

Appendix D

**DETAILED INFORMATION FROM INTERVIEWS WITH
LOCAL CHILD CARE STAFF**

Appendix D: Detailed Information from Interviews with Local Child Care Staff

It is in the nature of qualitative research to expand and explain findings through examples from the original transcribed data. While the main points of the analysis of the qualitative data are presented in the main text of the report, this appendix presents the findings and analysis of interviews conducted with local boards' child care program managers more completely. This appendix includes examples of the material from individual boards that entered into the coding presented in the main body of the report.

The first section explores managers' perceptions of the flexibility they have in the management of the child care program. The second section describes the diversity of their experiences in obtaining match funding. Finally, the third section describes child program managers' perspectives on recent changes in quality initiatives.

POLICY AND FLEXIBILITY: PERCEPTIONS OF LOCAL BOARD STAFF

Under devolution, local workforce development boards gained an assortment of rights and responsibilities for the development of child care policies and procedures. Their policy decisions, however, had to conform to state and federal legislation, rules and policies. Within the structure created by this legislative and regulatory system, board staff described a considerable diversity of positions concerning the level of flexibility they experienced in their management of the child care program. Some felt strongly that they were positioned to make many important decisions. Other board staff felt their independence was essentially illusory. Indeed, many managers agreed that, even in areas where local workforce boards can take some initiative, local control was considerably curtailed. Such limitations occurred in the assignment of eligibility levels, additional priority groups, parental co-payment levels, and required liability insurance, among others.

Levels of Flexibility

While board staff across the state differed considerably in the degree of flexibility they experienced, four distinct groupings emerged among them. Each group is described below. The first two groups felt that they had considered a reasonable level of local flexibility. The first group includes boards whose staff members felt they had considerable flexibility in the management of the program. The second group, while experiencing some flexibility, also felt limited by TWC practices and policies in their ability to make decisions affecting some areas of work and practices.

Members of the third and fourth groups felt constrained in making decisions that reflect their own interests and management choices, and the needs of their communities. More specifically, the third group included boards whose staff members explained that even in areas where, in principle, boards should act on their own, the oversight by the state's rules, regulations and practices allowed relatively little flexibility; and their own decision-making and its impact were limited. Finally, members of the fourth group felt that their autonomy was almost completely restricted under the current circumstances.

The First Group: A High Level of Flexibility

Staff members at three boards felt they had a high level of flexibility in the management of the child care program. They found it relatively easy to communicate with TWC and felt they received guidance without rigid direction. At the time of the interview, board staff felt the boards made policy and procedural changes relatively independently; however, they are concerned that future changes might reduce their autonomy.

According to board staff in this group, the state agency provided guidance when a problem or question was submitted to their attention; board staff did not feel they were asking permission.

I mean we got guidance from them if we had a question. But it wasn't something like: "Can we do this? What if we want to do this? Is this OK?"

Members of this group described their ability to implement changes frequently. One respondent explained:

We've made quite a few new policies in the last, probably, six months to... strengthen our rules and our monitoring. And none of those things have been anything that we had to get approval for or that wasn't something that we could do ourselves. So I felt like... you know we had the card, so to speak, we could fix our situation with really no interventions.

There remained some concern, even in this group, however, that future state policy decisions might increasingly limit board autonomy. Board staff expressed concern regarding recent consultations on a TWC working document reflecting such possible change.

The Second Group: Flexibility Under Constraints

Staff of this second group of four boards felt they had some considerable flexibility in the management of their child care programs, but their autonomy was balanced by considerable restraint. These restrictions affected their independence in important areas of decision-making, allocations and performance measures, as discussed below.

Decision-Making

Overall, staff in this group desired more input into decisions made by TWC. One staff member mentioned that TWC's lack of consideration for the boards' points of view was a concern. However, some staff members were encouraged by recent TWC consultation concerning performance measures:

What I've seen this year, though, and I don't know that they didn't do it before, but what I've seen this year is more of a move of coming up with different options as to how the allocations and performance measures might be completed. For example, there was an email that went out about a month ago or two or three weeks ago, that gave three different options on what might be your allocation and might be your performance measures. I don't remember seeing anything like that for the year before.

