

Preliminary Findings from Interviews with Child Care Program Managers

A Product of the Study of
Devolution of Subsidized Child Care in Texas

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Ray Marshall Center
for the Study of Human Resources

LBJ School of Public Affairs
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**Center for Social
Work Research**

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Texas Child Care Profiles for Local Workforce Development Areas FY 1998- FY 2001
are available on the Center's website:
<http://www.utexas.edu/research/cshr>

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List of Acronyms

CCDF	Child Care and Development Fund
CCPM	Child Care Program Manager
CDA	Child Development Associate
CPS	Child Protective Services
DHS	Department of Human Services
ESL	English as Second Language
GED	General Education Development
JTPA	Job Training Partnership Act
LWDB	Local Workforce Development Board
NAEYC	National Association for the Education of Young Children
TDPRS	Texas Department of Protective and Regulatory Services
TWC	Texas Workforce Commission

Introduction

Beginning in 1997, along with the devolution¹ of workforce development programs to 28 local workforce development boards, the Texas Workforce Commission (TWC) devolved the child care subsidy program for low income families. Currently, changes in child care policies and practices are still happening and boards are responding to these ongoing changes in their policy environment. In addition to tracking changes on child care policy and usage, this research project is documenting the transition processes and the variations in both process and policy outcomes among the different boards. These include board-level policy changes, practices, resources, opportunities, and constraints. To this end, the research team engaged in semi-structured qualitative telephone interviews with the child care management staff for each board. (In most cases the boards employ at least one staff member to manage the child care program.) The following report includes the preliminary findings of the first round of 28 interviews conducted during 2001-2002, the first year of the project.

The qualitative interviews allowed researchers to elicit detailed accounts of the policy process and the resulting decisions, as well as the factors that influenced both. The interview schedule covered nine main topics: (1) History and background of the child care staff serving the board; (2) Board structure; (3) Program administration and operation (4) Child care management structure; (5) Child care decision-making processes; (6) Child care variables (including eligibility criteria, recertification procedures, waiting list, parental co-payments, reimbursement rates, access to care, outreach efforts, etc.); (7) Child care provision methods; (8) Quality improvement activities and (9) Funding. A copy of the research instrument may be found in Appendix. Follow-up questions and interviews filled out details not necessarily covered in the initial interview.

The telephone interviews on which this report is based were conducted in the spring and summer of 2002. Thirty-five staff members of the 28 boards took part in the interviews, all of them closely involved in the management of the child care program, either as the primary Child Care Program Manager (CCPM) or in a related capacity. The interviews lasted between 30 and 180 minutes and were audio-taped with the informed consent of the participants. The tapes were

¹ Devolution is a process of transfer from a more centralized to a less centralized authority.

transcribed in full, and then coded for content. The initial analysis, reported in part in this document, is designed to identify the range of experiences and attitudes among child care management staff, particularly as they relate to seven of the nine topics from the interview. Child care variables and provision issues will be developed in next year's report. This report also raises a number of questions and topics to be explored in the next year of the research project. The findings emphasize some of the key elements of the transition process and their presentation complements the profiles of each of the local workforce development board presented in a companion report.

This report begins with a description of the role of the child care management staff, both in the board structure and in the wider community. A brief outline of board structures follows. The third section sketches the overall transition of child care responsibilities through time, as described in the course of the interviews. Descriptions of recent policy changes illustrate the outcomes of the policy-making process. Next, the report describes quality improvement activities, a core component of board activities. The final section examines the role that boards play in shaping their own current and future activities by raising funds within their community, in addition to managing the funds provided by the Texas government.

1. Boards' child care management staff as key local actors

Local voluntary boards and their staff have been responsible for the management of the child care program only for the last five years. Board staff members directly involved with the management of the child care program also manage communication and other activities between the voluntary board and the wider community, including the child care contractor(s), child care providers, community organizations, and parents.

1.1. Child care program managers

Each local board employs at least one staff member² in charge of managing the child care program. In most cases these individuals' efforts are devoted exclusively to the child care program, although in some cases they carry additional responsibilities. Interviewees vary in the amount of time they have spent in their posts, ranging from staff members who have been in

² In a few cases there are more than one person dedicated to this job.

place since the board’s original certification date, to a staff member who had only been on the job a couple of days before the interview; however, most child care staff have been with the board since the transition of child care responsibilities to the board (Table 1).

Table 1. Length of time in child care management position with the board (at time of interview)

	Length of time	Number of informants
1.	48+ months	15
2.	36-47 months	4
3.	24 - 35 months	3
4.	12 – 23 months	3
5.	Less than 12 months	3
	Total	28

Source: Interviews with boards’ staff members (spring and summer 2002)

Thus, most respondents had been in their position long enough to be excellent sources of information about the transition of child care responsibilities to the boards. The child care staff members’ professional experiences includes work with Texas Workforce Commission (TWC), Department of Human Services (DHS), the child care contractor, child care provider(s), with the board in another capacity, and with community volunteer agencies (Table 2).

