

Montgomery County Commission on Child Care



Annual Report 2012—2013



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October 1, 2013

The Honorable Isiah Leggett
Montgomery County Executive

Council Members
Montgomery County Council

The Honorable Nancy Navarro
President, Montgomery County Council

Citizens of Montgomery County

Dear Mr. Leggett, Ms. Navarro, Council Members and Citizens:

The Commission on Child Care is pleased to submit its 2012-2013 Annual Report. The Commission's role is to provide the County with advice on issues related to child care by bringing together a variety of stakeholders and experts in the child care and early childhood education field including: County parents, business representatives, child care providers, Montgomery County Public School staff, Montgomery College staff, and representatives from the County and State agencies that impact child care. As a group, our collective knowledge and expertise allows the Commission to discuss, analyze and problem solve various child care issues and provide a comprehensive perspective for feedback, improvements, and solutions to County officials and citizens.

Child care costs have steadily increased year after year. However, government funding has remained relatively flat or been cut. Child care is greatly needed by families to provide a safe place for children while parents work and to provide the early childhood education our children need to be prepared for elementary school. Parents of virtually all income levels are struggling to afford the costs of care and more and more families at the lower income levels have no choice but to resort to unregulated and/or substandard options for their children.

The child care industry is a patchwork of businesses, organizations and family run operations of many different configurations, including non-profits and for-profits, single and multiple sites, in-home and center- or school-based, independent and subsidized (by religious, governmental, or corporate entities). Whatever the configuration, the financial margins are thin. Providers face more and more regulatory requirements that are increasing costs and a clientele of families who are already struggling to afford the current costs. Government programs such as Maryland EXCELS acknowledge that the increased requirements on providers such as higher education levels for teachers will increase costs and put additional pressure on providers. However, there is no plan to help families afford such increases.

As a result, the Commission is greatly concerned about the current direction of child care in the County. If this continues, we may see more and more families unable to afford care, parents who drop from the work force, children who are in improper care, and child care providers who must shut down. Overall, we could see an increased achievement gap as more young children are not able to obtain the tools and knowledge critical for school readiness.

The Commission examined County initiatives that address these issues which resulted in the following recommendations:

- Increase the amount of subsidy payments in the Working Parents Assistance Program and revise the income guidelines to reflect the increased cost of living in Montgomery County.
- Prioritize child care in public space and consolidate it into an organized program overseen and coordinated by the Department of Health and Human Services to better promote consistent, reliable, quality options for families.
- Stay up-to-date on the implementation of the Maryland EXCELS Quality Rating and Improvement System, its impact on families and child care providers and the expected increases in costs of care. Do not make EXCELS participation a prerequisite to the acceptance of Working Parents Assistance vouchers.

We believe that these are important initial steps to address the issues we are facing with child care. We need Federal, State and County government to provide more resources to make quality child care and early childhood education available and affordable for families. Money spent on child care and early childhood education is an investment in our economic future. The Commission will be focusing on these issues in the upcoming year to provide further recommendations.

The Commission greatly appreciates your consideration of its recommendations and priorities when making policy and budget decisions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shaun Rose', with a long horizontal flourish extending to the right.

Shaun Rose
Chair

The Commission on Child Care

Vision

Access to quality, affordable child care for all Montgomery County families.

Mission

To advise the County Executive and County Council on the development, implementation, and effectiveness of government policies, programs, and services that enhance community support for quality, affordable and accessible child care.

Purpose

Section 27-62 of the Montgomery County Code provides authority for the Commission on Child Care to “advise the County Executive and County Council on the development of policies, programs and services that enhance community support for high quality, affordable and accessible child care.”



Meetings

The full Commission meets on the third Wednesday of the month at 7:30 p.m. at the Juvenile Assessment Center, 7300 Calhoun Place, Suite 600, Rockville MD 20855. All meetings are open to the general public.

