



Child Action, Inc.

9800 Old Winery Place
Sacramento, CA 95827

www.childaction.org

IMPORTANT BUDGET INFORMATION! PLEASE READ.

June 8, 2009

Dear Parents and Providers,

We cannot guarantee child care payments past June 30, 2009.

As you know the State of California does not have the money to pay for all existing programs, and the Legislature is currently deciding what programs will be reduced and by how much. Child care is one of the areas that will probably lose some funding.

Child Action, Inc. (CAI) is certain of funding only through June 30, 2009. We are expecting to receive money from both the State and the County. However, without confirmation of those funds, we will not be able to continue providing services. We feel an ethical obligation to notify you of potential outcomes of the legislative discussions.

One proposal is to defund the entire CalWORKS system. This would mean that California would have no welfare system. We don't think this is going to happen but if it does, we hope to receive some funding to transfer those CalWORKS recipients who are employed to another of CAI's programs. Those who are in an activity other than employment would lose their child care effective July 1, 2009. If transition money is not available, then all Stage 1 families would lose their child care after June 30, 2009.

In addition to the general budget dilemma, the State also faces a cash flow problem. The State is unable to get loans and has taken a number of steps to reduce cash flow but if the problem persists and CAI runs out of money, we will be forced to withhold payment until we have money.

We are sorry that we don't have better answers. We are anxiously awaiting results of the legislative conferencing just the same as you are. To summarize:

- a. Child care may sustain minimal cuts and we will continue to provide services to parents and pay providers as we have been.
- b. If CalWORKS is eliminated, we hope to have transition money for those of you who are working
- c. If the transition money is not available, those of you receiving cash aid will lose your child care at the end of June.
- d. If the Legislature allocates fewer child care dollars, services will be reduced but no one knows exactly how at this time because those decisions have not been made.
- e. If the State runs out of cash, providers will have to wait for payment until money is released.
- f. If the County of Sacramento does not have money to fund their contract with CAI by the end of June, all Stage 1 services will end June 30, 2009 and the County will be responsible for paying for care that was provided in June.

On of the back of this letter is contact information for Parent Voices (a parent advocacy group) as well as for elected officials. If you have concerns or questions, you can contact them.

Parent Voices, Sacramento

Child Action, Inc.
9961 Horn Road
Sacramento, CA 95827
(916) 369-0191

State Elected Officials Representing Sacramento County

Governor State of California

Office of the Governor, The State Capitol
Sacramento, CA 95814
Governor Arnold Schwarzenegger
(916) 445-2841; Fax (916) 445-4633
<http://gov.ca.gov> (web)

California State Senate

The State Capitol
Sacramento, CA 95814

District 1 Senator Dave Cox
Room 2068 (916) 651-4001
senator.cox@sen.ca.gov

District 5 Senator Lois Wolk
Room 4032 (916) 651-4005
senator.wolk@sen.ca.gov

District 6 Senator President pro Tem Darrell Steinberg
Room 205 (916) 651-4006
senator.steinberg@sen.ca.gov

California State Assembly

The State Capitol
Sacramento, CA 95814

District 4 Assemblyman Ted Gaines
Room 2002 (916) 319-2004
assemblymember.gaines@assembly.ca.gov

District 5 Assemblyman Roger Niello
Room 6027 (916) 319-2005
assemblymember.niello@assembly.ca.gov

District 9 Assemblyman Dave Jones
Room 6005 (916) 319-2009
assemblymember.jones@assembly.ca.gov

District 10 Assemblymember Alyson Huber
Room 5175 (916) 319-2010
assemblymember.huber@assembly.ca.gov

District 15 Assemblymember Joan Buchanan
Room 2130 (916) 319-2015
assemblymember.buchanan@assembly.ca.gov