Table 2. Interviewee’s previous professional experiences

	Types of experience prior to joining the board	Number of informants
1.	DHS	8
2.	TWC	8
5.	Other welfare or educational program (ex. JTPA)	8 (3 CPS, 1 TDPRS, 3 JTPA, 1 Other)
9.	Combinations of experience in child care	6
6.	Staff member on the board	5
3.	Child care contractor	4
4.	Child care provision	1
8.	No previous experience in child care	1
	Total	28

Source: Interviews with boards’ staff members (spring and summer 2002)

In fact, TWC required that each board employ experienced personnel, and many staff shared similar work backgrounds. For example, staff members at seven boards worked originally on child care programs at DHS and then joined TWC when the state legislature transferred child care programs from the one agency to the other. When the child care programs were transferred to local boards, these staff were sometimes recruited by the boards for the child care staff positions. Other staff brought child care experience from work in different capacities³. Child care program managers' formal qualifications and professional experiences indicated, in general, a long involvement in child care policy and practice work. Their professional experiences were not limited either to governmental program management or local organization work. They brought diverse backgrounds to their positions, including business and general management skills.

1.2. Current responsibilities

Child Care Program Managers (CCPM) are responsible for the smooth functioning and development of the child care program. While the boards do not provide any direct services, the CCPM is responsible for contracts and quality initiatives. Her responsibilities include, but are not limited, to the following:

- Program development work with the board (advice, research, policy development), in collaboration with the Child Care Committee on the board (if any).
- Management of all aspects of the contracts for child care delivery, including management of the selection of the contractors, monitoring of the contractor's work, and quality assessment (either directly or through contracts and other mechanisms).
- Liaison with TWC about child care issues.
- Collaboration with the board's external partners and the public in general on child care issues. They may represent the board's child care interests at the local, regional and state levels.
- Participate in a network of child care staff members from other boards.

³ This will be further explored in the subsequent contacts with the informants.

Work within the board (voluntary members and staff)

Interviews indicate that the dedicated child care staff members (when present) play a central role at the boards, particularly if they are dedicated solely to child care work. They advise the boards concerning the boards' role in child care policy and about child care issues in general. Their role includes responsibility for what has been an increased focus on quality initiatives, a concentration more recently supplanted by the need to raise local funding both for the required match and for any additional child care initiatives the board wishes to undertake. Close collaboration with the Child Care committee (if any) as well as the board at large has been especially crucial in the transition period of the last several years.

Oversight and co-operation with the child care contractors

In general, program managers tend to work closely with the child care contractors, often on a day-to-day basis, and both formally and informally. The selection of a contractor, oversight (reporting and monitoring) and, on occasion, technical assistance are all responsibilities of the program manager. This close collaboration between CCPM and contractor was often facilitated by a past history of relationships and shared knowledge of both the program and community child care needs.

Collaboration with TWC

CCPMs work closely with TWC on a wide array of issues to ensure appropriate board response to the TWC-determined priority groups, funding requirements, and rules. They also seek out any needed technical assistance in these or other areas. The nature of relationships with TWC varies among boards, as well as over time for any one board. For instance, some respondents are in more or less constant contact with their liaison officer; others find information by themselves or through contact with other boards. Throughout the interviews, program managers described how a series of reorganizations at TWC have made their working relationships with the state agency somewhat harder to maintain and have, on occasion, undermined the quality of the support the boards receive. However, even before joining the board staff, many informants had previously established personal and professional relationships they can still draw on when working with TWC.

Community partnerships

The child care program managers are particularly active in the development of local quality improvement initiatives and community partnerships. They often work with a range of community leaders, state and local public agencies, and other community and voluntary organizations (Table 3). In some cases CCPMs also consult with the wider community about child care issues. (This consultation may also be a formal part of the child care policy process, see section 3 below).

Table 3. Community partners

	Type of partners	Number of boards
1.	Statutory organizations	21
2.	Non-profit organizations	17
3.	Local colleges	16
4.	School districts	16
5.	Other	5
6.	Businesses	4

Source: Interviews with boards' staff members (spring and summer 2002)

Working with partners throughout the state

A statewide network of board-level child care staff was established in 1992. Many CCPMs talked about this resource for informal discussion, exchange of information, advice on good practice, and support. At a minimum, the network meets quarterly on a regular basis. CCPMs also communicate regularly with each other through visits, e-mail, and telephone conversations.

Future and more detailed analyses of the interview data and of the next round of interviews will:

- Delineate in more detail the role of the CCPM.
- Study similarities and differences among the boards concerning program aims, policy priorities and options for further program development.
- Explore in more detail the commitment to quality improvement activities, as considerable energy and creativity have been devoted to this effort.
- Examine the changes over time of the key roles played by these members of staff.

2. Local workforce development board structures

Local boards share a common set of directives from TWC concerning the composition of their boards and the board functions. Preliminary results suggest that, in addition to the commonalities resulting from these directives, there is diversity in the committee structure, including the structure of committees responsible for child care programming.

2.1. Composition

TWC's rules specify a great deal about voluntary board membership. These requirements aim at ensuring wide representation on the board including both a balance by gender, race and ethnicity, as well as the representation of various organizations. While TWC sets a minimum number of members for the boards, they range in size from 24 to 63 members. Interviewees confirm the boards' compliance with the state directives; however some respondents comment on the difficulty in finding voluntary members with the required characteristics.