A significant portion of the Commission's work is accomplished through the Executive, Programmatic Issues, Public Policy and Membership Committees. Volunteers from the general public are invited to assist the committees. Committee meetings take place on the first Wednesday of the month at 7300 Calhoun Place, with the Programmatic Issues Committee meeting at 6:00 p.m., the Public Policy Committee meeting at 7:00 p.m., and the Executive Committee meeting at 8:00 p.m. All meetings are open to the public.

Please call 240-777-4659; TTY 240-777-1009 for more information regarding full Commission and Committee meetings.

Membership

The Commission has 18 voting members and five to seven non-voting members appointed by the County Executive and confirmed by the County Council. Membership includes parents, center and family child care providers and representatives from the business community, general public and government agencies with interests in child care. The Commission is supported through staff effort from the Montgomery County Department of Health and Human Services.

Commission Year 2012 - 2013

Voting Members

Parent Representatives

Suzanne Freed Auerbach
Hillary Fitolis
Chad Older
Julie Tanen
Tamiaka Thomasson

Child Care Provider Representatives

Nuri Funes
Michelle Green
Mimi Hassanein
Gloria Kozel
Bernadine Occhiuzzo
Shaun Rose
Monika Utrecht

Business and General Public Representatives

John Amoh
Laurence Fabre-Welmond
Richard Patterson (Vice Chair)
Aurora Sanchez
Mindy Thiel (Chair)

Non-Voting Members

Barbara Andrews, Montgomery County Department of Health and Human Service
(*Pending*)
Teresa DeLisi, Montgomery College
Pamela Dunn, Montgomery County Planning Board
Carl Eggleston, Maryland State Department of Education, Office of Child Care
Claudia Simmons, Montgomery County Public Schools
Felicia Turner, Montgomery County Department of Health and Human Services
Carol Walsh, Montgomery County Collaboration Council for Children, Youth, and Families, Inc.
Vacant, Maryland Municipal League

Staff

Mary Gies, Program Manager, Early Childhood Services, Montgomery County Department of Health and Human Services

Membership

Commission Year 2013 - 2014

Voting Members

Parent

Representatives

Suzanne Freed Auerbach
Sandra Cortez
Hillary Fitis
Tamiaka Thomasson

Child Care Provider Representatives

Shernet Dixon-James
Nuri Funes
Michelle Green
Mimi Hassanein
Bernadine Occhiuzzo
Shaun Rose (Chair)

Business and General Public Representatives

Laurence Fabre-Welmond
Richard Patterson (Vice Chair)
Aurora Sanchez
Mindy Thiel
Shakeemah White

Non-Voting Members

● Barbara Andrews, Montgomery County Department of Health and Human Services
(*Pending*)
● Pamela Dunn, Montgomery County Planning Board
● Carl Eggleston, Maryland State Department of Education, Office of Child Care
● Monica Sanchez, Maryland Municipal League
● Claudia Simmons, Montgomery County Public Schools
● Felicia Turner, Montgomery County Department of Health and Human Services
● Carol Walsh, Montgomery County Collaboration Council for Children, Youth, and Families, Inc.
● Vacant, Montgomery College

Staff

Mary Gies, Program Manager, Early Childhood Services, Montgomery County Department of Health and Human Services

Recommendation #1

Increase the amount of subsidy payments in the Working Parents Assistance Program and revise the income guidelines to reflect the increased cost of living in Montgomery County.

Child care costs are rising and many families in Montgomery County cannot afford care for their children. The County needs to make an investment in child care subsidy programs to make quality child care accessible for all families. This investment has short-term and long-term payoffs. In the short-term, more parents who want to enter the work force will be able to do so because they can afford child care. In the long-term, children will receive quality care and critical early childhood educational experiences that will set them up for success in school and later in life.

Currently, child care subsidy payments are too low. Typical out-of-pocket costs for child care for families receiving subsidy funds often exceed 30% of gross income. For example, a one-parent family enrolled in WPA earning \$28,600 a year with one preschool-age child in full-time care could spend as much as \$11,064 annually on child care. This accounts for 39% of the family's income⁽¹⁾.

