

COUNTY OF LOS ANGELES



POLICY • PLANNING • PRACTICE

May 6, 2015 • 12:00 – 2:00 p.m. (Revised)

Los Angeles County Office of Education (LACOE), Head Start-State Preschool
10100 Pioneer Boulevard, Conference Room 110/111
Santa Fe Springs, CA 90670

PROPOSED AGENDA

1. Welcome and Introductions Richard Cohen, Chair
noon
 - Opening Statement and Comments by the Chair

2. Addressing the Rising Costs of Early Care and Education (ECE) Services: In a time of increases to the minimum wage and stagnant reimbursement rates, COLAs and Growth
12:10
 - Moving toward solutions: Brief overview of challenges faced by the subsidized ECE System and setting the stage for policy recommendations Michele Sartell, Staff
 - 12:20 ▪ Small group discussions
 - 1:05 ▪ Building consensus: Identifying the three to five messages

3. Approval of Minutes **Action Item** Richard Cohen
1:30
 - April 1, 2015

4. Public Policy Report Lisa Wilkin, Co-chair
1:35
 - Bills of Interest Joint Committee on Legislation

5. Announcements and Public Comment Richard Cohen
1:50

6. Call to Adjourn Richard Cohen
2:00

Next Meeting

Wednesday, June 3, 2015 • 12:00 – 2:00 p.m.
Los Angeles County Office of Education (LACOE), Head Start-State Preschool
10100 Pioneer Boulevard, Conference Room 105
Santa Fe Springs, CA 90670

MISSION STATEMENT

The mission of the Child Care Planning Committee is to engage parents, child care providers, allied organizations, community, and public agencies in collaborative planning efforts to improve the overall child care infrastructure of Los Angeles County, including the quality and continuity, affordability, and accessibility of child care and development services for all families.



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SETTING THE STAGE
...making the case for increasing investments in early care and education funding

Prepared on behalf of the Los Angeles County Child Care Planning Committee
May 6, 2015



OVERVIEW OF PRESENTATION

- ▮ Framing the conversation(s)
- ▮ Surviving the recession, steps to restoration
- ▮ Current challenges
- ▮ Synthesizing recommended proposals for investments



Framing the Conversation(s)

- ▮ Proposing solutions
- ▮ Process for recommending pursuits of position by the Board of Supervisors - consistent with County Policy
- ▮ Reaching consensus on three to five items
- ▮ Next steps



Surviving the Recession (...barely)

- ‡ From 2008 – 2013, state cut funding for child care and development services by \$984 million; loss of an estimated 110,000 spaces¹
- ‡ 2011-12 budget reduced income eligibility cap from 75% to 70% of State Median Income (SMI) frozen at 2007 level
- ‡ Regional Market Rate (RMR) and Standard Reimbursement Rate (SRR) maintained at 2005 and 2007 levels, respectively.
- ‡ Growth and COLA suspended since 2008-09

¹ Legislative Analyst's Office. Overview of California's Child Care and Development System. Presented to Assembly Budget Subcommittee No. 1 on Health and Human Services and Subcommittee No. 2 on Education Finance. April 14, 2015.




Steps to Restoration – 2013-14 Budget Act

- ‡ Restoration and expansion funds for State Preschool slots
- ‡ Funding for additional slots in General Child Care and Alternative Payment Program
- ‡ Quality improvement grants for State Preschool
- ‡ Modest (5%) increase to the SRR
- ‡ Increase to the RMR (sort of...), using the 2009 survey adjusted by a deficit factor of 10.11%




Current Challenges – Reimbursement Rates

- ‡ Two distinct subsidy programs:
 - Direct contract with the CDE/EESD with organizations operating center-based programs
 - ❖ Standard Reimbursement Rate (SRR) – one rate implemented statewide
 - Vouchers under the Alternative Payment (AP) Program or CalWORKs Child Care
 - ❖ Regional Market Rate (RMR) based on survey to provide rate ceilings for each of 58 counties