Another board staff member explained that TWC tended to impose its own views and interpretation of rules which limited the local workforce board's flexibility. According to this staff person, the position of the state will prevail as regional boards will face problems if they contradict TWC's views.

Allocations

Some board staff questioned not only the level of funding their boards received and the performance targets "attached" to it but also the method by which this allocation was determined. They felt that diversity among the boards and the areas they served might be taken more into consideration; different boards may face specific needs and challenges depending on the population they serve. The use of a standard allocation formula could be detrimental to small workforce areas (where operational costs might be higher):

Using one single method of determining allocation may indeed disadvantage small areas... I know it's easier to come up with one formula that you can apply to all areas, but that one formula is not always going to work for everybody. And since there are 28 different board areas, there's going to be that times however many problems or situations that come up in those areas – factors. And small board areas are going to have the same factors that play into as larger board areas and I know rates and the determination of how rates are used in determining the allocation and performance measures is a huge issue. I don't think that you can take a standard rate and apply it across the board, across all 28 board areas, in determining what your allocation is.

Performance Measures

Board staff reported that performance targets were determined by the state (through the LBB and TWC) and were not negotiated with the boards. The targets consist of three main measures. These measures include the number of units in care, the number of training units for child care providers, and the percentage of Texas Rising Star providers in their vendors' network. Meeting each of these objectives was currently (FY 2003) a pre-condition to expenditures on quality improvement activities. The state's emphasis on the first indicator, units in care, concerned board staff; many boards faced pressures to serve more children with limited resources. Staff members related several problems to the performance measures. They felt that the emphasis on performance

measures could limit efforts to improve quality as well as limit the autonomy of the boards to establish their own goals.

Local workforce boards were held accountable for meeting these measures and they could be sanctioned for non-compliance. Sanctions included a temporary suspension of local flexibility and denial of access to additional funding. State oversight was based on a monthly assessment of each board's expenditures and performance. Some respondents felt that this system in itself reduced the independence of the board. Also, the current emphasis on number of children further limited them. However, some boards discussed with TWC over their performance relative to units in care throughout the year. In one case, board staff members felt they gained more control, not by changing policies per se but by "managing" their numbers of units in care according to their own annual plan rather than solely following the advice of TWC on the matter (advice based on monthly reports rather than yearly plan).

[Last year] (...) We listened to a lot of their opinion and implemented [a great deal] based on state recommendations. And now we don't do that. We provide the local opinion on it. (...) But we had a plan to lower the number of the units by the end and not overspend our money. This time we had our own plan. So this was a lot better for us and for them, actually.

The Third Group: Little Flexibility

Child care program managers from this group of ten boards indicated that they were very limited in determining child care policy and practice. Restrictions on them affected core areas that they felt should be at the board's discretion. Furthermore, some board staff saw a decrease in flexibility over time.

My own impression, I've only been doing this for a little over [number of years] and in that time it seems that flexibility has decreased.

I see the board receiving slowly less and less and less flexibility over policies and interpretations and implementations of a lot of the rules and regulations.

Decision-Making

Staff from this group of boards reported that the state agency dictates policy changes and new policies that boards had to adopt, leaving boards primarily responsible for the management of service delivery.

I think that when it comes to methods of service delivery (...) we have a lot of flexibility. And, we, in this board area, haven't exercised it to a great extent. But I've seen it exercised in some of my peers around the state. (...) I think that within that area there's a lot more flexibility. Um, local governance is probably... there's some flexibility, not much, because there might be some language or some terminology within the policy that might conflict with their interpretation of policy. I think that the revision that they've recently done to the WD letters, where they actually send out WD letters now, and they code this area indicates an area of local flexibility and this helps clarify for some people who may not have understood that before.

Managers felt limited in the range of actions available to them in a number of areas. For example, eligibility for child care subsidy remains, at least in part, under board control; boards may set their own priorities in addition to state mandated categories. However, it appeared to staff of these boards that the state agency intended to make the management of the child care program more uniform.