The Commission is grateful for the County Executive and County Council's leadership on the issue of assistance for working families as demonstrated in the final FY14 budget that included a total of \$338,670 in additional funds for WPA. Child care subsidy programs help eligible parents pay child care costs so they are able to work while knowing that their children are receiving care. The increased funds helped to ensure that more families were able to access this important program.

“Typical out-of-pocket costs for child care for families receiving subsidy funds often exceeds 30% of gross income.”

However, the per family amount of a child care subsidy has not kept pace with the costs to live and raise a family in Montgomery County. In fact, child care subsidy rates have not been increased since FY06. At the current levels, many low income families cannot afford to pay the unsubsidized portion of child care fees. This “subsidy” gap ranges from several hundred to over a thousand dollars each month for just one child.

Families in the County and professionals who work with them have told their personal stories to the Commission about how this “subsidy gap” often makes it impossible for parents who qualify to use their vouchers. Without an affordable child care option, many families are forced to forfeit employment or place their children in unlicensed or substandard care. In addition, in order to serve their communities, many child care providers cover the unsubsidized cost of care with their own funds, making it difficult for providers to sustain their businesses. With the upcoming implementation of the Maryland EXCELS program and the expected increase in the cost of child care, it is important to revisit the costs associated with providing quality care for our children and consider an increase to the per child subsidy and the program as a whole.

Recommendation #2

Prioritize child care in public space and consolidate it into an organized program overseen and coordinated by the Department of Health and Human

For several years, the Commission on Child Care has been receiving complaints from child care providers and parents in the community about the County's lack of uniform processes and procedures for bidding and rebidding child care opportunities in public space. Currently, child care providers bid for public space in facilities controlled by the Department of Health and Human Services (HHS), Montgomery County Public Schools (MCPS), and the Community Use of Public Facilities (CUPF). As a result, child care programs seeking to acquire and/or maintain public space face a frustrating web of inconsistent procedures that makes it difficult to impossible to build and continue sustainable, reliable, quality child care programs.

Despite efforts by the Commission to seek improvements, the situation has grown worse, as exemplified by the filing of lawsuits against the County by several school age child care providers. The Commission heard from providers and parents as well as representatives from the various entities involved in handling child care in public space during multiple meetings this past year. It determined that the core mission of HHS was most aligned with ensuring that the space would be used in a way that resulted in consistent quality child care. The Commission then made a formal recommendation to the County Executive and County Council that the County pass a regulation to consolidate the use of public space for child care into an organized program overseen by HHS.

We understand that the County decided to maintain the current system where space is managed by multiple agencies, but is working to coordinate aspects of the administrative procedures to govern how *all* child care in public space is administered

A County work group has been formed and has drafted a new regulation authorizing CUPF to manage the before and after school care selection processes in Montgomery County Public Schools and to develop administrative procedures for the program. The Commission hoped that the work group would seize this opportunity to address the lack of uniform processes and procedures for bidding and rebidding child care opportunities in public space. Unfortunately, the draft reviewed by the Commission is a codification of the status quo, merely authorizing CUPF to administer before and after school care in MCPS.

Broader organizational changes must be made to make child care in public space a well thought out County priority that supports quality care options for families. A host of critical issues must be addressed including how often public space should be rebid, how to grant priority to non-profit providers as required by State law, who should serve on bid selection panels, as well as identifying standards to evaluate the quality of provider care. The Commission concludes that the best way to promote consistent, reliable and quality child care options for families is to consolidate all child care in public space into an organized program overseen and coordinated by HHS.

Recommendation #3

Stay up-to-date on the implementation of the Maryland EXCELS Quality Rating and Improvement System, its impact on families and child care providers, and the expected increases in costs of care. Do not make EXCELS participation a prerequisite to the acceptance of Working Parents Assistance (WPA) vouchers.

