

California Department of Education

**Report to the Legislative Analyst's Office and the Department of Finance:
21st Century Community Learning Centers Program Allocations,
Expenditures, and Carryover Funds**



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Description: Provision 3 of Budget Item 6110-197-0890 of the 2010 Budget Act requires that the California Department of Education report to the Legislative Analyst's Office and the Department of Finance on three fiscal issues related to after school programs: allocation and expenditure data for all programs funded via Budget Act item 6110-197-0890 in fiscal years 2007-08, 2008-09, 2009-10; reasons for carry over in the program; and planned use of carryover funds.

Authority: Budget Item 6110-197-0890

Recipient: Legislative Analyst and Department of Finance

Due Date: On or before March 1, 2011

California Department of Education

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**21st Century Community Learning Centers Program
Allocations, Expenditures, and Carryover Funds**

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California Department of Education

21st Century Community Learning Centers Program Allocations, Expenditures, and Carryover Funds As of June 30, 2010

Executive Summary

Provision 3 of Budget Item 6110-197-0890 of the 2010–11 Budget Act requires that the California Department of Education (CDE) report to the Legislative Analyst's Office and the Department of Finance on three fiscal issues related to after school programs supported by the federal 21st Century Community Learning Centers (CCLC) Program:

- Allocation and expenditure data for all programs funded via Budget Act Item 6110-197-0890 in fiscal years 2007–08, 2008–09, and 2009–10
- Reasons for carryover in the program
- Planned use of carryover funds

This report contains the requested allocation and expenditure data, and describes how the implementation of the state funded After School Education and Safety Program resulted in the return to the state of approximately \$90 million of 21st CCLC funding. The returned funding resulted from the supplement-not-supplant provisions of federal law, and was immediately awarded to new grant recipients to partially reduce the large unmet demand for after school funds. This returned funding is the primary reason for the “bubble” of carryover in the program. Lastly, the report discusses how the carryover funds are currently being distributed to after school programs to serve additional youth.

You may find this report on the CDE 21st CCLC Web page at <http://www.cde.ca.gov/ls/ba/cp/index.asp>. If you need a copy of this report, please contact Chuck Nichols, Administrator, After School Programs Office, by phone at 916-319-0923 or by e-mail at afterschool@cde.ca.gov.

California Department of Education

Allocations, Expenditures, and Carryover Funds in the 21st Century Community Learning Centers Program As of June 30, 2010

Background

Provision 3 of Budget Item 6110-197-0890 of the 2010 Budget Act requires that the California Department of Education (CDE) report to the Legislative Analyst's Office and the Department of Finance on several fiscal issues related to the 21st Century Community Learning Centers (21st CCLC) Program. The 21st CCLC Program, established under California *Education Code* sections 8484.7–8484.9 and 8420–8428, is a state-administered, federally funded program that provides five-year grant funding to establish or expand before and after school programs. The legislatively stated purpose of the program is to create incentives for establishing locally driven before and after school enrichment programs that partner public schools and communities to provide academic and literacy support and safe, constructive alternatives for youth.

Provision 3 requires that the CDE report on three topics:

1. Allocation and expenditure data for all programs funded in Budget Act Item 6110-197-0890 in fiscal years (FY) 2007–08, 2008–09, and 2009–10
2. Reasons for carryover in the program
3. Planned use of carryover funds

Allocation and Expenditure Data

There are four programs funded from Budget Act Item 6110-197-0890:

1. Elementary/Middle School Grant Program
2. High School After School Safety and Enrichment for Teens (ASSETS) Grant Program
3. Family Literacy grants (awarded as additions to Elementary/Middle and ASSETS grants)
4. Equitable Access grants (awarded as additions to Elementary/Middle and ASSETS grants)

Chart 1 shows allocations and expenditures for each of these programs (see Attachment 1), along with total carryover for all programs combined. The most significant aspect of the chart is that carryover has dropped by approximately \$22 million (24 percent) over the last two years. This reduction in carryover occurred because in each year the CDE allocated more funding to grant recipients than California received from the federal government through the 21st CCLC grant award.

The CDE's plan for awarding the remainder of the carryover funds to serve students is discussed in the final section of this report.

Reasons for Carryover in the 21st Century Community Learning Centers Program

The primary reason for unexpended funds in the 21st CCLC Program is the creation of the After School Education and Safety (ASES) Program via Proposition 49 of 2002. In FY 2006–07, after State of California revenues had increased enough to “trigger” the implementation of the ASES Program, \$550 million in ASES funds were awarded to California after school programs, including all the existing 21st CCLC Program grant recipients. Awarding ASES funds to 21st CCLC grant recipients was necessary because United States Code (20 USC Section 7173) requires that 21st CCLC funds be used to **supplement** state funded after school programs.

Awarding new ASES funds to programs that already had 21st CCLC funding resulted in large amounts of unexpended funds:

- In 2006–07, many existing 21st CCLC grant recipients either reduced their 21st CCLC grant or gave it up altogether, because they did not expect to serve enough students in the after school program to expend both ASES and 21st CCLC funds (grant recipients are required to spend ASES funds first to avoid supplanting).
- In 2007–08, many more existing 21st CCLC grant recipients reduced or gave up the grant because they did not serve as many students as they had expected in 2006–07.

At the end of FY 2007–08, there was \$90 million “bubble” in unexpended 21st CCLC funds, which all became carryover¹. Because there is excess demand for after school program funding, the CDE was able to begin spending down this carryover by allocating more dollars in grant awards than it received from the federal government.

¹In addition to the carryover generated by the conversion of 21st CCLC programs to ASES, there are smaller amounts of carryover generated because: (1) some programs do not spend the entire grant award, and (2) some programs do not serve as many students as expected, so their future grant awards are reduced.