I don't really think you have a whole lot [of flexibility] because there are so many assurances that you have to follow, which are the primary guts of the operation of childcare, and I think it's just pretty much, "Okay, here's the rule; here are the assurances; you have got to make sure you're doing this, this and this." Of course you write your policies and procedures surrounding all of this, but you're still having to report to Austin. And it's understandable why, because they have to report to the federal government. So honestly speaking, we have a little leverage, especially in the eligibility area, you know. So we have leverage in that sense, but ultimately we have to have procedures in place based on the rules and regulations. We still have to follow a lot of their requirements, especially in the funds management area, which I can understand why. They want everybody to pretty much work out the same so it will be easier on them, so that's what we do. There is not what I would say is a pull leverage for us to do whatever we want to do. That's not there I would say 50-50.

Performance Measures, Allocations, and Quality Initiatives

While board staff recognized a recent change that involved more board input, they saw themselves as controlled through the assignment of non-negotiable performance measures and absence of room for sharing decision-making:

I think that one of the areas that I feel more restricted in is that there's no negotiation with TWC in terms of our performance measure. I think that is an area which there's no flexibility. You know, it is assigned that "Here are your numbers" and you know. This year, one of the issues that has come up time and time again. (...) So I think, that to me has been very restrictive because... until now they really have not been very flexible, or you know, "Here, this is it". You just have to deal with it. It doesn't really matter whether you can or you can't. That has been our experience. So I think that an issue, which there is no flexibility. And I'm hoping as time goes on maybe...

Clear restrictions control both funds management and performance, especially, according to at least one staff member, in comparison with other welfare programs:

And, I, I feel that the state is more prescriptive in the method that it utilized in establishing performance methodology. I think that they are much more prescriptive on, okay, "This is how much money you can use for operations". And you know, "We're not going to set up any money for quality but you can address it if you want to". The methodology that's used for establishing performance really does tie the local board's hands in how they assign funding to their contractors to provide the services. It doesn't necessarily mean that there aren't ways to be innovative within that, though, because you could still change or modify the processes. But actual funding limitations that are enforced in the childcare arena seem much more prescriptive or stringent than they do in other programs.

Staff members of this group of boards felt particularly constrained by the relatively new emphasis from TWC on the number of children served, rather than on quality initiatives.

I don't feel there's any flexibility in our allocation because even though we can technically have quality initiatives, the way the money was allocated, it really prohibits us from doing any quality activities because all the dollars have to go to direct care.

Staff of boards that have been sanctioned by the state talk about their loss of flexibility during the period of the sanction. According to them, following a sanction, the board cannot make its own decisions, but must follow a corrective action plan instituted by the state. One respondent explained that community stakeholders and providers could not have any input on the situation as the board was taking the decisions dictated by the corrective plan. They regained some level of flexibility when the sanction was lifted. Other board staff did point out some continuing level of decision-making even through the sanctioning process.

Well I mean, I think. With the exception of the budget, I think we have a lot of flexibility in managing the program. We're able to still look at our budget and look how many children we have in care and decide whether or not to enroll any new or stay constant where we are.

Procedures

Staff from these boards feel that the state agency's directives may not allow them enough flexibility to adapt procedures tailored to their own needs and to the size of the operations and agencies they deal with, especially as regards the management of funds.

The Fourth Group: Almost No Flexibility at All

Staff members from this group of eight boards shared a number of the concerns expressed by the third group. However, they tended to see their boards as almost totally constrained by the requirements of the state agency.

Policy and Flexibility

Staff perceived minimal flexibility in how their boards could operate. This was true in the areas of policy-setting and decision-making overall.

You know, they tell you that you have independence but I don't believe that it is because they're still dictating what you have to do. You know, there's still the dictation of what needs to happen.

Well, no you don't [have flexibility]. Because [the] bottom line is you can go back to the rules and pretty much figure out you're pretty much limited on everything because if these are federally or state regulated. As far as a lot of flexibility at the local level, no we don't have that.

