

**Texas Child Care and Development Fund State Plan
for Federal Fiscal Years 2012 and 2013**

Executive Summary

In Federal Fiscal Year 2012 (FFY' 12), the Texas Workforce Commission (TWC) anticipates receiving an estimated \$500,988,814 in federal and state funds to deliver child care services to an average of 110,845 children from low-income working families per day. Funds include \$42,563,817 in state matching funds.

Child Care and Development Fund Goals

As a new component in the Child Care and Development Fund (CCDF) State Plan, The Administration for Children and Families requires the Lead Agency to identify goals related to the following:

1. Improving the program quality system.
2. Building the professional development system.
3. Enhancing licensing standards and health and safety requirements.
4. Expanding the use of voluntary early learning guidelines.
5. Administering the CCDF subsidy program.

TWC is the CCDF Lead Agency for Texas and is the primary agency for CCDF subsidy administration, as well as the primary agency responsible for the quality rating improvement system (QRIS) through Texas Rising Star (TRS) Provider Certification. However, TWC is not the Lead Agency in Texas for the goals related to health and safety and quality improvement activities.

1. Improving the Program Quality System

QRIS refers to a systematic framework for evaluating, improving, and communicating the level of quality in early childhood programs and contains five key elements:

- i. Program standards
 - ii. Supports to programs to improve quality
 - iii. Financial incentives to improve quality
 - iv. Quality assurance and monitoring
 - v. Outreach and consumer education
- TWC and the Local Workforce Development Boards (Boards) will develop consumer education materials and delivery systems designed to inform parents receiving subsidized child care of quality child care programs including:
 - TRS Provider Certification;
 - Texas School Ready! (TSR!) Certification; and
 - National accreditation.
 - TWC will conduct an assessment of TRS Provider Certification standards and work with Boards, Texas Department of Family and Protective Services (DFPS), the Texas Early Learning Council (council), and other stakeholders to modify TRS Provider Certification standards and program requirements in relation to each one of the five key elements.

- TWC is a member of the council (a.k.a. the State Advisory Council on Early Childhood Education and Care). One of the council's goals is to make recommendations to integrate diverse quality rating initiatives. During FFY'12, the council will review TWC's TRS guidelines and ascertain how the elements within TRS compare to typical QRIS components. The council will also conduct stakeholder forums on QRIS development.

2. Building the Professional Development System

The CCDF State Plan outlines five key elements for building professional development systems and workforce initiatives:

- i. Core Knowledge and Competencies (CKC)
 - ii. Career Pathways (or Career Lattice)
 - iii. Professional Development Capacity
 - iv. Access to Professional Development
 - v. Compensation, Benefits, and Workforce Conditions
- The Texas Head Start State Collaboration Office supports professional development efforts and leads the work of the Texas Early Care and Education Career Development System (TECECDS) and is collaborating with the Texas Early Learning Council subcommittee on Workforce and Professional Development. TWC will continue to participate in the advisory committee to TECECDS and assist TECECDS in its stated goals:
 - Revise competencies for practitioners and administrators to address beginning, intermediate, and advanced levels.
 - Develop competencies for coaches, mentors, and consultants.
 - Create and pilot an Early Childhood Workforce Registry for practitioners, administrators and facilities.
 - Develop a draft of a career lattice linked to the Early Childhood Workforce Registry.
 - Assess the capacity, effectiveness, and articulation agreements of two- and four-year colleges and universities.
 - Make significant changes to the Trainer Approval System to improve the quality assurance process for trainers.
 - Conduct a compensation study, explore and identify scholarship/financial aid opportunities and develop recruitment and retention materials for early childhood programs.
 - Develop a user-friendly, integrated early childhood data system that links multiple sources of early childhood data—including professional development and workforce data—to drive decision making and improve the quality of programs and school readiness outcomes.

3. Enhancing Licensing Standards and Health and Safety Requirements

- DFPS is the Lead Agency responsible for child care licensing and monitoring. DFPS has notified TWC of the following goals: Licensing may consider changes to the minimum standards to increase training requirements and reduce child-caregiver ratios and group sizes for two- and three-year-olds. The status of the economy and how changes will impact families and providers, as well as legislative directives and budget constraints, will impact the decision to propose rule changes.

