

# State Child Care Advisory Committee

## 2015 Annual Report

*Timeframe for Report: July 1, 2014 – June 30, 2015 (SFY 2015)*



The State Child Care Advisory Committee's FY '15 annual report begins with the adopted highest priority. Below is the current issue of the committee.

**Issue Brief:** Fund child care assistance (CCA) to avoid a child care access crisis.

### ***Recommendations from the Committee:***

The SCCAC recommends that the Iowa legislature:

1. Increase Child Care Assistance funding to levels sufficient to bring rates to current market rates.
2. Future increases should be based on the current market rate and not on percentage increases applied to the past market rate.

### ***Why our Recommendation?***

- Access to child care is essential for families to work or go to school
- An increasing number of providers are choosing to not serve children eligible for CCA due to the lower-than-market rate. Iowa's reimbursement rate is approximately a decade behind the current market rate.
- Current CCA rates are insufficient to operate a high quality child care business
- Increased business costs result in decreased access to quality child care when the CCA rates do not keep pace with the private pay market
- Increasing costs compounded with regulation are resulting in more providers not accepting CCA or closing their doors
- Adequate CCA rates make it possible for low-income families to access higher quality child care
- In Iowa, 77% of households with children under age 6 have all available parents in the labor force; Iowa ranks #1 among the 50 states. (U.S. Census, 2008-2013 American Community Survey)

### ***What will happen if you don't increase child care provider rates?***

- Decrease in child care quality and availability will undermine economic development
- Parents will not be able to work or go to school
- Small businesses will close
- Fewer high quality child care providers will be available to those with the highest need

***For more information, contact: SCCAC Co-Chairs:***

- Amy Karaidos, [amyk@vnsia.org](mailto:amyk@vnsia.org)
- Melissa Juhl, [mjuhl@midsioux.org](mailto:mjuhl@midsioux.org)

***Link to information about the State Child Care Advisory Committee:***

[http://www.earlychildhoodiowa.org/state\\_system/ECI\\_comp\\_wrkgtps/quality\\_services\\_programs/state\\_child\\_care\\_advisory/index.html](http://www.earlychildhoodiowa.org/state_system/ECI_comp_wrkgtps/quality_services_programs/state_child_care_advisory/index.html)

### Update of Work Conducted by the State Child Care Advisory Committee

The committee dedicated a majority of their time in FY '15 to provide feedback to the Iowa Department of Human Services as they work to create an updated State Child Care Plan that will comply with the changes in the federal reauthorization. During each meeting, the committee received updates and was directed to focus on various sections of the plan to provide their input. Primarily input was provided to DHS on Child Care Assistance, Regulatory issues and Professional Development items.

The committee also receives written updates at each meeting from the state departments with whom they primarily work – Department of Education, Human Services, Public Health, and Management/ECI. Time is allowed at each meeting for a question/answer time period for the committee members to discuss data or items noted in any of the written reports. The reports are useful for committee members to also share information within their constituency.

The State Child Care Advisory Committee makes an effort to annual present and share information with the Council on Human Services during the budget meetings. In FY '15, in addition to the issue brief, committee members shared information about the status of child care in Iowa, highlighting that there are a reduction of regulated child care settings across the state. In some communities, there is a gap of available providers that care for infants and toddlers. In contrast, with Iowa being one of the highest states of having all parents working outside the home, there is concern about the care for these children.

### Updates/Presentations to the Committee

---

Presentations assist members to be better informed about a part of the child care system. Items covered during this fiscal year included the below listed topics.

- Department of Education and Human Services regarding Child Care Rules for school district operated and the impact on the child care system
- QRS Oversight Team – update on recalibration and gathering input
- 5-Year Plan for the Head Start Collaboration Office and Head Start Annual Report
- CCDBG Reauthorization – updates throughout the year
- Environmental Rating System
- Iowa After School Alliance Directory
- IDPH Activities that relate to Child Care
- National meeting about the Child Care Partnerships grant opportunity

