNMET NEED FOR FULL-TIME PRESCHOOL BY MAJOR CITY (2016/17)



Sources: **No. of Children in Working Families** – Early Learning Needs Assessment Tool (2016), American Institutes for Research; **No. of Child Care Slots** – Community Child Care County of Santa Clara County (December 31, 2017)

Notes: Counts reflect the estimated number of children in need of full-time child care.

FIGURE 26. UNMET NEED FOR FULL-TIME INFANT/TODDLER CARE AND PRESCHOOL IN THE CITY OF SAN JOSE (2016/17)



Sources: **No. of Children in Working Families** – Early Learning Needs Assessment Tool (2016), American Institutes for Research; **No. of Child Care Slots** – Community Child Care County of Santa Clara County (December 31, 2017)

Notes: Counts reflect the estimated number of children in need of full-time child care.

DATA CONSIDERATIONS

There are many factors that apply to families and providers that influence child care access and utilization. As such, all demand, supply, and unmet need estimates should be interpreted with caution. The analyses of unmet need completed as part of this assessment assume the following:

- Need for full-time child care is based on the number of children with one (for single-parent families) or both (for two-parent families) parents in the workforce;
- Need for part-time care is based on the number of children with at least one, non-working parent;
- All school-aged children with one (for single-parent families) or both (for two-parent families) parents in the workforce require full-time care;
- Families utilize child care providers in the cities where they reside;
- Licensed center-based providers for which desired capacity data were unavailable fully enroll children in accordance with licensed capacity regulations;
- Licensed family child care home providers for which desired capacity data were unavailable enroll the maximum number of infants/toddlers and preschool-aged children for whom care can be provided in accordance with licensing regulations;
- With the exception of part-day CSPP and Head Start slots, child care slot data are considered full-time slots; and
- Counts for children enrolled in subsidized child care programs are unduplicated.

Alternative estimates for unmet need for infant/toddler care and preschool were calculated as part of the Santa Clara County Office of Education's *Santa Clara County Early Learning Facilities Study*. This study, which took place in 2017, employed child care demand criteria utilized by San Mateo County in their early learning facilities needs assessment for children ages 0-2 years, desired preschool participation rates among children ages 3-4 years established in the Santa Clara County Office of Education's *Early Learning Master Plan*, and assumptions for Transitional Kindergarten or Kindergarten enrollment. Findings from this analysis can be found in the Final Report which includes a description of the early care and education (ECE) landscape in Santa Clara County, early learning facilities costs estimates, and a summary of data collected from ECE providers on expansion interest and related barriers. The report concludes with a set of recommendations intended to engage the broader community (e.g., elected officials, school districts, child care providers, city/county planning and development commissions, etc.) in thoughtful planning for a cohesive and coherent approach to meeting the need for quality infant/toddler care and preschool through early learning facilities expansion and renovation.



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