The specific method of allocating the carryover funds is described in the following section of this report.

Planned Use of Carryover Funds

As of the end of FY 2008–09, there was over \$89 million carryover in the 21st CCLC Program. In order to ensure that this carryover was made available to the field to serve youth, in 2009–10 the CDE awarded \$40 million² in grants to new 21st CCLC programs (applications were received requesting a total of \$169 million)³.

The \$40 million in new grant awards, in combination with the funding for ongoing grant recipients, resulted in a total of \$151.8 million allocated for 21st CCLC programs in 2009–10. This was \$27.2 million more in grants than the local assistance portion of the federal grant award (\$124.6 million). These same grant recipients will spend another \$147.6 million in 2010–11 and 2011–12. If the federal grant award remains at the 2010–11 level, at the end of 2011–12 the carryover will have been reduced to approximately \$15.2 million, excluding any new carryover that may result from unexpended grant funds or grant reductions caused by low attendance in the program.

The estimated \$15.2 million in carryover remaining at the end of 2011–12 will be expended by building the funds into a new 21st CCLC grant award process that will give grant awards effective at the beginning of the 2012–13 fiscal year (it is not possible to give new grant awards before that time because all current grant recipients will continue to receive funds through 2011–12). The outcome of this grant award process will be that carryover in the 21st CCLC Program will have been reduced to its practical minimum.

²No more than \$40 million could be awarded without over-obligating federal funds in future years.

³The high demand for 21st CCLC grants shown in the latest grant award process, in which \$129 million more funding was requested than was available, demonstrates that there is still a high unmet need for after school programs. This demand for after school programs will only increase, while the federal grant award is trending downward. This is strong evidence that appropriations should remain at current or greater levels in the state funded after school program, ASES.

Chart 1

**21st Century Community Learning Centers Program
Allocations, Expenditures, and Carryover Funds**

Allocations and Expenditures by Program

Fiscal Year	Elementary/Middle School Grants		High School Grants		Equitable Access Grants		Family Literacy Grants	
	Allocations	Expenditures	Allocations	Expenditures	Allocations	Expenditures	Allocations	Expenditures
07	\$ 122,112,690.20	\$ 52,841,894.54	\$ 46,000,000.00	\$ 41,871,478.82	\$ 7,147,153.00	\$ 2,752,897.36	\$ 6,717,251.00	\$ 2,621,743.85
08	\$ 88,858,895.00	\$ 65,339,642.40	\$ 62,975,970.34	\$ 62,403,044.66	\$ 6,137,322.00	\$ 4,707,602.12	\$ 5,451,149.00	\$ 4,214,660.99
09	\$ 63,171,472.00	\$ 56,167,502.86	\$ 76,306,384.00	\$ 69,137,490.44	\$ 6,862,512.00	\$ 5,800,133.29	\$ 5,499,712.00	\$ 4,612,043.53
Totals	\$ 274,143,057.20	\$ 174,349,039.80	\$ 185,282,354.34	\$ 173,412,013.92	\$ 20,146,987.00	\$ 13,260,632.77	\$17,668,112.00	\$11,448,448.37
Allocations less expenditures		\$ 99,794,017.40		\$ 11,870,340.42		\$ 6,886,354.23		\$ 6,219,663.63

All programs combined

Fiscal Year	Local Assistance Portion of Federal		Grant Award Less		
	Grant Award ¹	Total Allocation ²	Total Expenditures	Expenditures	Carryover ³
07	\$ 122,164,333.00	\$ 181,977,094.20	\$ 100,088,014.57	\$ 22,076,318.43	\$ 90,220,966.00
08	\$ 125,543,900.00	\$ 163,423,336.34	\$ 136,664,950.17	\$ (11,121,050.17)	\$ 89,096,151.00
09	\$ 124,585,780.00	\$ 151,840,080.00	\$ 135,717,170.12	\$ (11,131,390.12)	\$ 68,447,328.00
Totals	\$ 372,294,013.00	\$ 497,240,510.54	\$ 372,470,134.86	\$ (176,121.86)	N/A
Grant allocations less federal award		\$ 124,946,497.54			
Allocations less expenditures			\$ 124,770,375.68		

¹Note that Local Assistance Portion of Federal Grant Award is calculated as: Federal Grant Award - (Technical Assistance + State Ops) = Local Assistance.

²Note that allocations exceed the federal grant award in all years. This is because carryover funds are counted once in the original funding year, and a second time in the year which they are carried over.

³Note that carryover is as of June 30, 2010, and 2009–10 fiscal year grants do not end until December 31, 2010.

Chart 2

21st Century Community Learning Centers Carryover Plan

Grant Award Cohorts	2010–11	2011–12	2012–13
Cohort 4 Allocations ¹	\$ 55.7	\$ 55.7	\$ 0.0
Cohort 5 Allocations	\$ 52.4	\$ 52.4	\$ 52.4
Cohort 6 Allocations	\$ 39.5	\$ 39.5	\$ 39.5
Cohort 7 Allocations			\$ 44.3
Total All Cohorts	\$ 147.6	\$ 147.6	\$ 136.2
Local Assistance Grant Amount	\$ 121.0	\$ 121.0	\$ 121.0
Estimated Carryover²	\$ 41.8³	\$ 15.2	\$ 0.0

¹All dollar figures are in millions.

²The estimated carryover figures in 2011–12 and 2012–13 are computed by adding the prior year carryover to the current year "Local Assistance Grant Amount," and subtracting current year "Total All Cohorts."

³This figure is estimated by adding \$68.4 million in carryover from 2009–10 to the "Local Assistance Grant Amount" and subtracting "Total All Cohorts."