Maryland EXCELS is a Quality Rating and Improvement System (QRIS). A QRIS is a program that awards ratings to registered family child care providers, licensed child care centers (including Head Start, Letter of Compliance facilities, school-age child care), and public pre-K programs, that meet increasingly higher standards of quality in key areas. The implementation of Maryland EXCELS is one project being implemented by the Maryland State Department of Education (MSDE) through a Race to the Top Early Learning Challenge grant award from the U.S. Department of Education.

Maryland EXCELS launched state-wide in July 2013. The Commission on Child Care has been working to understand the quality components of EXCELS and the requirements for implementation. Presentations from the Johns Hopkins University School of Education, Center for Technology in Education, and Dr. Rolf Grafwallner, Assistant State Superintendent, Division of Early Childhood Development, MSDE, helped Commissioners establish a basic understanding of the program's objectives and evaluation criteria.

Maryland EXCELS is being rolled-out as a voluntary program and has three stated goals:

- To recognize early care and school age education programs for their level of quality
- To encourage providers to increase the level of quality provided in their programs
- To provide parents with information and choices about quality child care

As part of its work, the Commission fielded an online survey to family and center-based child care providers to assess their early understanding of the EXCELS program and its implementation goals. The survey responses provided valuable insight into the communication and implementation plans that must be put in place in order for EXCELS to be embraced by both parents and the child care provider community.

EXCELS scored neutral to negative on most attributes fielded in the survey with the lowest scores related to the cost to implement the professional development requirements associated with EXCELS quality levels. The data suggests that family and center based child care providers are concerned that there will be added costs required to comply with the professional development and program requirements in EXCELS and the implementation of the proposed EXCEL framework will be challenging.

Recommendation #3 cont...

Stay up-to-date on the implementation of the Maryland EXCELS Quality Rating and Improvement System, its impact on families and child care providers, and the expected increases in costs of care. Do not make EXCELS participation a prerequisite to the acceptance of Working Parents Assistance (WPA) vouchers.

The potential for incremental costs associated with meeting the credentialing and degree requirements outlined in EXCELS is of particular concern to members of the Commission. The EXCELS QRIS system does not have an experience equivalency component for child care professionals who may have significant work experience but do not possess an early childhood degree from an institution of higher education. Staff credentials are an important measure of quality in EXCELS and the percent of degreed and credentialed staff impacts a program's level score.

While there are some financial incentives provided for participation in the EXCELS program, they are minimal compared to the costs of such things as the additional educational and professional development requirements for teachers and the long term payroll increases required to attract and retain such teachers. The Maryland State Department of Education (MSDE) has acknowledged that EXCELS implementation may increase the costs of care and that providers may need to pass along these costs to the families they serve. Many family and center-based providers already struggle to make child care affordable for their families. Many families already have trouble affording the care they receive. If costs go up, it will be especially difficult for middle and low income families who do not have the ability to simply absorb the higher costs.

Exacerbating the problem is a policy that will be implemented on January 1, 2015 by the State mandating that low income families who qualify for child care subsidy vouchers only use them in programs that participate in EXCELS. This leaves some child care programs with the choice of increasing their costs so they are no longer affordable for many families who receive vouchers, or keeping their costs as they are and no longer being able to accept families who receive vouchers. The Commission is concerned that the unwanted consequence of EXCELS will be a negative impact on the ability of the County's lower income families to afford care and that some child care programs that serve such families may no longer be able to afford to operate.

The Commission urges the County not to follow the State's lead with regard making EXCELS participation a prerequisite to the acceptance of child care subsidy vouchers. It may be necessary for the County to provide additional resources to the Montgomery County Child Care Resource and Referral Center so that it can better support the County's providers and child care professionals in achieving the increased educational and other requirements. The Commission will continue to monitor the roll-out of EXCELS to ensure that other consequences are quickly identified and brought to the County's attention. While the Commission supports efforts to increase the quality of child care and early childhood education, it is extremely concerned about the detrimental impact such unfunded mandates will have on the County's economically vulnerable population and the long term sustainability of our child care programs.