---

**Current Committee Members (attended meetings in SFY 2015)**

---

Amy Bruner	Hawkeye Community Action Program, Inc.
Erin Clancy	Iowa Dept. of Human Services
Jill Dodds	Child Development Home Provider
Pam Ellis	Iowa Association for the Education of Young Children
Susan Gray	4C's: Community Coordinated Child Care
Sheila Hansen	Every Child Counts, Child and Family Policy Center
Julie Ingersoll	Iowa Dept. of Human Services
Melissa Juhl	Mid-Sioux Opportunity, Inc - Child Care Resource and Referral
Amy Karaidos	Visiting Nurse Services of Iowa
Rep. Kevin Koester	State Representative
Lorraine Murray	Child Development Home Provider
Heidi Hotvedt	Iowa Dept. of Public Health
LouAnn Mowrey	Family Resource Center
Lesia Oestereich	Iowa State University Extension
Analisa Pearson	Iowa Dept. of Public Health
Kathie Readout	Mid-Iowa Community Action - Iowa Head Start
Tom Rendon	Iowa Dept. of Education- Head Start State Collaboration Office
Michelle Rich	Iowa Afterschool Alliance
Heidi Schlueter	First Children's Finance
Sen. Mark Segabart	State Senator
Kim Smith	Child Development Home Provider
Jamie Van Sickle	Child Care Center provider
Andy Smith	House of Mercy Child Development Center
Jan Van Wyk	Child Care Center provider
Shanell Wagler	Iowa Dept. of Management - Early Childhood Iowa Office
Stacey Walters	Capitol Park Early Learning Center – Licensed Center
Cathy Wheatcraft	Orchard Place - Child Care Resource and Referral
Sen. Mary Jo Wilhelm	State Senator

---

**Formation and Purpose of the State Child Care Advisory Committee**

---

The State Child Care Advisory Committee was formed in 2010 through Iowa Acts, Ch 1031, 354, 351; Iowa Acts, ch 1192, Section 84 to begin July 1, 2011. It replaced the State Child Care Advisory Council that was originally created in state law in Iowa Code 237A.21. The role of the committee is to advocate for a quality child care system to serve children of Iowa from birth through school age.

The State Child Care Advisory Committee is an advisory body with membership consisting of representatives from child care – both centers and developmental homes, advocacy, the Departments of Education, Public Health, Human Services and any other applicable government agency, Head Start program provider, Child Care Resource and Referral, and various other representatives from professional organizations that are interested in the child care system in Iowa.

The Committee is charged with providing advice and making recommendations to the Governor, General Assembly, the Department of Human Services, and other state agencies concerning child care. They meet in the Des Moines area every other month.

The State Child Care Advisory Committee functions within the ECI systems structure within the Quality Services and Programs Component Workgroup with the main focus on early care and learning environments.

A section on the ECI website includes the State Child Care Advisory Committee information: meeting agendas, meeting minutes, group products and a meeting schedule.

[http://www.earlychildhoodiowa.org/state\\_system/ECI\\_comp\\_wrkgtps/quality\\_services\\_programs/state\\_child\\_care\\_advisory/index.html](http://www.earlychildhoodiowa.org/state_system/ECI_comp_wrkgtps/quality_services_programs/state_child_care_advisory/index.html).

The committee conducts much of its work by dividing into two smaller workgroups. They are:

- Child Care Assistance,
- Child Care Regulations

Information regarding the State Child Care Advisory Committee is found at:

[http://www.earlychildhoodiowa.org/state\\_system/ECI\\_comp\\_wrkgtps/quality\\_services\\_programs/state\\_child\\_care\\_advisory/index.html](http://www.earlychildhoodiowa.org/state_system/ECI_comp_wrkgtps/quality_services_programs/state_child_care_advisory/index.html).

**Iowa State Child Care Advisory Council (SCCAC)**

**Brief:** Fund child care assistance (CCA) to avoid a child care access crisis.

(FY '16)

***Recommendations from the Committee:***

The SCCAC recommends that the Iowa legislature:

1. Increase Child Care Assistance funding to levels sufficient to bring rates to current market rates.
2. Future increases should be based on the current market rate and not on percentage increases applied to the past market rate.