Current Challenges – Reimbursement Rates

- Standard Reimbursement Rate (SRR)
 - Lost more than 1/5th of value since 1980-81*
 - Current SRR is \$36.10, up from \$34.38; prior to 2014-15, had not been updated since 2007
- Regional Market Rate (RMR)
 - Last RMR survey conducted in 2014
 - Currently, providers reimbursed based on 2009 RMR survey reduced by 10.11%

* California Budget Project (now California Budget and Policy Center). Five Things You Need to Know About California's Child Care and Development System. June 6, 2014. Retrieved on May 4, 2015 from http://calbudgetcenter.org/wp-content/uploads/140606_FiveThingsAboutCCDP.pdf.



Current Challenges – Minimum Wage Increases

- Effective 7/1/2014, CA's minimum wage increased from \$8 to \$9 per hour
 - Due to increase to \$10 per hour as of 1/1/2016
- SB 3 (Leno) proposes increasing minimum wage to \$11 per hour effective 1/1/2016, \$13 per hour effective 7/1/2017 and then automatic adjustments each year beginning 1/1/2019
- Los Angeles City Council proposal would increase minimum wage for workers within city limits to \$13.25 per hour by 7/1/2017 and... maybe... an increase to \$15.25 per hour in the future



Current Challenges – Income Eligibility Cap

- Families with incomes up to 70% of State Median Income (SMI) eligible for state-subsidized child care and development services
- Reduced from 75% in 2011-12 budget
- Income limit calculate using 2005 SMI, 62% of 2012 SMI
 - \$3,518/month compared to \$3,943 for a family of three (12% difference)*

* California Budget Project (now California Budget and Policy Center). Five Things You Need to Know About California's Child Care and Development System. June 6, 2014. Retrieved on May 4, 2015 from http://calbudgetcenter.org/wp-content/uploads/140606_FiveThingsAboutCCDP.pdf.



Current Challenges – Raising Quality

- # Federal Child Care and Development Block Grant Reauthorization requirements
- # Meeting higher levels of quality under Quality Rating and Improvement System(s)
- # Compensation keeping pace with educational levels and experience (not!)
- # Overall cost of quality




Reaching Consensus

- # Increase Access
 - Infants and toddlers
 - Preschool – full-day
- # Increase rates
 - Reimbursement rates – SRR and RMR
 - Adjustment factors for infants and toddlers
 - Eliminate deficit factor for RMR and update to current survey
- # Invest in quality
 - Expand QRIS funding – improve infant and toddler settings
 - Align with new federal CCDBG requirements
 - Strengthen and expand professional development opportunities
- # Address eligibility issues
 - Increase maximum income for eligibility to 100% of SMI at current year level
 - 12 months of continuous eligibility
- # Support Infrastructure
 - Restore Local Planning Councils funding
 - Increase support for Resource and Referral (R&R) Agencies




Next Steps

- # Five work groups
- # Select facilitator, timer, recorder and reporter
- # Answer guiding questions
- # Reconvene as whole




Guiding Questions

- ▮ Frame the conversation around recommendations for improvements to the system.
- ▮ What are the top three to five issues?
- ▮ What information is needed to help people understand the issues and why they are the priorities?
- ▮ What are the key advocacy points?— concerns to move conversation forward

