

# Overview of Child Care Program

NALEO Presentation  
February 28, 2019

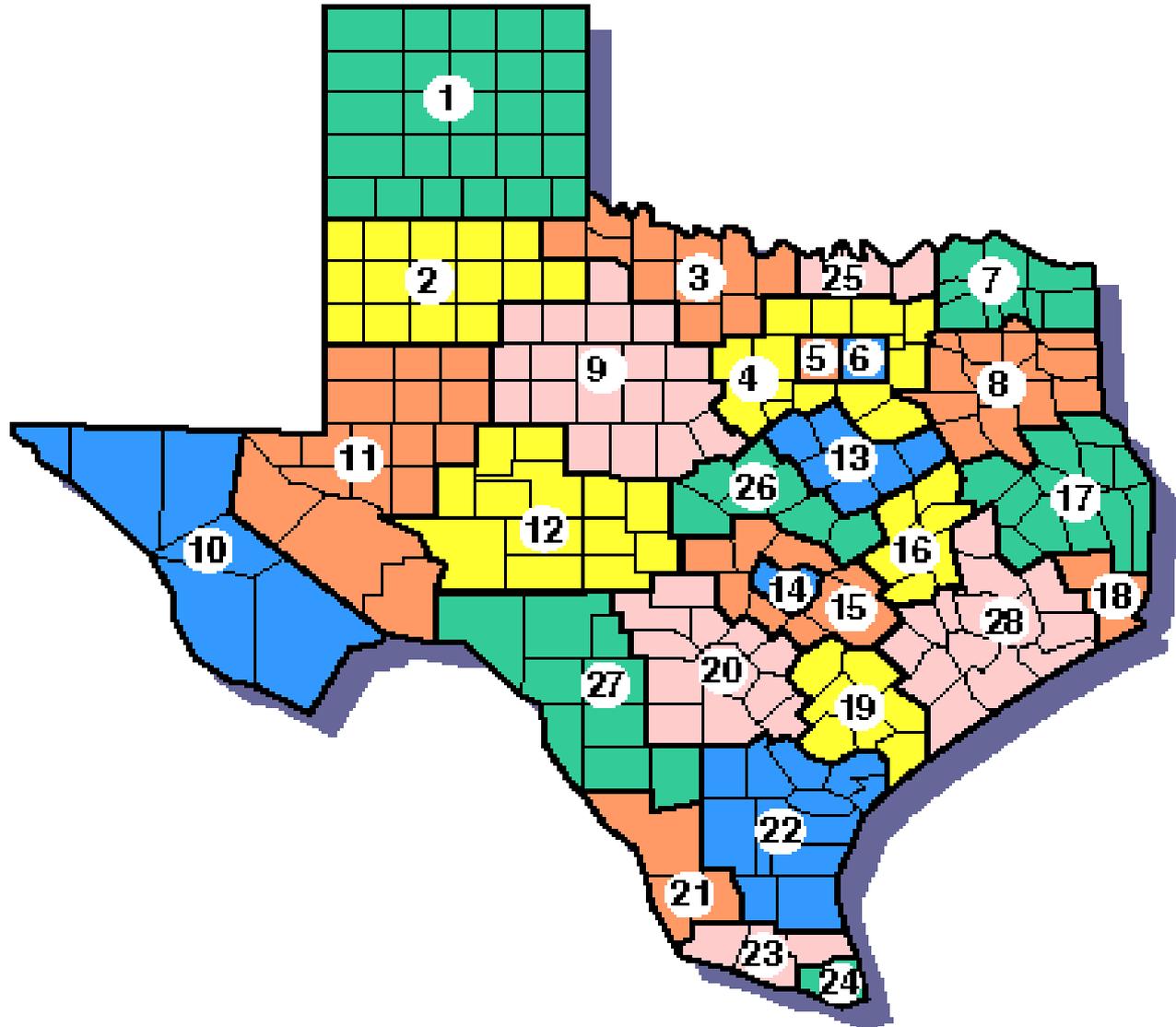


# Discussion Points

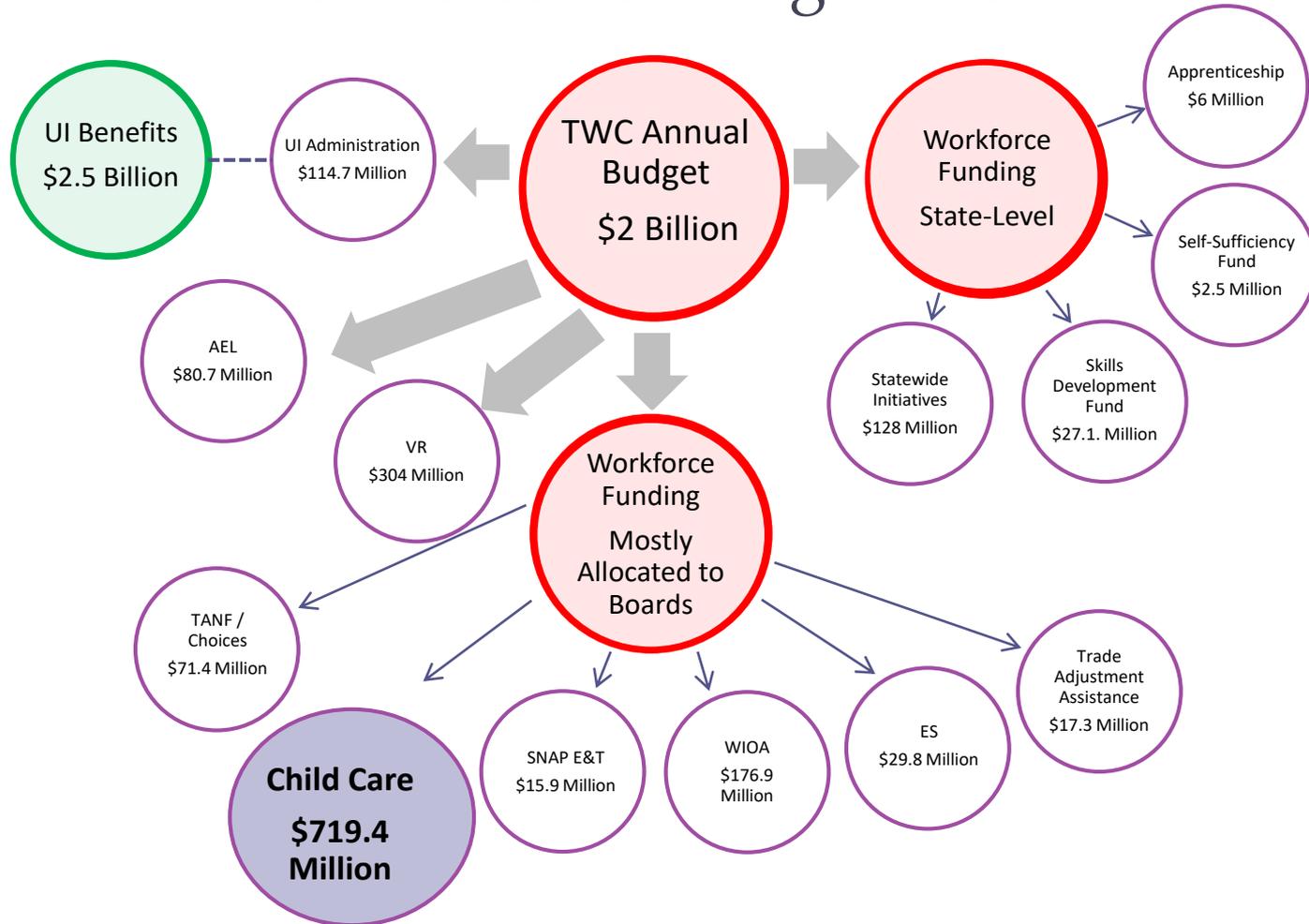
- Overview of TWC / Workforce Boards
- Child Care Program Structure and Funding
- Local Match
- Performance
- Priority of Service
- Reimbursement Rates
- Overview of Quality Child Care – Texas Rising Star
- TWC Initiatives and Promising Partnerships

# 28 Workforce Development Areas

- 1. Panhandle
- 2. South Plains
- 3. North Texas
- 4. North Central
- 5. Tarrant
- 6. Dallas
- 7. North East
- 8. East Texas
- 9. West Central
- 10. Upper Rio Grande
- 11. Permian Basin
- 12. Concho Valley
- 13. Heart of Texas
- 14. Capital Area
- 15. Rural Capital
- 16. Brazos Valley
- 17. Deep East Texas
- 18. Southeast Texas
- 19. Golden Crescent
- 20. Alamo
- 21. South Texas
- 22. Costal Bend
- 23. Lower Rio Grande Valley
- 24. Cameron County
- 25. Texoma
- 26. Central Texas
- 27. Middle Rio Grande
- 28. Gulf Coast



# Workforce Funding FY 2019



# LWDB Administered Programs & Services

- Child Care Services, includes:
  - Choices Child Care, Transitional Child Care, and At-Risk Child Care
  - Child Care for Children's Protective Services
  - Texas Rising Star (Quality Rating Improvement System/QRIS)
  - Child Care Automated Attendance (CCAA)

# Child Care Services

Child care services are provided to low-income families to:

- Create and promote long-term self-sufficiency by enabling parents to work, attend job training for work, or increase educational levels,
- Offer affordable, accessible, and quality child care that supports the physical, social, emotional, intellectual development, and safety of children, and
- Empower parents to make informed choices regarding child care that best meets the family's needs.



# Program Structure

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## TWC responsibilities

- Oversight – structure, funding (local match)
- Performance

## Board responsibilities

- Local Match
- Priority of Services
- Types of Child Care Eligibility
- Reimbursement Rates
- Income Limitations

# Child Care Services Funding

- Part of the child care allocation to each workforce area includes an amount of federal matching funds that are contingent upon the Boards' ability to secure local match.
- Funds from both public and private entities can be used to match federal matching child care funds.