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2 4. Expanding Use of Voluntary Early Learning Guidelines
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- 4 • The Texas Education Agency (TEA) is the Lead Agency responsible for the
5 development of early learning guidelines (ELGs). TEA currently has prekindergarten
6 (pre-K) guidelines in place. TWC will continue to work with TEA to promote the
7 existing pre-K guidelines and web-based training.
8
9 • One of the council's goals is the development of ELGs. As a member of the council,
10 TWC will continue to work with the council to develop ELGs for children ages birth
11 to three. During FFY'12, the council will conduct research on age-appropriate
12 guidelines for infants and toddlers, and will examine linkages between these new
13 guidelines and the existing pre-K guidelines.
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15 5. Administering the Child Care and Development Fund Subsidy Program
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- 17 • TWC plans a consolidation of two of its major information systems to better manage
18 the various workforce programs tracked using The Workforce Information System of
19 Texas (TWIST) and the Child Care Service Delivery system. The primary goal of the
20 project is to improve the efficiency, effectiveness, quality, and integration of service
21 delivery and reporting. Combining the two systems will decrease system complexity
22 and save time on end-user training, as well as daily operations and system
23 maintenance costs.
24
25 • TWC, in coordination with DFPS, plans to develop additional consumer education
26 materials to assist parents in choosing quality child care.
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28 **Child Care and Development Fund Administration**

29 TWC contracts with each of the state's 28 Boards to administer child care services, and Boards
30 contract with private nonprofit and for-profit organizations and governmental entities to
31 determine parent eligibility and refer eligible parents to the child care services that best meet
32 their needs
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34 Eligibility for Child Care Services

35 To be eligible for child care services, a child must be younger than 13 years of age and be the
36 child of a parent requiring child care in order to work or participate in education or training
37 activities. Boards may serve children with special needs up to the age of 19. TWC-subsidized
38 child care services are provided to children of parents receiving public assistance or at risk of
39 becoming dependent on public assistance.
40

41 Boards are responsible for establishing family income limits for child care services; Board-
42 established limits must not exceed 85 percent of the state median income for a family of the
43 same size.
44

45 Priority for Child Care Services

46 TWC gives first priority for child care services to:

- 47 • parents receiving Temporary Assistance for Needy Families (TANF) cash assistance and
48 participating in Choices employment and training services;
49 • TANF applicants who become employed prior to certification for TANF;

- parents participating in Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T); and
- parents transitioning off TANF cash assistance.

Priority also is given to children with special needs, subject to the availability of funds, in the following order:

- (1) Children who need to receive protective services child care as authorized and funded by DFPS;
- (2) Children of qualified veterans;
- (3) Children of foster youth;
- (4) Children of teen parents; and
- (5) Children with disabilities.

Parental Choice in the Provision of Child Care Services

Parents choose the type of child care that best suits their needs from among licensed child care facilities and registered child care homes. In State Fiscal Year 2010 (SFY'10), approximately 65 percent of all licensed child care centers, 44 percent of all licensed homes, and 22 percent of all registered child care homes in Texas provided care for TWC-subsidized children. In addition to licensed facilities and registered homes, parents can choose eligible relatives for child care. In SFY'10, eligible relatives cared for 4 percent of all TWC-subsidized children.

To assist parents in obtaining information to locate appropriate child care, TWC contracts with the Texas Health and Human Services Commission to provide child care information and referral services across the state through the Texas Information and Referral Network/2-1-1 Texas (2-1-1 Texas) by phone at 2-1-1 and on the Internet at www.211Texas.org. 2-1-1 Texas is the single point of coordination for statewide information and referral.

Provider Reimbursement

Boards are responsible for establishing maximum rates of reimbursement to child care providers. By TWC rule, Boards also establish enhanced reimbursement rates for child care providers who are TRS or who are TSR! certified, or participating in the TSR! Grant Project, formerly known as the Texas Early Education Model (TEEM). Enhanced reimbursement rates must be at least 5 percent higher than the rates for non-TRS, non-TSR!, and non-TSR! Grant Project facilities.

Parent Share of Cost

CCDF regulations require parents to share in the cost of subsidized child care. The parent share of cost must be on a sliding scale based on the family's size and income. Boards determine the family's share of cost based on the local workforce development area economy and cost-of-living indicators. A majority of Boards have established rates between 9 and 11 percent of the family's income.

Parents who **are not** assessed a parent share of cost include:

- parents participating in Choices employment and training services;
- parents participating in SNAP E&T; and
- parents of children who receive protective services—unless DFPS assesses a fee to the parent.