***Why our Recommendation?***

- Access to child care is essential for families to work or go to school
- An increasing number of providers are choosing to not serve children eligible for CCA due to the lower-than-market rate (currently a decade behind current market rate)
- Current CCA rates are insufficient to operate a high quality child care business
- Increased business costs result in decreased access to quality child care when the CCA rates do not keep pace with the private pay market
- Increasing costs compounded with regulation are resulting in more providers closing their doors
- Adequate CCA rates make it possible for low-income families to access higher quality child care
- Disparities in developmental outcomes emerge in infancy and widen in toddlerhood, according to the 2010 KIDS COUNT (p. 16) report that references a National policy statement on early childhood systems. By the time children from low-income families enter kindergarten, they are typically 12-14 months below national norms and pre-reading skills. It is crucial that these children get access to adequate resources and opportunities that enhance physical linguistic, cognitive, social, emotional and behavioral development.
- 77% of households in Iowa with children under age 6 have all available parents in the labor force; Iowa ranks #1 among the 50 state states. (U.S. Census, 2008-2013 American Community Survey)

***What will happen if you don't increase child care provider rates?***

- Decrease in child care quality and availability will undermine economic development
- Parents will not be able to work or go to school
- Small businesses will close
- Fewer high quality child care providers will be available to those with the highest need

For more information, contact: SCCAC Co-Chairs: Amy Karaidos, [amyk@vnsia.org](mailto:amyk@vnsia.org); Melissa Juhl, [mjuhl@midsioux.org](mailto:mjuhl@midsioux.org)

Link to information about the State Child Care Advisory Committee:

[http://www.earlychildhoodiowa.org/state\\_system/ECI\\_comp\\_wrkgtps/quality\\_services\\_programs/state\\_child\\_care\\_advisory/index.html](http://www.earlychildhoodiowa.org/state_system/ECI_comp_wrkgtps/quality_services_programs/state_child_care_advisory/index.html)



# Reauthorization of the Child Care and Development Fund (CCDF) Grant

## Focus Areas



1

### Child Focused

- Ensuring the Health and Safety of Children
  - ✓ Pre-inspection visit of child care providers completing the registration process
  - ✓ Additional health & safety trainings required for child care providers
  - ✓ Annual unannounced monitoring visits
- Keeping Children in Stable Child Care Environments
- Improving School Readiness



2

### Family Friendly

- Increasing Eligibility for Child Care Assistance to 12 Months
- Providing "Exit" Eligibility in the Child Care Assistance Program When the Family's Income Exceeds the Program Limit
- Allowing a 3-Month Job Search Option for Families Currently Approved for Child Care Assistance
- Making Consumer Education Resources Available to Help Parents with Child Care Decisions



3

### Fair to Providers

- Allowing Families to Remain Eligible for Child Care Assistance When There is a Temporary Change in Work/Education During the 12-Month Certification Period
- Continuing Family Eligibility for Child Care Assistance for at Least One Year After the Family's Income Exceeds the Program Limit
- Creating a Tiered Reimbursement Payment System Based on Child Care Program Quality



#### CCDBG Health and Safety Modules:

The federal Child Care Development Block Grant (CCDBG) of 2014 requires that states must include preservice/orientation health and safety trainings for providers. Healthy Child Care Iowa (HCCI) and Iowa State University Extension and Outreach have developed a partnership to develop a 10 module (12 hours) health and safety basics training curriculum based on national standards (Caring For Our Children, 3rd ed., CPSC, NPPS, NHTSA, CDC) that will include the following topics:

1. Prevention and control of infectious diseases, including immunizations (2 hours)
2. SIDS and Safe Sleep practices (1 hour)
3. Medication Administration (2 hours)
4. Prevention and response to food allergies (1 hour)
5. Building and physical premises safety (1 hour)
6. Shaking Baby Syndrome and head trauma, POPC (1 hour)
7. Emergency Preparedness and response planning (1 hour)
8. Storage of hazardous materials (1 hour)
9. Precautions in transporting children (1 hour)
10. Cultural Diversity and Homelessness (1 hour)

HCCI's proposal is for developing the 10 modules including health and safety content, quizzes, and script and provide face-to-face training beginning July-September, 2016. Iowa State University Extension and Outreach will partner with HCCI to develop and provide the training for online delivery to participants.