I: Do you feel like that you have the flexibility that you need to manage your program?

S: Oh, no. You have to follow the rules that they set. They don't ask you too much about the rules. I mean you've got input on the rules, not that it matters, you know (...) you can give your comments on what you think is right or wrong, but once they make up their minds, that's sort of a useless situation.

We have all the responsibility but not the authority.

Such flexibility as they once experienced appeared to them to be disappearing:

I think as time goes on it gets less and less flexible. I'm seeing more and more control on their part. For example, funds management: it was firstly set up so that the board could develop their own way of functioning but now TWC is sending monthly reports, TWC is having a lot of control in that aspect. No problem with this board in that regards because they are meeting the performance indicators, understands that it had to be done, etc. Boards have to justify their actions every month, taking more of their time, TWC evaluates every month.

Staff members in this group felt extremely limited by constraints and they felt the constraining requirements were increasing:

For the most part, a lot of the decisions that have been considered in the last year have really been mandated by the Texas Workforce Commission. So it's been something that we had no flexibility on. There was not really a need to get input from stakeholders; it was a matter of, "These are the rules", or "Here is the directive and guidance the TWC has based on requirements". Those are about the only ones that have really gone before the board in the past year. So it's been primarily TWC and staff doing a briefing item or an action item for the board, and the board taking that and then commenting and passing or getting briefed on the directive that was given.

They always want to have a copy and then they want to make changes to it. And it's hard for us, we know that this should be local, and these are what we feel that we would like to have. And then they [TWC] look at it and they take it to their attorneys, and they say, "Well, this wouldn't work". More recently we've heard of discrepancies from one board to another on what was approved and what wasn't. So that's frustrating.

Boards feel particularly constrained when decisions initiated by the state appear inappropriate to their board area.

The state said, "All boards must implement a policy for removing children from care in order to serve Choices children". You know, if you have a Choices child to serve but you can't afford that child because you have too many low-income [families], you have to remove this low income child from care so you can serve this Choices child. Our policy was that we would project out on a monthly basis and you know, if we saw that we would be overspending we would give low-income families 60 days notice, I think. But the state said, "You may not overspend your budget". So several board areas... notified a couple of hundred parents that "We have to remove you from care because we can't afford to serve you and Choices, and Choices is a priority according to the state." [Then the state] they would not let them implement the policy that they required; they said that (...) misinterpreted the intent of the policy. That the intent was to only maybe remove one or two.

Performance and Funds Tracking

Board staff reported difficulties with reconciling their funds with TWC figures, a problem they had since the devolution of the child care system to the local boards. Furthermore, due to these reconciliation difficulties, TWC might find them not meeting their performance requirements when boards believed they were doing so. There are daily and monthly variations in the number of children served, so it was difficult to create monthly figures. For example, one respondent exclaimed about the idea of regular monthly use of child care, “that’s just not daycare business”, suggesting that there are expected variations in number of children served during a typical year (e.g. due to end of school year)

Quality Initiatives

Board staff in this group felt they have been told that quality initiatives are at an end:

You know, quality is out the door. They can’t afford to spend money on it even though it’s required.

Other Issues

Several other important issues came up across the groups, rather than specific to any one group, affecting decision-making, although not always in terms of the flexibility available to the boards.

Parental Choice

Some staff felt that the primacy of “parental choice” forces decisions that do not necessarily provide the best child care at the lowest cost. The staff is left feeling ineffective in dealing with serious issues of quality and potential fraud. The board might want to discourage the use of one type of care – particularly care informally arranged by the parent – but the emphasis on “parental choice” makes this difficult.

Long-Term Planning

Staff are concerned that so much energy, as well as state agency attention, is aimed at the present day and the short-term future, that there is little attention or resources for long-term planning. Some staff are concerned that the continuing importance of child care to low-income working families is not best addressed without long-term strategic planning and real consideration for local needs, even if this might mean taking on a larger mission than a focus on the current requirements.

Role of the Federal Government

Although much of the staff's attention was aimed at their negotiations with the state agency, staff also did recognize that some limitations and regulation still came from the federal government. They were receiving not just constraints imposed by TWC, but also by the federal government.