2.2. Current board committee structures

While the boards have a similar basic structure, an examination of their organizational charts, and the number and titles of committees, reveals differences among them. As Table 4 indicates, the number of committees ranges from zero to nine. The functions and titles of these voluntary committees also vary. Table 4 also shows the current committee structures of the boards.

2.3. Committees with substantive interest in child care issues

As far as the child care issues are concerned, the structural differences between the boards do not appear particularly dramatic. Seventeen of the twenty-eight boards include a child care committee. However, in the cases where there is no such committee, child care issues are examined by the relevant committee for that specific issue, e.g. "quality committee", "planning committee".

Six boards have made significant structural changes since their inception. These changes include a recent creation of a primary child care committee by one board, but the dismantlement of the child care committee by another. In the latter case, child care issues are addressed by either a "child care and youth" committee or by any of the other committees, depending on the specific

issue at hand. Some boards exercise all of their committees when discussing programmatic issues, the committee are formed around general areas of concentration such as finance or quality committee.

Further interviews and more detailed case studies will track the board structure development and changes over time, with particular emphasis on the child care responsibilities of the boards.

Future analysis will include:

- Changes in the standing, advisory, and ad hoc committees over time.
- Relationship of various committee structures to the means of addressing child care issues.
- Differences among boards in functioning, disposition, and orientation towards child care issues.

Table 4. Current committee structures

#	LWDB	Number of committees (Number of members)	List of committees (in bold: committee with substantial child care interest)
01	Panhandle	4 (24)	Child Care , Executive, Labor Market Information, Youth Advisory
02	South Plains	4 (35)	Child Care and Youth , Education, Employer Services/Economic Development, Workforce Operations (Other committees created as needed).
03	North Texas	4 (27)	Child Care , Monitor and Evaluation, Executive, Employer Services.
04	North Central	6 (33)	Finance, Marketing, Program, Quality Assurance, Youth Partnership , Legislative Ad Hoc Executive.
05	Tarrant County	5 (29)	Child Care , Finance, Marketing, Program Services, Youth Advisory Council.
06	Dallas County	0 (23)	Carver System, there are no standing committee.
07	North East	8 (31)	Executive, Strategic and Operational Planning, Bylaws, Marketing, Oversight and Evaluation, Child Care , Budget and Finance, Youth Council, Youth Advisory.
08	East Texas	6 (29)	Ad-hoc Audit Group, Executive, Labor Market, Welfare to Work , Workforce Center's, Youth Advisory Committee.
09	West Central	7 (30)	Child Care , Workforce Center, State and Local Partners, Planning and Evaluation, Community Relations, Youth Council, Executive.

#	LWDB	Number of committees (Number of members)	List of committees (in bold: committee with substantial child care interest)
10	Upper Rio Grande	6 (33)	Executive, External Affairs, Oversight and Evaluation, Policy and Planning , Program Committee, Finance, Youth Advisory.
11	Permian Basin	4 (29)	Services , Executive and Oversight, Skills, Youth.
12	Concho Valley	5 (30)	Child Care , Employer Services, Executive, Finance, Workforce Development.
13	Heart of Texas	4 (32)	Child Care , Workforce, Intelligent, Facilities.
14	Capital Area	5 (28)	Child Care , Executive, Planning, Operations, Citizens Services Workgroup.
15	Rural Capital	6 (25)	Child Care , Marketing, Business Monitoring, Executive, Planning.
16	Brazos Valley	6 (36)	Child Care , Executive, Planning, Employment Services, Youth, Financial.
17	Deep East Texas	4 (31)	Child Care , Finance, Welfare-to-Work, Youth.
18	South East Texas	4 (30)	Child Care , Planning, Evaluation and Oversight, Marketing, Executive.
19	Golden Crescent	3 (28)	Administration and Oversight, Policy and Planning Youth Council, (call others like Child Care as needed).
20	Alamo	5 (26)	Board Operations, Executive, External Relations Oversight and Evaluation, Planning .
21	South Texas	7 (28)	Audit, Child Care , Executive, Administration Economic Development, Program Development, Education.
22	Coastal Bend	7 (30)	Employer Network, Executive, Finance, Literacy, Program Integration , Quality Assurance, School to Careers, Youth Partnership
23	Lower Rio Grande Valley	5 (23)	Child Care , Executive, Finance, Oversight, Planning
24	Cameron County	7 (25)	Executive, Budget and Finance, Planning and Program , Human Resources, Business and Industry, Oversight, Youth Advisory
25	Texoma	3 (?)	Child Care Advisory , Policy, Quality and Customer Satisfaction
26	Central Texas	7 (45)	Carver Model: No standing committees
27	Middle Rio Grande	5 (48)	Child Care , Executive, Finance, Monitoring, School and Youth
28	Gulf Coast	8 (63)	Welfare Reform Committee, Bylaws Committee, Audit and Monitoring Committee, Procurement, Nominating Committee, Strategic Planning, Early Care and Education , Employer Services

Source: Interviews with boards' staff members (spring and summer 2002) and boards' documentation

3. Phases in the transition of child care responsibilities to the local workforce development boards

The research team originally envisioned a three-stage process in the transfer of child care program management and policy development from the state to the local boards. These stages included:

- A post-welfare-reform, pre-local devolution period (September 1997 through August 1999)
- A transition period (September 1999 through August 2001)
- A post-welfare-reform, post-local devolution period (September 2001 through August 2003)

Interviews at the board level indicate, however, that these three phases were not perceived as clearly at the local level. In particular:

- The actual dates of board certification and transition of child care responsibilities to the individual boards vary (see Profiles –full name of report: Report Title in case the two reports are read separately).
- Interviewees tend to see the entire period as one of transition, and a transition that is still on-going.
- Interviewees tend not to use the term “devolution”. Rather, they explain that the state maintains substantial control over child care policies, and only some responsibilities are transferred to the local boards.