Andrea Smith, Des Moines

Child Care Center Director

1-26-16

Work with a coalition of 20 child care programs in Central Iowa.

In the past 6 months have served app. 1300 children birth – age 5

80% of the children served received Child Care Assistance

The programs employ roughly 225 teachers at any given time

The average wage of the teachers is \$9.75/hour

Without additional support from community partners, these programs are not in a position to purchase quality materials, make improvements to their facilities, or provide on-going professional development for staff. They are also not able to attract quality staff with proper education. Popular belief may be that to work with children all you have to do is love them. Research suggests otherwise. In fact, our youngest children, birth – 18 months should have the most qualified teachers as this is the greatest period of brain growth.

Programs serving large numbers of CCA families lose money every year their business accepts CCA. With dwindling numbers of providers accepting CCA, low-income, at-risk children do not have quality options for child care.

Increasing Child Care Assistance to the market rate would help with the financial viability of child care programs. It would also elevate the staff working in these programs to a livable wage.

I appreciate the changes that DHS is proposing in their new state plan based on the recommendations that have come from the CCDBG reauthorization.

12 month eligibility will certainly help programs to create a working budget and stay ahead of their bills. It will also guarantee the necessary consistency for the children we serve. We all know that research tells us that children living in poverty are at a greater risk of entering school behind their peers. There are expenses that we all pay when our children fall behind in school. With consistent care, we hope to reduce that achievement gap.



The Des Moines Early Childhood Coalition consists of 20 child care programs in Polk and Dallas County. The child care programs were selected to participate in the coalition because they are serving more than 35% of families receiving child care assistance. Currently, 80% of the families are receiving CCA. The coalition receives support from United Way of Central Iowa, Women's Leadership Connection, and Polk County Early Childhood Iowa.

United Way, WLC, and PCECI made a decision in 2002 to support child care centers in the Des Moines area when brain research showed the impact that quality early childhood can have on the school readiness gap. The coalition centers are community based programs serving low-income, at-risk children. Approximately 60% of the teachers working with the children in the centers have only a high school diploma or GED. Without the additional support the centers would not have access to quality classroom materials, facility upgrades, or additional professional development.

For additional information on the United Way of Central Iowa and Women's Leadership Connection visit the following website: [www.unitedwaydm.org/WLC](http://www.unitedwaydm.org/WLC)

---

**Below is a sample scenario of how a center taking children on CCA is impacted fiscally.**

Iowa Department of Human Services  
Child Care Assistance

1 unit of care = 5 hours/day  
Full-time = 10 units/week

A typical Notice of Decision (NOD) will provide coverage for six months under the current guidelines. Parents are required to renew their application and submit proof of income every 6 months. Initial and reapplications can take up to 45 days for approval.

**Ratios in the State of Iowa:**

Infant (birth – 2 <sup>nd</sup> birthday)	1 adult: 4 children
Two Year Olds	1 adult: 6 children
Three Year Olds	1 adult: 8 children
Four Year Olds	1 adult: 12 children
Five Year Olds/School-Age	1 adult: 15 children

**Reimbursement Rates for Centers:**

Infant (birth – 2 <sup>nd</sup> birthday)	\$16.78/unit	\$167.80 full-time (10 units)/week
Preschool (2 <sup>nd</sup> birthday – five)	\$13.53/unit	\$135.30 full-time (10 units)/week
Children are allowed 4 absences per month. Beyond the four absences the center loses money for that slot.		

Private/Market Rate in Polk County (CCR&R data sheet)

Child Care Rates	Private/Market	DHS/Child Care Assistance	Weekly Difference	Annual Difference	One Ratio/Group of Children
Infant	204.86/child	167.80/child	37.06	1927.12	7708.48
Two Year Old	181.47	135.30	46.17	2400.84	14405.04
Three Year Old	171.93	135.30	36.63	1904.76	15238.08
Four Year Old	168.29	135.30	32.99	1715.48	20585.76
			152.85	7948.20	57937.36

The above chart shows a loss in potential revenue of \$57,937.36 in one year if the center served 30 children on CCA (4 infants, 6 two year olds, 8 three year olds, and 12 four year olds).