Program Year	Federal Funds	Local Match Target	Total
PY 18	\$491,138,104*	\$43,163,764	\$534,301,868
PY 19	\$677,948,842*	\$41,353,026	\$719,301,868



\* A portion of federal funds are contingent upon each area achieving their local match.

# Performance

The Texas Legislature establishes statewide targets for TWC. TWC uses statewide target to establish Boards' performance targets or average number of children in care per day.

Total FY 2019 performance target for the state of Texas is **104,559** Average Kids per Day. *However, in the spring of 2018, Congress passed a significant increase in the budget for this program and TWC is now targeting enrollment of 137,355 Kids per Day.*

In order for Texas to meet the average number of children in care per day, this goal is pushed down to each Board area to meet their relative share of the goal.

# Child Care Services

- Services to Families
  - Priority for services
  - Eligibility for services
  - Parent responsibilities
  - Consumer Education
  - Waitlist management
- Services to Providers
  - Provider Agreements
  - Reimbursement rates (Market Rate Survey)
  - Attendance tracking and reporting
- Quality Rating and Improvement System
  - Texas Rising Star Program

# Priority for Service

- Commission rule establishes three groups for priority of service.

First priority group (assured child care services):

- Choices
  - Temporary Assistance for Needy Families (TANF) Applicant
  - SNAP E&T
  - Former Choices
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## Priority for Service (cont'd)

Second priority group (served subject to the availability of funds, and in the order of priority):

- Children receiving protective services
- Children of a qualified veteran or qualified spouse
- Children of foster youth
- Children experiencing homelessness
- Children of parents on military deployment
- Children of teen parents
- Children with disabilities

Third priority group includes any other priority adopted by the Board, such as siblings of children already in care, local organizations / partners)

# Income Limitations

- Boards may establish income limits for initial eligibility for child care, but must be less than 85% of the state median income (SMI) for the family size.
- Boards typically set initial income eligibility at either 200% Federal Poverty Income Guidelines (FPIG) or 85% SMI.
- Boards who do have an initial eligibility threshold lower than 85% SMI cannot discontinue care until a family exceeds 85% SMI.



Quality

# Quality

The goal of the Quality Initiatives team is to elevate the field of early education across the state in order to create high-quality early childhood experiences for all children. This work is done by providing pathways for enhanced education and professional development opportunities for early teachers and administrators, as well as the Texas Rising Star program.

# Overview of Quality Activities

- Texas is required to spend a minimum of 9% of CCDF funds on activities that improve the quality of child care, and 2% of the overall funding on infants and toddlers specifically.
- Boards may use allocated child care funds for any non-direct care quality improvement activity permitted by Child Care and Development Fund (CCDF) regulations.
  - Boards must spend at least 2% of their federal allocation on Quality Initiatives.
  - Boards receive specific contracts with dollar amounts that must be spent on Quality Initiatives annually.
- In 2019, a total of \$10.7 million dollars has been allocated across the state for Quality Initiatives.

# Types of Quality Activities

- Texas Rising Star Program
- TRS Quality Awards Conference
- Texas Early Childhood Learning Summit
- Child Development Associate Credentialing
- Professional Development
- Business Administration
- Workgroups related to early childhood initiatives across the state

# Reimbursement Rates

- Boards establish maximum reimbursement rates based on local factors, including a market rate survey provided by TWC.
- Boards cannot pay more for care than the provider's published rate or the Board established maximum reimbursement rate, whichever is lower.
- Boards intending to increase maximum reimbursement rates must demonstrate that they:
  - can meet child care performance
  - will remain within their child care allocation





# TRS Provider Certification



The Texas Rising Star (TRS) Provider Certification is a voluntary quality rating system for TWC - subsidized children in licensed and registered facilities that is implemented at the local level.

- TRS encourages providers to attain progressively higher certification requirements that exceed minimum child care licensing standards.
  - TRS helps to improve the quality of care for children.
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# Texas Rising Star Provider Reimbursement Rates

- A TRS Provider is a child care provider that has an agreement with a Board's child care contractor to serve TWC-subsidized children and that voluntarily meets requirements that exceed the State's Minimum Child Care Licensing Standards.
- TRS Providers are certified at the 2-star, 3-star and 4-star levels.
- Providers that meet TRS Certification criteria receive an enhanced reimbursement rate:
  - 4-star providers receive reimbursement at the 75<sup>th</sup> percentile of the 2017 Market Rate Survey.
  - 3-star providers receive 90% reimbursement of the 4-star level.
  - 2-star providers receive 90% reimbursement of the 3-star level.
  - Additionally, each reimbursement rate must be at least 9%, 7% and 5%, respectively, above the maximum reimbursement rates for that type of center.

# Initiatives and Promising Partnerships

- Ramping up to provide care to additional 28k Texas children per day
- \$10 mil to expand TWC's Pre-K Partnership with TEA
- Over \$10 mil supporting TRS mentors and assessors staffing
- An additional \$7 mil to LWDBs for targeted initiatives
- \$8 mil for collaborative opportunities to improve TRS
- \$3 mil for child care provider business forums
- Up to \$1 mil to conduct a cost of quality study
- Texas Policy Lab Partnership
- Discussion of shared services