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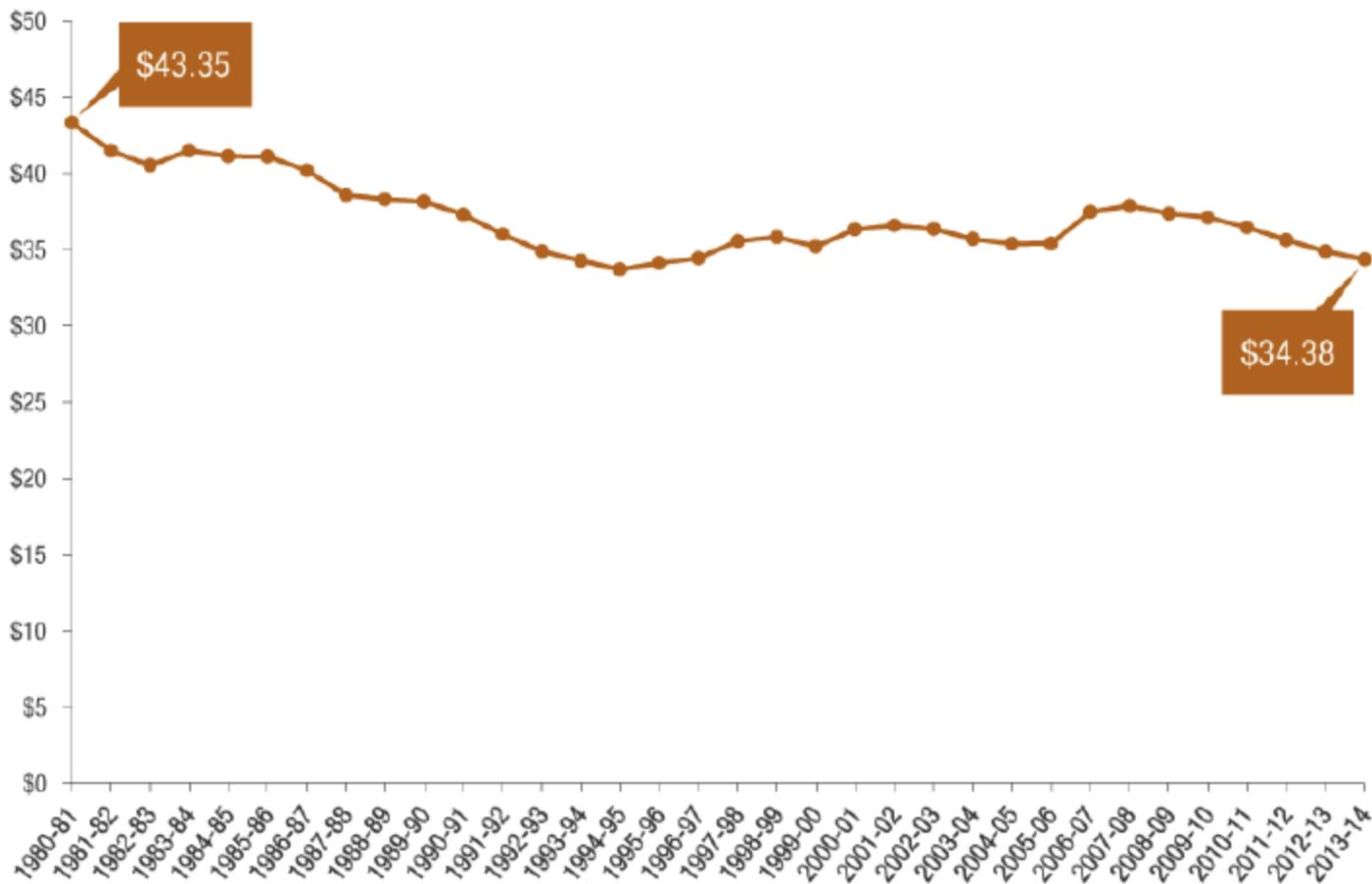