The involvement and relationship with TWC includes almost daily contact, by at least some boards, to discuss such issues as day-to-day management of funds. While boards do have flexibility and set local policies, they remain in a complex relationship with TWC, and follow the state-level policies that structure their decision-making.

3.1. Pre-transition (September 1997 - August 1999)

While boards do not necessarily think in terms of pre-transition, transition, and post-transition periods, the interviews clarified elements of the transition as board staff perceived them. During the pre-transition period, staff described:

TWC's role: State-level policies from TWC determined almost all activity at the regional level. Regional decision-making, as well as implementation and process, were structured by state regulations.

The role of the board: The boards were just being formed and did not have policy-making authority until September 1999. In general, the boards began by executing decisions made at the state level. The staff perceived little flexibility at the local level to make community-based changes.

The role of the public: There was little mention of local involvement during this period, and such involvement by local community groups, when mentioned at all, appeared to have little impact on policy making.

3.2. Transition (September 1999 - August 2001)

Devolution was designed to transition subsidized child care responsibilities from state-level control to more local control through the boards. This transition occurred gradually, with all players involved:

TWC's role: Because of the complexity of the child care system, many boards needed considerable technical assistance from TWC in the conduct of their operations. While almost all boards discussed the need for this type of assistance, they varied in their assessment of the quality of support they received. In some cases, at least, respondents described continuing involvement by TWC to clarify regulations and requirements. Other board staff commented that changes in staff and structure at TWC made it more difficult to get consistent support.

The role of the board: Most board staff described the transition as gradual and progressive (and, in many cases, still on-going). Respondents talked about “an intense period of learning,” “a steep learning curve,” and “a period of great activity.” This was a period during which the voluntary boards and the staff gradually took initiative and experienced some independence from TWC.

Respondents mentioned some factors that facilitated the transition: board staff expertise, intense work on the part of the board and its staff, and the structure of the transition were key elements. Transition problems included: the complexity of the system (including confusion over the roles of the various actors, boards and TWC), lack of information and preparation on the side of the board, TWC's own internal reorganizations, and some resistance on the part of the boards to take ownership of the child care program. (because other programs were requiring competing attention, time and efforts)

Boards made different choices in their response to the transition period: some changed policies and practices only by the minimum required; others made extensive changes. However, in either case, board staff felt that the transition was an intense period of hard work and adaptation to a new set of responsibilities.

The role of the public: During the transition, more groups became active in proposing and responding to the on-going changes. Often, a Child Care Advisory Committee, as well as other local groups worked on child care issues, but their input and power for change remained limited. However, intense public consultation and formation of community forums occurred during this period (as required by the state). The roles for the advisory child care committee(s), the boards' standing child care committees, and other ad hoc groups increased significantly.

3.3. Post-transition (September 2001 onwards)

TWC's role: Board staff still consult with TWC regularly; however there is increased reliance on the resources of other boards and the network of child care program managers to find answers to questions and examples of best practices.

The role of the board: The boards began to take on more leadership, including responsibility to initiate and follow-through on changes. Voluntary boards and their staff experienced increased pressure from the community as they managed the new aspects of the program, often receiving contradictory feedback from different stakeholders. There were more discussions of child care at the board level, raising issues of political ideology, goals, and board education on child care. One respondent commented, "A lot of them (voluntary board members) have come a long way.

And they question us on things; they're a very involved board". However, some boards have taken longer than others to assume a real commitment to child care issues.

The role of the public: Many boards became more systematic in soliciting public participation, and the consultations, as a result, involved a greater diversity of groups and of opinions.

In sum, many boards seem to be very much still in a transition. While there is an increasing feeling of ownership and community input related to the child care program, boards' staff perceive many areas where their flexibility is limited by state regulations through the setting of priorities and controls on funding. Further analysis will delineate those areas where boards feel most restricted and most free to set their own priorities.

4. Recent Policy Changes

Respondents varied considerably in their response to the new policy environment. Some boards still appeared to respond reactively. Board staff from these areas said, "We are just following the rules" and "We just receive policy letters from TWC, and we respond." Some boards appeared to have "inherited" their child care program from TWC and felt that their responsibility was to maintain the original program. Other boards took substantial initiative, developing programs and raising independent money to support them. Similarly, boards varied in the degree to which they saw themselves taking "preventive" action to avoid problems or dealing with problem situations as they arose.

