



## Los Angeles County Child Care Planning Committee

Minutes: February 6, 2008

12:00 p.m. to 2:00 p.m.

Location: The California Endowment  
1000 N. Alameda Street  
Los Angeles, CA 90013

**Members in Attendance:** (30) Bobbie Edwards, Lorraine Schrag, Karen Kaye, Carol Hiestand for Kathleen Pompey, Pamela Schmidt, Patti Oblath, Rocio Bach, Sylvia Parra, Julie Taren, Rosa Arevalo, Pamela Kwok, Ana Gallegos for Mary Helena Vasquez, Grace Castro, Noreen Clarke, Wilma Kiel, Ancelma Sanchez, Roseanne Ghiazza for Corinne Sanchez, Leticia Lara, Diane Philiposian, Holly Reynolds, Linda Cooper for Sherri Lewis, Amy Bigelow for Patrice Wong, Robert Wiltse, Jenny Trickey, Angelica Solis, Nellie Rios Parra, Pat Mendoza, Alejandra Guillen for Sandra Menendez, and Tracy Colunga Hollingsworth.

**Guests and Alternates:** Lucy Fitzpatrick, JoAnn Shalhoub Mejia, Elizabeth Villanueva, Diana Careaga, Kathy Schreiner, Lisa Wilkins, Silvia Walker, Elaine Waldman, Elsa Leal, Karen Ehnert, Diana Smith, Emily Beeler, Peggy Sisson, Anthony Marst, Lou Orr, Jane Lee Choe, and Cynthia Zarate.

**Staff:** Laura Escobedo, Michele Sartell

### I. Welcome and Introductions

Holly Reynolds, Chair, opened the meeting at 12:12 p.m. She introduced herself and asked those in attendance to introduce themselves. Ms. Reynolds read the opening statement.

### II. Approval of Minutes for October 3, 2007

**The Chair asked that the minutes from January 5, 2008 be reviewed. She called for changes or corrections to the minutes. Several typographic errors were noted. She called for a motion. Nellie Rios Parra moved to approve the minutes of January 5, 2008 as amended; the motion was seconded by Robert Wiltse. The Chair called for the vote. The motion passed with no abstentions.**

### III. Update from Office of Child Care

Laura Escobedo announced that Craig Lancaster had retired from his long-term position at the Los Angeles Unified School District and was therefore no longer eligible to serve on the Planning Committee or to continue as Chair. The by-laws state that the Vice Chair becomes the Chair in such circumstances; Holly Reynolds has agreed to officially serve as Chair for the remainder of the year.

Ms. Escobedo also alerted the group to the fact that there was a proposal to create legislation that would redefine specific California Department of Education (CDE)-contracted programs under a new California Preschool heading. The programs involved would be State Preschool, General Child Care, and the PreKindergarten and Family Literacy Program (PKFLP). The proposal includes creating a commission that would develop quality standards and a tiered reimbursement system based on those standards. This proposal is being discussed with several state organizations. It is sponsored by the Preschool California. No bill has been introduced as yet.

### III. Governor's Proposed Budget for 2008-09

Michele Sartell presented an analysis of the Governor's Budget. Because of a current deficit, which is anticipated to grow to \$14.5 billion, the Governor has proposed a 10% cut to all programs and services to take effect March 1, 2008. The legislature is in a special legislative session to deal with the current deficit. Budget deliberations for 2008-09 will not begin until the special session has completed its work.

For 2008-09, the Governor proposes cutting the Community Care Licensing budget by \$2.3 million which would reduce the number of visits by licensing analysts from once every five years to once every seven years. The budget would eliminate the safety net benefits to children whose parent

are sanctioned in CalWORKs. The budget also includes a cut of \$198.9 million to child care and development programs. Every type of child development program, including local planning councils would be cut by approximately 6.4%. The reimbursement for the Child Nutrition Program would be reduced by \$.02 per meal. In addition, the budget calls for a freeze on income eligibility (remains at 2007-08 levels) and maintaining child care provider reimbursement rates at current levels based on the 2006 Regional Market Rate. The Cal-Safe program for pregnant and parenting teens and the After School Education and Safety (ASES) program would also be cut by 10.9% and 8.9% respectively.

This first budget proposal offers only cuts to balance the budget; there are almost no revenue enhancements suggested. The next step will be the May revise budget.

#### IV. Preliminary Report on CDE Funding in Los Angeles County - 2003-06

The fiscal information obtained from CDE included all direct service contract types and the Alternative Payment Program (APP) as well as both CalWORKs Stages 2 and 3 Child Care. The fiscal data contained the contracted amounts or maximum reimbursable amount (MRA), over-earnings, and under-earnings. Under-earnings occur when an agency does not provide the required units of serve (child/days of enrollment) to fully earn the MRA.