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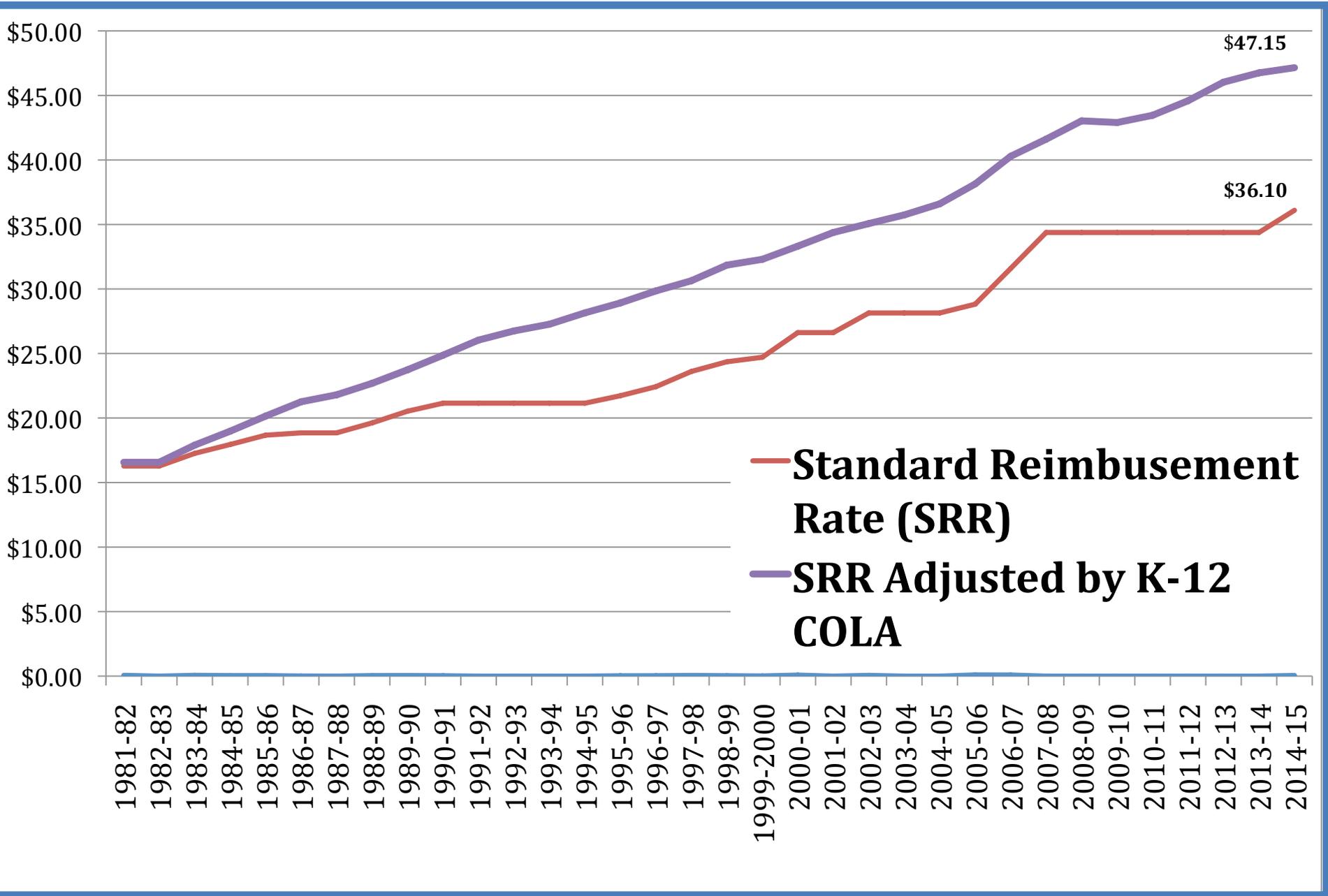
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The Standard Reimbursement Rate Has Lost More Than One-Fifth of Its Value Since 1980-81

Statewide Daily Rate Per Child for Licensed Centers (2013-14 Dollars)



Source: CBP analysis of California Department of Education and Legislative Analyst's Office data





PUBLIC POLICY PLATFORM
First Year of 2015-16 Legislative Session

Introduction

The Child Care Planning Committee (Planning Committee) and Policy Roundtable for Child Care and Development (Roundtable) promote policies designed to increase the availability of and access to affordable, high quality early care and education programs for all children and their families of Los Angeles County. This public policy platform presents current and emerging policy issues in early care and education that are consistent with the County of Los Angeles State Legislative Agenda for the First Year of the 2015-16 Legislative Session. The platform delineates each of the County's legislative agenda items in **bold** followed by examples of efforts that may be addressed by proposed legislation and/or the proposed state budget.