4.1. Types of changes

A number of diverse policy issues have drawn the attention of the boards. These include, but are not limited to:

1. Termination of care policy.
2. Priority of care policy.
3. Liability insurance policy. (this change was made to increase level of child care providers' liability insurance, as board wanted to protect itself against possible law suits)
4. Increase in daily reimbursement rate policy.
5. Policy concerning time limits on child care for students working towards a degree.

6. Income eligibility.
7. Continuity of care policy.
8. Change in child care eligibility for job search activities.
9. Increase in parental co-payments.
10. Termination of agreement with child care provider.
11. Elimination of part-time care policy.
12. Change in parent eligibility policy.
13. Increased monitoring of child care providers.
14. Changes in payment mode for self-arranged care.
15. Time limits on child care subsidy.

4.2. Reasons motivating policy changes

Boards considered policy changes for several reasons, including:

- A new policy position, policy letter, or directive from TWC.
- A local concern.
- A board staff concern.
- A concern expressed by a board member.
- Several of these reasons, as the same concern, were voiced by several different groups.

It is also clear that these decisions are made in an environment of perceived financial and other shortages. Respondents talk about the need to simultaneously:

- Raise more money by changing co-pay levels in order to care for more kids (reported by a few boards).
- Establish policies and additional funding sources to avoid having to drop children from care.

4.3. Policy-making processes

While different boards have somewhat different processes in place, the outline below represents a frequent policy process, which has evolved over time for a number of the boards:

- Community consultation by public hearing.

- Board staff member drafts a policy.
- Voluntary board considers and decides on the draft.
- Draft, if accepted by the board, is written into a board policy per se.
- Policy is sent to TWC for information.
- Implementation processes are developed in collaboration with the direct care contractor(s).
- Work with those involved, usually the contractor, to implement the change.
- Very occasionally, an evaluation process is discussed.
- Information about the change disseminated widely, to the contractor, public, TWC and partners in the community.

4.4. Involvement of the State in policy changes

Due to the frequency of contact between the most active boards and TWC, there has usually been considerable consultation and information flow during the process outlined above. There are few examples of direct conflict between TWC and the boards.

Further analysis will explore:

- The array of policy decisions made by the various levels of government concerning child care and the repercussions and decisions made by the boards.
- Interactions among the different levels of policies and their impact on child care.
- Evolution of the policy process over time.
- Community response to evolving child care policy.

5. Quality improvement initiatives

Many boards felt they could and should take substantial initiative in the area of quality improvement. They have actively built community partnerships, raised awareness of quality concerns, and attempted to invest in quality improvements. Initial analysis indicates several areas in which quality initiatives have concentrated (Table 5). The table reflects the diversity of quality improvement activities in which boards are involved, along with their partners in the community. Informants are generally actively involved in work in this area. However, they

remain concerned about funding constraints that might affect their ability to maintain and expand on what they have built so far.

Table 5. Quality improvement activities

Category of activity	Specific type of activity	Number of boards
1. Training / mentoring for child care providers		27
	Texas Rising Star	20
	General training	10
	Child Development Associate (CDA)	6
	Early childhood development training	5
	Health and safety training	4
	National Association for the Education of Young Children (NAEYC) accreditation program	3
	Mentoring program	2
	Partnership with community colleges to provide training	2
	Technical assistance/computer training	2
	Training with community colleges	1
	English as Second Language (ESL) training	1
2. Funds / equipment for child care facilities		22
	Provides/lends equipment, toys, and materials	17
	Provides grants for quality improvement	6
	Scholarships for people working in the area of childcare development	4
	Provides curriculum	2
	Lending of developmental equipment and toys	1
3. Other		10
	Performance measures/internal quality assurance system	3
	Training for parents	3
	Self arranged care training	3
	Local initiatives with schools and other local community based organizations	2
	Child care support for GED and CDA programs	1

Source: Interviews with boards' staff members (spring and summer 2002) and boards' documentation

Further analysis will:

- Delineate these efforts in more detail.
- Develop a better understanding of the diversity of quality initiatives among the boards.
- Illustrate the leadership role of the boards in working with the child care providers and other community partners on these issues.
- Explore the different roles played by the boards in terms of initiating change, supporting other agencies, co-sponsoring work, and so forth. In support of this effort, interviewees expressed considerable enthusiasm for activities that allowed an exchange of knowledge about good practice. Child care managers were eager for an exchange of information with other boards, which led to the creation of the Child Care Network meetings.
- Examine how different boards achieve a balance between opportunities and resources on one hand, and the obstacles on the other (rural areas have special challenges in reaching child care providers, for example, who, in turn may not have the time or resource to attend training while continuing to give care, etc).
- Identify innovative practices.
- Describe best ways of communicating and encouraging best practice in diverse communities.

6. Funding

The funding streams managed by the local boards are complex. Their child care allocation from TWC draws on various sources, including Child Care and Development Fund (CCDF) (basic allocation), TANF and Food Stamp Employment and Training. Additional federal monies can be accessed upon documentation of local matching funds (See details of allocation in the companion report).

Many boards find, however, that the need for child care outstrips their funding, so funding remains a major area of concern. Many boards are seeking resources to increase the number of children receiving care while also maintaining some investment in quality improvement

activities. Funding constraints affect all other areas of endeavor including the development of policies, the setting of priorities, and the development of quality improvement initiatives.