Well, TWC is only the middleman. I'm sure that the majority of things that we have to deal with really come through the federal regulations because we keep going back to the federal regulations too. So the flexibility that they have and then pass on to us... well (...) I don't feel like my hands are tied, that I can't do anything. But on the other hand it is not total independence where you can go off and do what you want. Probably somewhere in the middle. Some flexibility, but I think that there is, and this may be just indicative of our board, I think there's such a focus on TWC performance measures.

FINDING MATCHING FUNDS AT THE LOCAL LEVEL

The state has increased the targets for required matching funds in recent years, and more increases are already planned for the next year, according to board staff. Preliminary analysis of the qualitative interview data reveal that local workforce boards tend to have notably different experiences regarding fund raising. Larger and more affluent boards find it easier to find the partners that they want. Smaller boards in areas with fewer economic resources find it harder. Some of the border areas cannot find partners in their more economically depressed areas, as many potential partners are themselves funded through federal money.

One program manager in an urban area of the state explained that it was not a problem at all for her board to find partner and sign agreements for match funding.

Right now I have more participants than money. In particular, this coming year, I have more persons wanting to help us match our funds when (we have money). So that's a good problem. We have a good problem here in [area]. We don't have a problem with finding match. Yeah, we have more than we need right now. I can loan some out! (...) Yeah, I'm excited. And I have foundations who are, you know in the past it has been certifying funds but now we have people with real money. You know, dollars to help draw down these federal dollars. Cause everybody wants to see children succeed and do well in school. And that's the climate here in [area] right now; "What can I do to help?"

In other areas, however, the recent economic downturn and economic insecurity are making the job of finding new partners more difficult, especially in areas hit hard by the economic recession. For example, one respondent explained that her board had not raised any extra monies locally outside of the required match amount. Given that unemployment had increased dramatically in her area, her board has not approached any local employers for donations. Instead she has been encouraging them to donate to the local United Way. Her board has reached its local matching funds targets via certification through the United Way. For this reason, it makes sense to just encourage giving in that way rather than a direct amount to her board.

Other organizations find that even large organizations, such as the United Way, have a more limited ability to help in the current economic context:

And part of the problem, your probably aware, right now it's not the greatest time to go out and find additional sources of funding. Most of your traditional sources, United Way and other foundations and all are suffering from the overall. The economy and everything else. Their endowments and all of that are losing money like (my 401K is). Everybody is struggling.

Public organizations and institutions, such as schools, that have also frequently served as partners of the boards have also faced rounds of funding cuts.

And really quite frankly, the likelihood of raising any donated fund right now is probably pretty nil, given the economy and everything else. Because the board members have been really active, and they've even helped me get money. Our contractor, you know. We have all worked together. As far as at the local level, we've got the support that we need to have. But and I know the reasons because of everybody's budget was cut due to the shortfalls why a lot of this burden fell on the board. But I think that TWC needs to be responsible for part of it.

In cases of economically poor areas, the only potential partners may themselves be federally funded:

The problem that we have had is that we [unintelligible] find agencies that don't have well, the majority of the agencies down here have federal funds. We can't match federal and federal, so she's had to actually really dig in finding creative ways of working with entities to secure the match.

The problems with matching funds are related to other problems facing the boards. Partners have tended to be more interested in the development of quality initiatives than in the provision of direct care. They have been interested in contributions that will increase local flexibility. As board flexibility has become more limited, and as quality initiatives have moved off the core agenda, some previously interested local partners are not as interested in contributing.

Although boards have continued to feel more restricted in their ability to undertake quality initiatives, they have become more effective in meeting matching requirements, partly as they become more experienced, and partly due to changes in the regulations in accounting for matching funds. However, as we see below, quality initiatives are increasingly taking second place to other requirements.