Platform Issues

1. Support efforts to enhance the quality of early care and education that set high standards for all services and program types and address the needs of all children, including those with disabilities and other special needs, and their families.

Such efforts should include, but not be limited to:

- Addressing the early care and education needs of children from birth through age 12, including infants and toddlers, preschool and school age children, and children with disabilities and other special needs up to age 22, and their families.
- Enhancing the quality of centers, family child care homes, and license-exempt care providers.
- Promoting a strengthening families approach to meet the needs of children at risk for abuse, neglect or sexual exploitation or under the supervision of the child welfare system and children of families under the supervision of Probation.
- Integrating early identification and intervention systems that recognize and respond early to young children who may be at risk for disabilities and other special needs.
- Developing policies that encourage collaboration between early care and education programs and locally-funded projects and public agencies that foster child and family well-being through the provision of coordinated services.
- Incorporating optimal health promotion policies and procedures as an integral component that contributes to the overall quality of early care and education services and programs.
- Engaging parents as their child's first teachers and partners in promoting their child's optimal growth and development.



2. Support efforts to develop and implement a statewide quality rating and improvement system and a system to adjust reimbursement rates based on demonstrated quality.

Such efforts should include, but not be limited to:

- Providing parents with clear, concise information on the quality of early care and education settings.
- Fostering the engagement of parents that promotes their child's optimal healthy growth and development and learning.
- Incorporating early learning standards that are research-based, culturally responsive to children from diverse cultural and linguistic backgrounds, aligned with existing regulatory systems and local quality initiatives, recognize and respond to the individual needs of children in group settings, and attend to families' needs for comprehensive services.
- Building an infrastructure of technical assistance, financial supports and training, all of which are tied to defined quality standards, to help early care and education programs achieve and maintain high quality services.

3. Support efforts to develop and sustain a well-educated and highly skilled professional workforce prepared to serve the culturally and linguistically diverse child and family populations of Los Angeles County.

Such efforts should include, but not be limited to:

- Focusing on teachers and other members of the workforce gaining skills and demonstrating competencies in the following areas: how to provide instructional support to children, best practices in working with dual language learners, proficiency in recognition and response to children with disabilities and other special needs, health and nutrition best practices, engaging parents and guardians, and expertise on the spectrum of child development from birth through early adolescence. Workforce practice must be based on established early care and education research.
- Offering coursework and instruction responsive to a multi-lingual, multicultural workforce, including but not limited to providing content in students' home language and offering classes during non-traditional hours.
- Expanding early childhood educators' access to higher education through stipend programs, grant funds and loan forgiveness programs, higher compensation when they attain post-secondary degrees, and benefits (i.e. health insurance and retirement plans).
- Facilitating child development or early childhood education coursework coordination and articulation between the community colleges and California State University (CSU) and University of California (UC) systems.
- Supporting efforts to enhance the quality of the license-exempt care workforce and facilitating connections between license-exempt care and the larger system of early care and education.

- Supporting alignment of teacher requirements under Title 22 with teacher requirements under Title 5.

4. Support efforts to ensure the health and safety of all children cared for in licensed early care and education facilities as afforded by timely, regular, and frequent on-site monitoring by the California Department of Social Services, Community Care Licensing Division (CCLD).

Such efforts should include, but not be limited to:

- Increasing to, at a minimum, annual inspections of centers and family child care homes.
- Advocating for, at a minimum, annual unannounced inspections of all licensed facilities.
- Providing that CCLD is sufficiently funded, staffed and held accountable to meet the standards, conduct timely reviews of licensing applications and responses to complaints, and provide technical assistance and resources to current and future licensees.
- Ensuring that costs of obtaining and renewing the license (or licenses for programs with multiple sites) is reasonable and not an extraordinary burden to the licensee's cost of doing business.

5. Support efforts to adequately fund high quality early care and education services for all children from low and moderate income families.