6.1. Funding: Main challenges

Preliminary analysis suggests a common concern among board child care staff about overall funding. Responses may be further grouped into five types of challenges (Table 6):

- Efficient use of funds within the current set of constraints and rules, including attaining performance targets set by the State
- Achieving balance among diverse needs. Interviewees discuss the complexity of fund management with their main challenge being described as a “balancing act.” boards struggle to balance the allocations for priority groups such as Choices participants and income eligible families, making projections, attaining performance measures, and engaging in quality improvement activities are competing priorities. (Review this paragraph, can’t read Laura’s notes).
- Financial needs and efforts to raise more monies locally.
- The current level of care and possibly increase the number of children subsidized.
- Continued work on quality initiatives in spite of financial restrictions.

Table 6. Main challenges concerning child care funding

	Main challenges	Number of boards
1.	Ensuring the level of care and possibly increasing the number of children subsidized	10
2.	Balancing among diverse needs	9
3.	Increasing funding, particularly through local matches	9
4.	Managing funds efficiently within the current constraints	8
5.	Continuing to work on quality initiatives	5
	Missing information	2

Source: Interviews with boards’ staff members (spring and summer 2002)

6.2. Changes in funding level over time

Views on fluctuations in funding vary among the interviewees, which suggest that funding changes are affecting the boards differently. Some respondents described a marked increase in

funds, while others experienced a much more limited increase. Interviewees stress the role that they themselves play in raising money to match federal funds. Increases in child care costs and strengthened performance requirements reduce the impact of new dollars. The impact of increased funding is also mitigated by increased demand for care, the expenses of quality improvement efforts, and the need to pay some administrative costs.

The funding problems boards experience raise a number of interrelated issues: for instance, difficult choices have to be made between the amount of direct care and its quality.

- Two respondents raised questions about the method used to determine the allocation; TWC distributes almost half, or \$200 million, of its child care funds based on the number of children living in the area -- not on the number of children in the area living in poverty. Two interviewees have mentioned huge cuts in funding as a result of this method (other boards may have been affected but did not share this aspect of their experiences in the course of the interviews). The manager of the child care program in one rural area explained that while there may be fewer children in need of care in rural areas, such areas need resources and training that are more difficult to acquire in rural Texas. Also, the transition from welfare to paid work may be very different and present special challenges in rural areas, which has an impact on the level of subsidy and number of children that can be served (and for how long).
- A number of boards report tension between funding for increased numbers of children and funding for improved quality of care initiatives, as previously mentioned.
- Even in cases where interviewees considered their funding relatively stable, the local situation may be unstable: local needs may increase, especially as the priority groups are enlarging, and there is less funding left for income eligible families.
- board staff reported that they experience pressure from TWC to raise local funding themselves, both to access federal money and to take on local initiatives, as previously mentioned.

6.3. Challenges, problems and successes in regional fundraising efforts

Boards are responsible for fund-raising in at least two different ways. They must provide a local match in order to receive all available federal funds. Over and above the need for this match,

independent funds also provide the boards the opportunity to set their own priorities for some activities in addition to those demanded by the state. There is considerable variation among board staff in what they report on the demands tied to these efforts:

- The time and effort required.
- The reasonableness demand on them.
- The difficulties in raising the money and consequences (not meeting the target means less funding for a desired program).
- Differences among regions in the difficulty of raising funds.

Future research will:

- Provide more detailed accounts of the funding situation in general and, more specifically the impact of allocations and budgetary decisions by the state government.
- Detail the plans for local initiatives.

Conclusion

The child care subsidy system has changed in important ways during the last six years, and further changes are still underway. Board staff have to balance among competing demands and constraints while dealing with newly acquired powers and sources of funds. Each of the 28 boards provides a variation in approach to the complex problems raised.

All local boards confront multiple, and sometimes confusing, pressures. The conditions facing local boards also continue to evolve. Regulations from TWC vary over time, in addition to local pressures, which also change. Furthermore, an increasing number of actors and stakeholders are entering the debate on child care policies and programs.

Boards juggle among demands for: integration of their services, the necessity to meet performance measures, the needs of competing priority groups, diverse funding streams, and quality initiatives. Their main concern is to be able to provide continuous good quality care to deserving children and families. It is difficult for them to manage the financial pressures involved in meeting the needs of the various priority lists. The funds that have to be spent on the children placed in priority groups may result in reducing care for children in other (income

eligible) categories. Informants were particularly concerned that the quality initiatives they have invested in may be at risk if new funding is not sufficient.

Future work will use a variety of methods (including a second round of interviews with the program management staff as well as other local actors, further collection of documentary evidence and possible cases studies) to further examine the following dimensions:

- Diversity among the boards concerning the decision-making processes and implementation and effect of the policies on specific regions.
- Integration of services and programs.
- Further changes in committee structure and orientations towards child care issues.
- Elements of good practice, especially concerning quality improvement initiatives and inter-regional exchanges of information and expertise.
- Range of meanings given to “devolution”, “decentralization”, “flexibility”, “responsibility” and “self-sufficiency” by the various local actors.
- Role of the statewide network of program managers in enabling local staff and boards to develop their program efficiently and innovatively.
- Current community development issues surrounding the decentralization of services and governmental programs.

