



June 8, 2009

The Honorable Tom Pauken
Chairman
Texas Workforce Commission
101 E. 15th Street
Austin, TX 78778-0001

Dear Chairman Pauken:

On behalf of the Texas Early Childhood Education Coalition (TECEC), I would like to thank you for your leadership as Chairman of the Texas Workforce Commission (TWC). TECEC represents more than 275 organizations and thousands of members from across our great state. Our partners include representatives from public schools, Head Start, child care, the business community, higher education, foundations, community based organizations, and more.

The purpose of my letter is to address the incredible opportunity we have with the American Recovery and Reinvestment Act (ARRA) to: provide families with needed financial relief; create new jobs; grow a capable, team-ready workforce for the future; and save Texans money. As you know, Texas is expected to receive \$214,851,600 in total Child Care and Development Block Grant (CCDBG) funding. \$17,761,545 of those dollars must be spent on quality initiatives, and another \$10,286,262 must be spent directly on infant and toddler initiatives.

TECEC and its members and partners want to ensure those dollars are spent efficiently and benefit the children and families in Texas. The benefit must be to both the parents going back to work in order to stimulate the economy, as well as the children who need access to high-quality early learning programs that prepare the workforce of tomorrow. This will ensure the stimulus dollars have both a short and long-term impact on the Texas economy.

TECEC and its partners were very pleased with the recommendations laid out by TWC staff in early 2009 on how to spend the CCDBG stimulus funding, and we testified regarding the stimulus on multiple occasions throughout the 81st Legislative Session. Now that the legislative session has drawn to a close, TECEC asked its leadership to share additional recommendations on how they would like to see the CCDBG stimulus dollars spent in Texas. Their feedback included the following:

RECOMMENDATIONS:

- Ensure that child care quality improvement stimulus dollars flow through to local communities (Local Workforce Development Boards) to benefit the child care programs in their regions;
- Identify projects that significantly improve the quality of child-care and can be delivered within existing infrastructure;
- Fund projects that address child care quality improvement priorities, such as: teacher training/education; director training on staff selection and management, leadership, quality improvement, creating a healthy work environment, financial management and planning, risk management (a huge need identified post Hurricane Ike); achieving and maintaining accreditations and the Texas Rising Star certification; on-site mentoring/coaching to reinforce training content; classroom resources to create a safe, nurturing, learning environment; accommodating the needs of special needs children; teacher scholarships, so teachers can continue their education to earn a Child Development Associates credential, Associates of Arts degree, Bachelors degree, etc. ; the TEACH Professional Development Project; and more.
- Provide one-time cash incentives to providers that either increase their infant and toddler licensing capacity or who become licensed to care for infants and toddlers.
- Provide one-time cash incentives to high-quality (TRS, TEEM, nationally accredited, etc.) centers to: upgrade facilities such as bathrooms and playgrounds for special needs children; replace worn items or add equipment such as carpets, playground fencing, cribs, mats, child-sized furniture, dramatic play units, computers, etc.; replace or add gross motor equipment such as tricycles, scooters, pushers, etc.; and replace or add playground equipment such as climbing structures, playhouses, dramatic play units, sand/water play, surfacing materials, storage containers, etc.
- Provide one time bonuses for current employees. Due to the federal minimum wage increases beginning in July 2007, the next increase in July 2009 and all other increased expenses, owners cannot afford to appropriately adjust the pay of their more qualified staff, and this affects their ability to retain their qualified staff and the morale of their qualified staff.
- Ensure that the targeted quality dollars not be spent exclusively on the Children's Learning Institute (CLI) and the Texas Early Education Model (TEEM). LWDB's need flexibility to address quality at the community level, and providers should have multiple pathways to professional development.
- Ensure a portion of the funds are spent on serving children on the waiting list.

- Provide reimbursements to providers for training expenses.
- Utilize a portion of the stimulus dollars to design a Quality Indicator System for Licensed and Registered Facilities throughout the State of Texas by using the local R&Rs to implement this initiative. This would enable parents to make wise child-care choices through an objective rating system where they can compare the quality of various facilities against each other.
- Utilize as many funds as possible for current Texas Rising Star providers. Current TRS providers do not get access to the same resources and support as TEEM and Texas School Ready! providers do through the Children’s Learning Institute. For example, not all TRS providers have access to high-quality teacher training, on-line professional development, mentoring, improved teacher salaries and other compensation.
- Utilize a portion of the \$10 million dollars in targeted infant and toddler funds to increase reimbursement rates to child care providers serving infants and toddlers in the child care subsidy program. Because there are minimal infant and toddler slots across Texas, this would help to increase the number of available providers serving infants and toddlers.
- Utilize a portion of the \$17 million of targeted quality funds to bring the TEACH professional development model to Texas. T.E.A.C.H. takes place in 23 states and is annually providing more than 15,000 scholarships to early childhood education professionals. T.E.A.C.H. addresses the problems of poor education, low compensation, and high turnover in the child care sector by providing early childhood professional development opportunities for teachers, directors, and family child-care providers. Austin currently uses a similar model, but the TEACH model would ensure that the Local Workforce Development Boards (LWDB’s) have the technical assistance necessary to implement the program.
- Request that TEEM funding be awarded to lead agencies and ISDs with a mandate that an equal number of child care centers be represented in the expenditure of the funds.
- Utilize a portion of the funding for “Toddler TEEM” training.

While TECEC understands that it would be difficult to increase reimbursement rates with this one-time infusion of federal stimulus dollars, the current child-care subsidy system in Texas is incredibly strained. The majority of providers serving children in the child-care subsidy program receive less than half of what it costs to serve those children. According to a recent statewide survey conducted by the Texas Association of Child Care Resource and Referral Agencies (TACCRRRA) and Collaborative for Children, the consequences of low subsidy rates include increased fees for non-subsidized children; reduced enrollment of subsidized children; discontinued participation in the subsidy program; and reduced services and activities for all children.

An Austin child-care provider said it best when she said, “We often laugh that it’s a good thing that we are faith based, because faith is the only thing that keeps us open...Our staff helps to subsidize low income children. We are always pinching pennies—the director counts the number of paper towels children use and sometimes we can’t afford supplies for the children. It’s quite distressing.” This quote is one of hundreds we have received from child care providers struggling to serve low income children and in some cases even to keep their doors open.

As each of you makes the difficult considerations on how to spend the stimulus dollars, we ask you to invest these dollars in high-quality efforts, which we know will give us a solid return for our investment and prepares the workforce of tomorrow. In addition, the Texas Workforce Commission (TWC) always has the flexibility to use a greater percentage of the CCDBG funding towards quality initiatives.

Currently, we use just the minimum required 4% on quality initiatives, which goes towards Department of Family and Protective Services (DFPS) to monitor the minimum health and safety requirements of child care centers. While we believe this is critical, we think the state of Texas can do more. There are some states that use up to 12% of its CCDBG funding to ensure safe and high quality early learning environments. We believe the stimulus dollars provide a great opportunity to invest in quality initiatives that will give Texas a guaranteed return on investment.

Thank you so much for your leadership to the state of Texas. In addition, thank you for hearing the recommendations of our members and partners. Please let me know if you have any questions.

Sincerely,

Kara Johnson
Executive Director

CC: Ronald G. Congleton, Commissioner Representing Labor
Andres Alcantar, Commissioner Representing the Public