Such efforts should include, but not be limited to:

- Expanding access to high quality subsidized services for all eligible children, including infants and toddlers and children with disabilities and other special needs as well as preschool and school age children.
- Increasing levels of reimbursement in the Standard Reimbursement Rate (SRR) and the Regional Market Rate (RMR) to compensate providers for the true cost of high quality services.
- Prioritizing funds targeted to infants and toddlers to meet the growing demand for high quality services.
- Increasing funds for expansion of high quality full-day, full-year services for all ages.
- Offering tax incentives to businesses to provide or subsidize employee's early care and education services.
- Ensuring that the income ceiling for eligibility for State subsidized care reflects the current State Median Income (SMI), adjusted by region if appropriate.
- Opposing proposals that would reduce subsidized rates based on geographic location.

6. Support the streamlining of California Department of Education administrative processes to expand access for low-income families, ensure continuity of care, and promote flexible use of early care and education funding to meet the needs of families.

Such efforts should include, but not be limited to:

- Allowing administrative efficiencies such as multi-year contracting, grant-based funding, and waivers on program rules and regulations to allow flexibility of services based on community and family needs.
- Establishing a 12-month annual eligibility redetermination to allow for more stable enrollments for early care and education programs and continuous services for children and their families.
- Ensuring agencies have the capacity to connect with and serve the most vulnerable and the most difficult-to-serve families.
- Maintaining affordable family fees that do not exceed eight percent of gross family income.
- Maintaining part-day State Preschool as a free, comprehensive early care and education program.
- Allowing for various systems that serve vulnerable and low-income children and families to streamline administrative functions and share information in order to facilitate the enrollment of children in subsidized early care and education programs and to participate in joint data collection efforts.

7. Support proposals designed to prevent, detect, investigate and, when appropriate, prosecute fraud in subsidized child care and development programs.

8. Support efforts to ensure that vulnerable children and their families have access to consistent, uninterrupted subsidized early care and education services.

Such efforts should include, but not be limited to:

- Making sure that California Work Opportunity and Responsibility to Kids (CalWORKs) families have access to child care and education services, ensure that participating families are afforded the time and information needed to evaluate their child care and education options and make sound choices, and that allow parents to pursue or maintain employment.
- Promoting, facilitating and supporting consistent and continuous participation of children under the supervision of the child welfare system and Probation and their families in high quality programs that promote healthy child development and support effective parenting.

- Ensuring that all subsidized children – infants and toddlers, preschool age, and school age children – and their families have access to consistent and continuous high quality early care and education services that partner with parents to promote children’s healthy growth and development and prepare them for school and life, and meet the needs of families.
- Addressing the needs of pregnant and parenting teens to ensure their access to high quality early care and education services that support their academic goals, promote positive and effective parenting skills, and contribute to their child’s healthy growth and development.
- Facilitating access to high quality early care and education programs that are responsive to the unique needs of children and families experiencing homelessness.

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POLICY • PLANNING • PRACTICE

Meeting Minutes – April 1, 2015

Members in Attendance: (29) Norma Amezcua, Alicia Fernandez for Ana Campos, Edilma Cavazos, Richard Cohen, Debra Colman, Teresa Figueras, Mona Franco, Edith Garcia, Nora Garcia-Rosales, Andrea Joseph, Terri Lamb, Ritu Mahajan, Cyndi McCauley, Pat Mendoza, Patricia Moreno-Passcover, Melissa Noriega, Dianne Philiposian, Joyce Robinson, Ancelma Sanchez, Judy Sanchez, Kathy Schreiner, Janet Scully, Sarah Soriano, Fiona Stewart, Andrea Sulsona, Jenny Trickey, JoAnn Shalhoub-Mejia for Wendy Tseng, Kai-Ti Wang, and Lisa Wilkin

Guests and Alternates: Robert Beck, Dr. James Crall, Kevin Dieterle, Toni Isaacs, Whitney Leathers, Julia Love, Karla Pleitez Howell, Moises Roman, and Julia Ruedas

Staff: Michele Sartell, Renatta Cooper, Vincent Holmes

1. Welcome and Introductions

Richard Cohen, Chair, opened the Child Care Planning Committee (Planning Committee) meeting at 12:07 p.m. He welcomed members and guests and requested self-introductions after reading the opening statement.