Appendix

Interviews with LWDB Staff member responsible for child care policies

Interview Instrument

Introduction

(Introduction to the study: topics covered, length, objectives, etc)

Ask for permission to audiotape the interview and mention:

1. The interview will be audio taped
2. The cassettes will be coded, personally identifying information will not be visible on them
3. Tapes will be kept in a secure location
4. Tapes will be heard only for research purposes
5. Tapes will be erased after transcription and codification.

1. *The informant*

Just to get us oriented, could you tell me a little about yourself, how long you've been with the LWDB and your background. And then we'll move on to your responsibilities and management of child care for the board.

1.1. *Role and experience on the board*

1.1.1. Length of time (on the board staff)?

1.1.2. Position and title?

1.1.3. Education/Experience with child care issues?

1.1.4. In the case where the informant is not the only person in charge of child care on the board (as staff member); ask if there was somebody else who is still currently on the staff that could help fill in some of the gaps?

1.2. How would you describe your responsibilities?

1.2.1. Have these responsibilities changed over time? (Establish if the person has been in post before the transition of child care responsibilities, during the transition, and since)

1.2.2. Who are your current partners and organizations involved in child care in your area? (e.g., like local Advisory Council)? (Just a list of these groups would be useful at this point)

2. *Board Structure*

Now I'd like to get an overall picture of your board.

2.1. Number of members?

2.2. Composition?

2.3. Number and names of committees?

2.4. Child care committees:

2.4.1. Committees with substantial child care interests?

2.4.2. Have these committees with interest in child care changed since the board was set up?

2.5. Could we get access to documents that would describe your board and how it has changed over time? Who should we contact to have access to this information?

3. *Program Administration and Operation*

I would also like to learn about how you communicate and collaborate with other agencies/organizations.

3.1. Communication/collaboration with TWC:

3.1.1. How does the board communicate and work with TWC regarding child care issues?

3.1.2. Has it changed over time?

3.2. LWDB oversight (CCMS/CCC):

3.2.1. How does the communication with CCMS/CCC work?

- 3.2.1 Would you describe how the board is performing its role of child care supervision and monitoring of CCMS?
 - 3.2.1.1. Can you briefly describe the reporting procedure?
 - 3.2.1.2. How is the board conducting the monitoring?
 - 3.2.1.3. Has this changed since the transition of child care responsibilities to the board?
 - 3.2.1.4. How would you describe the flow of funds from LWDBs to CCMS?
 - 3.2.1.5. How is the selection of contractors done?
 - 3.2.1.6. (Probe: government entities)
 - 3.2.1.7. (Probe: CCMS/CCC provision of resources – if not on statement)

- 4. *Child care management structure*
 - How is the board organized to assume child care responsibilities?
 - 4.1. Board Committees?
 - 4.2. Representation on the board?
 - 4.3. Who are contracted for child care? (Main contractor 1 or 2)
 - 4.4. Oversight of contracts? (How is it done? Who's responsible?)

- 5. *Child care decision-making process*
 - I would like to understand better how the board takes decisions regarding child care programs/policies in your area as regards the different periods (before the transition, during and after the transition of child care responsibilities to your board)
 - 5.1 Pre-devolution
 - If we look at the period between the set up of the board and the transition of child care responsibilities, what happened in terms of subsidized child care?
 - 5.1.1. Who was consulted on child care policies in the area?
 - 5.1.2. What was the involvement of the board's staff in the decisions taken then?
 - 5.1.3. How were policies implemented?
 - 5.2. Devolution – transition period
 - If we talk a little about the transition period itself, can you describe what happened?
 - 5.2.1. Who was consulted on child care policies in the area?
 - 5.2.2. What was the involvement of the board's staff in the decisions taken then?
 - 5.2.3. How were policies implemented?
 - 5.3 Post-devolution
 - How is the situation since September 2001 (since transition)?
 - 5.3.1 Who is been consulted on your recent child care policies?
 - 5.3.2 What is the involvement of the board's staff in decision-making?
 - 5.3.3. How does the board actually come to a decision?
 - 5.3.4 How are decisions implemented?
 - 5.3.5. What would you say are the main changes in the ways in which decisions are taken?
 - 5.4. Example of recent policy
 - Using a specific example of the situation since September 1999 (or date of transition for this particular LWDB), can you discuss with me a recent child care initiative the board was involved in?
 - 5.4.1. What were the reasons for developing this new policy?
 - 5.4.2. Can you run me through the decision-making process, what happened?
 - 5.4.3. Can you describe how the policy was implemented (difficulties)?
 - 5.4.4. What has been the impact that this change had on the situation?
 - 5.4.5. What is your perception of the level of state support/involvement in this policy change?

