



Reducing Costs While Maintaining Quality Vignettes

Vignette # 1: Children's Futures Early Childhood Agency (CFEC) received approval of its Head Start refunding application on March 1, 2013, but is faced with reducing nearly \$90,000 from its \$1.75 million budget between now and February 2014.

Options:

1. Increase family caseloads from 40 to 60 for two family advocates. Terminate one family advocate, effective May 1. Savings: \$33,000 in salaries and fringe benefits
2. Terminate the Disabilities or Health Manager effective May 1, and combine duties into one position. Use clerical staff for data management. Savings: \$55,000 in salary and fringe benefits
3. In September, close a part-day/year Head Start classroom in the agency's largest Head Start Center. Terminate a teacher, assistant teacher and assistant cook. One of the largest public schools in the community provides universal Pre-K to all 4-year-old children; although Head Start parents have preferred sending their children to Head Start. Savings: \$58,080.
4. Suspend plans to award 3 percent salary increases to CFEC teachers to bring their salaries in line with other area preschool teachers with similar credentials. Savings: \$10,400

Vignette #2: Hafford County Head Start Center (HCHS) must cut 5 percent of its \$3 million Head Start and Early Head Start budgets in the remaining seven months of its fiscal year. It's EHS funded enrollment is 68 infants and toddlers and \$1 million budget. HS Enrollment: 235 preschoolers; \$2 million budget.

Options to address need for immediate reductions:

1. Cut four weeks of service from the program's 10 part-day/year HS centers before the end of the program's fiscal year (Nov. 30), laying off more than 20 staff. Savings: \$70,000.
2. Reduce content area managers' hours in the summer from 40 to 25 a week and lay them off completely for two weeks during the summer. Savings: \$45,000 in salaries and fringe benefits.
3. Close three part-day/year HS centers in September, reducing service to 51 children and terminating seven staff. Savings: \$95,000 in the three months remaining during the program's fiscal year.
4. Cut four weeks of service between now and end of fiscal year to all EHS children who are served in a home-based option. Reduce six home visitor's weeks of work by four weeks. Savings: \$22,800.
5. Immediately terminate the new mentor-coach who was just hired. Savings: \$30,000 remaining budget year.