QUALITY INITIATIVES: VIEWS ON THE IMPACT OF POLICY ON QUALITY IMPROVEMENT

Up until this year, there has been an allowance of up to four percent of state-provided resources that each board could decide to spend on quality initiatives. Many boards embraced the effort toward improved child care quality with considerable enthusiasm. However, in the past two years, policy has changed. Through FY 2002, boards decided in what ways to spend their four percent. As of FY 2003, the quality allocation has been made at the state level and all resources sent to the board are expected to be expended in meeting the boards' performance measures, particularly for number of units served but also for quality related performance indicators. At the same time some funding streams have been reduced, costs in some areas have increased, and many boards feel that their overall autonomy in meeting local problems has been reduced. As noted above, some boards also expressed concern that during a period of economic downturn it

was increasingly difficult for them to successfully seek out local donations and contributions. In this section we explore the different issues raised by board staff as they have considered quality initiatives over the last several years and their responses.

Strategies for Improved Quality

Over the past several years, boards have undertaken a number of different types of quality initiatives, in the context of federal and state directives, as an important part of their role. These will be described in more detail in our final report. However, they include the following types of programming:

1. Training for providers: The development of training for child care providers, including workshops and seminars, as well as encouragement for providers to gain new credentials.
2. Texas Rising Star Program: Support for the recruitment and retention of facilities in the Texas Rising Star Program. Boards put resources behind the effort of achieving their goals for the proportion of children in Texas Rising Star care.
3. Other activities: Boards engaged in a number of other support activities, including scholarships for training and further education, awards ceremonies for educational and performance achievements and technical assistance to individual staff and facilities.
4. Innovation programs: The development and implementation of new programs and supports for providers including access to materials, special services and trained personnel.

It is these activities that board staff feel they and their boards are affected by recent changes in funding allocations and policy related to quality initiatives. Boards were told not to undertake quality improvement activities unless they meet performance indicators for number of units in care. Perceptions at board staff level is that these measures have increased in most cases while allocations have remained either stable or decreased, as relative to the cost of care.

Reduction in Funds

Board staff, and, according to the staff, board members also, retain a commitment to quality initiatives and to the performance measures attached to such initiatives.

However, in the last year most boards have had to reduce the funding used for this purpose. In spite of the loss of state contributions to this local effort, boards and their contractors have continued to seek funding to sustain these activities in FY 2003 when possible. Board efforts have ranged from a reduced but continuing investment to almost no initiatives at all above the minimum required for meeting quality improvement targets.

Lowered But Continuing Substantial Investment: Alternate Funds

At least three boards are continuing with past quality initiatives. In order to do so they are reaching their performance targets with their core allocation and then using a combination of match funding and new special grants to proceed with their quality-related work. This has required effort to develop new grants and approach quality-related programs and funders for support either in their own communities or elsewhere. These boards are able to draw on additional community and regional resources in their continuation of the quality initiatives.

Considerably Reduced Investment: Stretching Out the Funds

In most cases, the removal of the allocation by the state of four percent of the funding previously allocated to quality initiatives has resulted in a striking reduction in the funding invested in such work. However, strategies used by boards to continue some level of funding for quality initiatives include the use of match funding, carry-over funds from the preceding year, expenditures from the contractor's own grants, an innovation grant from TWC, and close collaborations with other interested parties.

Pooling of Resources

Several boards collaborate with other organizations in the community in sponsoring no-cost or low-cost activities or participating in them on a cost-sharing basis. However, areas where expertise and resources are rarer or harder to find face a challenge in using this strategy since it relies on community resources not equally present in all areas.

Reorganization of Resources and Sponsors

Upon the reduction of funding available for quality programs, board staff, and often their direct care contractor, have taken responsibility internally for some of the quality functions. This allows for the continuation of some activities, especially those to which performance indicators are attached (e.g. training for child care providers and resources for Texas Rising Star providers). For example, facing very high targets in units in care, one board allocated all their funding for direct care. Instead of sponsoring conferences and training provided by external trainers, such training is now provided by a member of the contractor team:

What we were doing before is we would have seminars, day long seminars and speakers from wherever across the country come in and provide new and innovative techniques on different topics. Today a staff person will do in-house training or she will go to the provider. In terms of having the seminars and scholarship for students at the community college, they're not doing that anymore. But training still goes on.