- 6 *Child Care Program Variables*
 I would like to know how the child care program functions in your area, especially what concerns eligibility, acceptable reasons for care, and access to the program.
 Ask for written statement that would cover the following topics: Eligibility. Income limits. Criteria. Recertification. Waiting list. Beneficiaries. Co-payment. Rates. If there are documents: we would like to see them (not only the current documentation but also dating back a little, who should we contact? If documentation is not available ask the following, questions
- 6.1. Eligibility
 We would like to know more about eligibility criteria. Is there a document that would explain to us how the eligibility to subsidy for low-income families works in your area?
- 6.1.1. Income limit
 Is there an income limit at the time of initial application for the program? If so, what is it?
- 6.1.2. What is the definition of income used to determine whether one applicant is eligible?
- 6.1.2.1 Is it the parents' gross income?
- 6.1.2.2. ... Child support?
- 6.1.2.3. ... Children's earnings?
- 6.1.2.4. ... Non-related adults' income?
- 6.1.2.5. Food stamps?
- 6.1.2.6. SSI?
- 6.1.2.7 Other?
- 6.1.3. Recertification
 If we suppose a family/caretaker wants to re-certify/re-apply, what is the income limit?
- 6.1.4. Time limit
 Are subsidies time-limited, if so, what is the time limits and criteria?
- 6.2. Access to care
 What are the reasons for care that you consider for enrollment in the program?
- 6.2.1. Employment (TANF/non TANF)?
- 6.2.2. Job training (TANF, non-TANF)?
- 6.2.3. Enrollment in college?
- 6.2.4. Teen (under-aged) parents while attending school?
- 6.2.5. CPS?
- 6.2.6. Transitional benefits due to reaching TANF time limits?
- 6.3. Access and scope of the program
- 6.3.1. Outreach
 What is the board doing in order to reach/inform low-income families about the program?
- 6.3.2. Waiting lists
 Is there a waiting list? If yes, how long is it at the moment?
 What are the procedures in place concerning it?
- 6.3.3. What would you say is the waiting time between application and service?
- 6.3.4. Recertification
 What are the recertification procedures?
- 6.3.5.1 At what interval? /frequency?
- 6.3.5.2. How is it done?
- 6.3.6. Families and children served
 What is the percentage or number of eligible families served at present? (Documentation?)
- 6.3.7. What is the percentage or number of applicant families served at present? (Documentation?)
- 6.3.8. Priority groups

- Are there any priorities given to any specific groups of applicants? If yes, which groups are they?
- 6.3.8.1 Would you say that these priorities changed since the board was first set up?
- 6.3.8.2 Do you face difficulties in trying to deal with the various priority groups?
- 6.4. Co-payment
What is the amount or percentage of income paid by the parents as co-payment?
- 6.4.1. What happens if a parent does not pay his share?
- 6.4.2. Are there any exemptions of co-pay, if so, what are they?
- 6.5. Reimbursement rates
- 6.5.1. What are the sources of market rate information the board is using at present?
Change over time? Since transition?
- 6.5.2. Is this information appropriate and meet your needs?
- 6.5.3. What is going now: At what interval is the market rate information collected?
Assessment: Would you say this is appropriate?
Wishes: What would you say would be the best way of assessing the market/surveying the market to obtain reliable and useful market rate data?
- 6.5.4. Has the board seen any reimbursement rate that was not the basic rate
- 6.5.5. How does the board calculate the rates of reimbursement, which time units are used?
- 6.5.6. How does the board calculate the rates in the cases of the various types of care (infant, odd-hour, special needs etc)?
7. *Child Care Provision*
I would like to know more about the diverse types of care that are available / provided in your area (or that you directly subsidy?). Are the following types of care are available and, if so, how important they are in the overall provision? Is there short supply in provision?
- 7.1. Center (Licensed day care). Family day home. Informal care
- 7.2. What would you say is the proportion of providers that are for profit versus non profit?
- 7.3. What is the level of accreditation in your area?
- 7.4. Are you aware of the level of self-care?
- 7.5. What about relative care? Is it frequent?
- 7.6. Are there specialized childcare services for the Hispanic and African American community? (If yes, describe)
8. *Quality of Care*
- 8.1 Are there any quality assurance/development initiatives in your area? If so, what are they?
- 8.2. How do they measure the quality of care, how do they proceed?
(Probes: Accreditation; Probes: Special populations)
9. *Funding*
Now funding. Is there a document that we could have a look at that would describe your various sources of funding since the transition of child care responsibilities to your board? Can I ask you what are your current sources of funding for child care? Are you receiving funds from the following sources and if so, how much approximately?
- 9.1. CCDF?
- 9.2. TANF?
- 9.3. Matching State?
- 9.4. Local funds (please give details of sources and amounts)?
- 9.5. Other sources?

- 9.6. Financial flow:
- 9.6.0. Could you describe how the level of funding for child care has changed through time: from the time of the transition of child care responsibilities up to now?
- 9.6.1. What is your main challenge in terms of funding at the moment (balancing number/ performance measures with quality of care initiatives, for example?)
- 9.6.2. Would you say that the board has a certain degree of discretion in the management of these funds?
- 9.6.3. Do you have more discretion in dealing with child care funds by comparison to another?
10. *Closing*
- 10.1 Thank you for your time and participation.
- 10.2 Is there an issue that we have not covered or any comment that you would like to make?
- 10.3 I might need to contact you again if I realize that further details are still missing, how does this sound?