Based on the data provided, contractors in Los Angeles County under-earned \$162,604,978 between 2003-06. The range of under-earned MRA varied by program type: General Child Care Center, 9.9%, State Preschool, 11.1%; Full-day State Preschool, 4.6%, Latchkey, 7.6%, APP, 6.3%, Stage 2, 6.3%; and Stage 3, 6.9%.

Reasons for under-earning MRA include:

- Start-up of new or expanded sites
- Demographic shifts resulting in fewer eligible families
- Fewer four year olds
- Undocumented families fearful of using government-funded services
- Drops/changes in CalWORKs case loads and referrals (Stages 2 and 3)
- Standard Reimbursement Rate (SRR) issues
- Parent fees which are subtracted from MRA unless additional service is provided
- Eligibility and contract reimbursement rules
- Non-congruent eligibility (blending funds)

As part of the research into CDE allocations, representatives from San Mateo and San Francisco were interviewed regarding the pilots in each county which are operating under CDE-approved local policies. Each of these is a high cost county. Fewer families were meeting the income requirements for eligibility and fewer programs were able to manage on the statewide SRR. In San Francisco, the SRR covered only about 60 percent of the actual cost of care. For these reasons, many programs were closing or planning to close. Each of the counties was required to create a local plan that was approved by CDE. Each sought to raise the income ceiling for eligibility, require a higher SRR, and allow funds to be transferred from one program to another where the funding was needed. CDE approved very little. However, San Mateo was able to raise the income ceiling for eligibility and negotiated use of funds from a turned-back contract in order to raise the SRR for targeted operators who were close to closing. San Mateo also facilitated funding shifts between operators of the same program type to maximize the use of the funds.

San Francisco also raised the income ceiling for eligibility. The results have been that more families are now eligible for services, some programs have an increased SRR, program closures were halted, and there has been an increase in the number of children served. All of the efforts required building consensus among the CDE contractors.

At this point it is difficult to recommend specific action on the part of Los Angeles County. We do not have fiscal data from 2006-07 or the current year. Moreover there will be no data on the use of PKFLP funds until the end of 2008. Becoming clear is that the programs funded through CDE lack needed flexibility to meet the needs of changing communities and to use the full MRAs. Given the current budget context, expansion of funding is not possible. But to save what has been allocated for this County, the issue of under-earnings has to be addressed. It will be important to work with all stakeholders to build consensus for change/reform, particularly in this climate of tightening requirements because of fraud.

The group offered up several important facts and messages that could be employed in defending current levels of funding. These will be compiled and shared with the Planning Committee.

#### V. Acute Communicable Disease Control Issues for Child Care

Sylvia Walker, MSN, MPH with the Department of Public Health (DPH) stated that the DPH's mission is to protect and improve the health of all Angelinos. The Acute Communicable Disease Control (ACDC) program works to prevent communicable disease in Los Angeles County. ACDC provides consultation, education, surveillance, guidelines/policies, outbreak management, research, planning, evaluation, and community mobilization. The program is further divided by the means of transmission of the disease; i.e. blood, water, food, insects, etc. Sylvia Walker discussed what sorts of diseases are reportable and provided a chart listing each disease and how to report it. She stated that child care workers should consider themselves mandated reporters for communicable diseases. Reporting communicable diseases helps determine the source and extent of the disease, helps in determining the risk of transmission, and helps to implement rapid interventions.

Elaine Waldman of ACDC presented information about the dangers of reptiles as pets at home or in the classroom. Reptiles, including the small turtles often selected as pets, are carriers of salmonella. In Los Angeles County 10 percent of the salmonella infections are reptile associated; 80 percent of these are associated with turtles. Salmonella is a very serious infection that can cause hospitalization and even death. She advised those working with children under the age of five to avoid having them in the classroom or family child care home and pointed out that the National Association for the Education of Young Children (NAEYC) has included elimination of these pets in its accreditation standards. Elaine Waldman can be contacted at [ewaldman@ph.lacounty.gov](mailto:ewaldman@ph.lacounty.gov).

#### VI. Public Announcements and Comments

First 5 LA will be issuing a Request for Proposal for the workforce initiative dealing with the recruitment of high school students into child care and development. It will be issued in the next few weeks. Contact Diana Careaga for information.

The South Central Child Development Consortium is having their 16th annual conference at the Radisson Hotel in West Los Angeles on April 18, 2008. Contact Wilma Kiel for information.

The State Family Child Care Association is holding a conference in Whittier on March 15, 2008. Contact Grace Castro for registration.

#### VIII. Adjournment

**The Chair asked for a motion to adjourn. It was moved by Robert Wiltse and seconded by Carol Hiestand to adjourn the meeting. The motion passed. The meeting was adjourned at 2:10 p.m.**