2. Approval of Minutes

The Chair called for a motion to approve the minutes from March 4, 2015. Dianne Philiposian made the motion to approve; the motion was seconded by Sarah Soriano. The motion passed by the members present with five abstentions: Teresa Figueras, Andrea Joseph, Ancelma Sanchez, and Janet Scully.

3. Public Policy Report

A. Bills of Interest

Lisa Wilkin, Chair of the Joint Committee on Legislation, began with an announcement of two upcoming budget hearings as follows:

Tuesday, April 14, 2015 - Assembly Joint Hearing Budget Subcommittee No.1 on Health and Human Services and Subcommittee No. 2 on Education Finance - Joint Hearing on Child Care and Early Childhood Education

Thursday, April 16, 2015 - Senate Joint Hearing Budget and Fiscal Review Subcommittee No.1 on Education and Subcommittee No. 3 on Health and Human Services

Next, Lisa guided members, alternates and guests through the matrix of legislation to bills of particular interest: AB 762 (Mullin) – would create an integrated license for serving children from birth to kindergarten; AB 765 (Ridley-Thomas) – would require raising the Standard Reimbursement Rate (SRR) to provide a living wage and benefits; AB 833 (Bonta) – would re-establish the statewide centralized eligibility list and would establish a statewide quality rating and improvement system; AB 982 (Eggman) – would add families experiencing homelessness as part of the intended priority for



subsidized child care and development programs; SB 548 (De León) – would authorize collective bargaining for family child care providers, require a study of best practices, and a study of gaps in training and recommendations for improvement; SB 567 (Liu) – would establish continuous eligibility for the program year for children receiving subsidized child care and development services in state-contracted programs; and SB 792 – would mandate immunizations for child care providers.

In reference to SB 74 (Calderon), which would require annual unannounced inspections of licensed facilities by January 1, 2018, a recommended pursuit of position to support has been forwarded by the Policy Roundtable for Child Care and Development (Roundtable) to the County's Intergovernmental Relations and External Affairs for consideration to take to the Board of Supervisors.

Lisa noted that on March 31, 2015 the Board of Supervisors adopted a motion to study the impact of increases in the minimum wage on County residents who receive County services and on the unincorporated areas of the County.

B. Addressing Reimbursement Rates and Minimum Wage Increases

Kathy Schreiner, Co-chair of the Workforce Work Group, reported that the focus of late by the Work Group has been on proposals to increase the minimum wage and the impact on early care and education programs. Efforts are underway to settle on key talking points that support minimum wage hikes while stressing the urgent need to increase revenues (e.g. reimbursement rates and cost of living adjustment (COLA)) to support program operations. She noted that with the most recent increase in the minimum wage, some programs had to make very tough choices that included, for example, eliminating administrative positions.

Kathy raised three key points: 1) early childhood educators in all positions deserve higher wages; 2) however, early care and education programs cannot pay the increased minimum wage without more revenue (e.g. higher reimbursement rate from the State for subsidized children); and 3) the short term challenge is that early care and education programs will be unable to pay the next increase in the California minimum wage (to \$10 per hour in January 2016) unless they receive additional funds from the State through the budget that must be passed by the end of June 2015.

The Los Angeles City Council has ordered an impact study on the Mayor's proposal to increase minimum wages citywide. It was suggested that efforts should be made at the city and County levels to ensure that early care and education be among the industries studied.

Richard Cohen reflected on the significance and level of interest on this issue and suggested that further attention be paid at an upcoming meeting. In closing, he thanked the Workforce Work Group for their persistence on bringing greater attention and balance to the implications of the minimum wage proposals.