Priorities 2013—2014

Working Parents Assistance Program (WPA): Support an increased and sustained County investment in the Working Parents Assistance Program by raising the income guidelines and increasing child care subsidy payments to ensure that families can afford quality child care. Despite the County's efforts to increase funding and eliminate the waitlist, the child care subsidy remains insufficient for families to afford quality child care.



Child Care in Public Space:

Encourage Montgomery County officials to make a stronger commitment to child care in public space and consolidate it into an organized program overseen and coordinated by the Department of Health and Human Services to promote consistent, reliable, quality options for families.

Maryland EXCELS: Engage with the Maryland State Department of Education, child care providers and families to better understand the impact of Maryland EXCELS. Communicate to Montgomery County public officials the financial and other impacts of Maryland EXCELS during its early stages of implementation.



Commission Activities 2012—2013

Guest Speakers and Presentations:

- Commissioner Pamela Dunn, Montgomery County Planning Board representative, presented an overview of the current zoning rewrite process in Montgomery County and its effects on child care. (July 18, 2012)
- Kate Garvey, Chief, Children, Youth and Family Services, Montgomery County Department of Health and Human Services (HHS), updated the Commission on the status of child care in public space. (October 17, 2012)
- Beth Morrow, Program Coordinator at the Johns Hopkins University School of Education, Center for Technology and Education, presented information on the EXCELS program. (January 16, 2013)
- Dr. Rolf Grafwallner, Assistant State Superintendent, Maryland State Department of Education (MSDE), Division of Early Childhood Development, discussed current initiatives, including EXCELS and related requirements for child care providers, MSDE infrastructure challenges, universal pre-k, and funding for child care subsidy programs. (April 17, 2013)

Testimony and Correspondence:

- Sent a letter to County Executive Isiah Leggett and members of the County Council thanking them for their support in allocating additional and much needed funds to the Working Parents Assistance (WPA) Program. (July 11, 2012)
- Presented priorities to the Health and Human Services Committee of the County Council, which included additional funding for child care subsidies, restoration of the HHS Program Manager position for child care in public space, and availability of frequent and enhanced training for child care providers and families. (October 11, 2012)
- Sent a letter to the County Executive and County Council urging them to consolidate the County's use of public space for child care into an organized program managed by HHS. (December 3, 2012)
- Sent a letter to the County Council that suggested amendments to County Council Bill 38-12 – Capital Improvement Program – Child Care Assessment. (January 24, 2013)

Commission Activities cont... 2012—2013

Testimony and Correspondence cont...:

- Participated in the County Executive's Annual Meeting with Boards, Committees and Commissions and highlighted its priorities for the current fiscal year. (April 3, 2013)
- Provided written and oral testimony to the County Council requesting an increased and sustainable investment in child care subsidy programs. (April 11, 2013)

Other Noteworthy Activities:

- Participated in Boards, Committees and Commissions Quarterly Leadership Meetings with Uma Ahluwalia, Director, HHS.
- Briefed the Health and Human Services Committee and the Education Committee of the County Council on the Commission's 2011-2012 Annual Report. (November 29, 2012)
- Attended the Organization of Child Care Directors' Winter Luncheon. (December 6, 2012)
- Met with Council Vice President Craig Rice to discuss Child Care in Public Space. (January 24, 2013)
- Met with Ramona Bell-Pearson, Assistant Chief Administrative Officer, Office of the County Executive, to discuss child care in public space. (February 20, 2013)
- Prepared and distributed an online survey to family and center-based child care providers to identify trends and gain an understanding of provider opinions related to the Maryland EXCELS rollout, MSDE OCC Licensing performance and other credentialing and professional development issues. Summarized findings and shared with the HHS staff. (March 2013)



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Uma S. Ahluwalia, Director
Kate Garvey, Chief
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Language translation and alternative formats of this report are available upon request. For additional information on the Commission, please call or write at the address and telephone numbers listed above.

Montgomery County does not discriminate on the basis of disability in employment or in the admission or access to its programs or services.