Some board staff report that the use of their own internal staff is about the only resource for continued quality programming.

We would love to do more. We'd like to do what we did earlier in terms of, you know. Our quality program, we are meeting the number of Texas Rising Star. We have a number of centers. We are meeting our 39%... but we can't do anymore because, you know, it takes money to do that.

Board staff also worked to combine several techniques, using the resources of their own staff and that of their contractors, for instance.

When we received that budget allocation we realized that, of course, the first thing to go was quality. So we met and we went over and came up with some ideas as to how we would be able to continue at least the training with the funds that we had available and the resources outside our offices and whatever.

No Current Expenditures on Quality Initiatives

Many boards have felt forced to move their quality funds to direct care, most often reluctantly and against their own inclination.

We were able to provide lots of quality; you know good programs for children, caregivers and even some of the directors. But after, you know, this initial year of (2001–2002), we weren't able to do that any more.

We've had a really wonderful person running our quality improvement program... and we've done some wonderful things in this area with quality. We just don't have much money anymore, and it's really kind of sad. A lot of our programs that took years to build up are now being dismantled.

Many of those boards with almost no quality-related expenditures are also having difficulty figuring out how to continue supporting the ongoing Texas Rising Star Program, beyond the five percent extra paid to them.

We're meeting our performance measure right now [for Texas Rising Star]. But quite frankly I think they ought to just do away with the program, and I think our providers are going to handle that themselves. Because if we don't have any money to do bonuses or incentive grants for them, they're going to drop out of the program. They just will. It's...a lot of work for them. And unless they get some sort of monetary award for that in terms to having additional equipment and things like that, they're simply not going to do it and I don't blame them.

In some cases boards had difficulty in identifying partners who can contribute additional funding, either match funding or additional other funding, who also share workforce board current priorities. In some cases the priorities of potential partners are not compatible with the short-term management cycle and requirements facing the boards. Some board staff also reported reluctance to seek out additional match funding since such increases were accompanied by retroactive increases in their performance measures.

ATTITUDES TOWARD QUALITY INITIATIVES

There is considerable dismay expressed by many board staff concerning the change in policy and funding related to quality and the degree to which quality initiatives represented the devolution of autonomy.

What we have done in the past and it is really pretty much a directive from state because they have such a large number of kids per day that they have to meet. The majority of our funding has to go for direct childcare. Only if you are meeting your performance measure may you use any of your money for quality. They discourage the use of money for quality, which has been very discouraging

on our end because we feel like to really meet the needs of these kids, they've got to be in quality facilities.

Board staff and board members report their continued interest in finding some avenue for this type of work.

We changed our budget, modified our contract to take away some of the quality funding in order to fund children in care. And so that turned out to be a fairly big issue for everybody because one of our trademarks had been quality. (...) And so in terms of a budget exercise it was not that difficult. In terms of having to make a (...) paradigm shift away from quality, that was difficult for everybody to accept, including the board members and board staff, as well as contractors.

We've had discussions even concerning cutting back on some of the quality initiative programs that we've got in place now, to just completely eliminating quality. (...) I think from the way the committee and the board go, the way the conversation is going is to maybe cut back, and only cut back if we have to, if dollars just won't support it.

I mean our board and our (child care committee) too, they want quality to stay. I mean, so we'll do our best to do something.

Board staff find it particularly difficult to maintain community involvement in light of changing policies.

Well, I think one of the things, and I'm sure that I am not alone in this particular issue, it's been difficult to try and balance the needs that our community has regarding quality improvements and the requirements that we have with the state regarding meeting performance. Especially since a lot of this is transitioned in the last couple of years where TWC is no longer required to meet its four percent set aside for quality cause that is now going to the Department of Protective and Regulatory Services. And so policies and expectations within local communities are still that we're supporting it. But in reality we don't really have the funding to support it anymore. And so we're expected to in many ways address the community's needs on this and we do our best to try and find ways to do it but really have hit a challenge in finding the funding to support it.