4. California Transitional Kindergarten Stipend (CTKS) Incentive Program

Renatta Cooper, staff with the Office of Child Care, referred meeting participants to their packets for a copy of the fact sheet summarizing the implementation plan for the CTKS Incentive Program in Los Angeles County. Renatta reported that the development of the application is underway and is expected for release in early summer. She plans to review the transcripts of all applicants to ensure that they are taking the appropriate classes to earn the stipend and are on track for meeting the new requirements. Unlike the Investing in Early Educators Stipend Program, the CTKS Incentive Program will have an open application period.

5. Connecting Children and Families with Essential Resources – Building Positive and Healthier Approaches to Oral Health Care

Richard introduced Dr. James J. Crall, Project Director of the UCLA-First 5 LA Oral Health Project, commenting on the importance of health promotion and prevention as a component of working effectively with children and families in early care and education programs. Dr. Crall thanked Richard for his remarks and directed meeting participants to his PowerPoint presentation.

Dr. Crall began with an overview of children's oral health in California and then followed up with data on access to preventative dental services. While lack of access has been problematic across the nation, trends show more children receiving preventative dental care services as a result of intentional outreach efforts and resource investments. Next, he summarized the goals of the UCLA-First 5 LA Project to increase access to dental and oral health in partnership with community clinic sites and other community-based partners. Efforts are underway to also improve the capacity of community clinics in their delivery of oral health care to the youngest children and build parent awareness. Dr. Crall's presentation included maps of target communities, approaches to clinic engagement and systems development, and plans for sustainability.

6. Addressing Cost Pressures to Early Care and Education Programs – Soliciting Ideas for Future Agenda Item

Patricia Herrera of 211 LA County, also scheduled to present, needed to cancel at the last minute due to a family emergency. As such, Richard suggested small group discussions on the impact of the minimum on early care and education programs given the existing reimbursement rates and prepare recommendations for a future agenda item.

Members, alternates and guests offered the following suggestions towards shaping a future agenda as follows: build awareness by crafting clear messages; collect information on existing compensation levels; provide data on the economic impact of minimum wage increases to providers and community; generate solutions; ask an economist to present; address the impact on family eligibility if wages increase; discuss in relationship to staff qualifications and expectations to meet higher standards; and use case study as an example of changes to operational costs.

In closing, Richard loosely quoted Barney Franks, a long-serving Massachusetts representative to Congress talking about incremental change: Change happens incrementally. Every step forward involves both compromise and downsides, yet we have to keep advocating. In early care and education, we've been talking about improving compensation for a long time. Many of us in management positions started out in classrooms ourselves. The minimum wage increase movement offers the first major step forward in a generation. But it is also a challenge. The question is how we manage the challenge and remain advocates for what we know our staff need.

7. Announcements and Public Comment

- The Child Care Planning Committee is recruiting members for fiscal year 2015-16. Applications are due April 29, 2015. Members intending to maintain their membership were reminded to submit their applications.
- Richard announced Project ABC's upcoming event, "Relationships Matter: About Building Connections", scheduled for April 27, 2015. More information is available at www.projectabc-la.org.

- Michele Sartell announced the opportunity for California Department of Education-contracted programs to participate in the Temporary, Voluntary Transfer of Funds (TVTF). Applications are due to the Office of Child Care by April 15, 2015. More information and the TVTF Request Form are available at www.childcare.lacounty.gov or by contacting Michele at (213) 974-5187.
- The Southeast Cities Taskforce and Public Counsel are hosting the 7th Annual Early Care and Education Symposium on April 29, 2015. Supervisor Hilda Solis has been secured as the keynote speaker. Flyers were made available.
- Toni Isaacs of PEACH announced the upcoming infant/toddler stakeholder meeting, *From the Mouths of Babes: Hearing the Voices of 0-3 Professionals in Child Development Permit Revisions & Early Childhood Credentialing* scheduled for April 21, 2015. More information is available by sending an e-mail to peach4ece@gmail.com.

8. Adjournment

The Chair called for a motion to adjourn. Sarah Soriano made the motion; Andrea Joseph seconded the motion. The meeting was adjourned at 2:11 p.m.