



U.S. Department of Health and Human Services  
Assistant Secretary for Planning and Evaluation  
Office of Disability, Aging and Long-Term Care Policy

# **AN EVALUABILITY ASSESSMENT OF CHILD CARE OPTIONS FOR WORK- WELFARE PROGRAMS**

**VOLUME II: STATE DISCUSSION  
SUMMARIES, HEAD START GRANTEE  
CASE STUDIES, AND COST EXAMPLES**

April 1988

## **Office of the Assistant Secretary for Planning and Evaluation**

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OPTIONS FOR WORK-WELFARE PROGRAMS  
Volume II: State Discussion Summaries, Head Start  
Grantee Case Studies, and Cost Examples**

MAXIMUS, Inc.

April 1988

Prepared for  
Office of the Assistant Secretary for Planning and Evaluation  
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# TABLE OF CONTENTS

<b>STATE DISCUSSION SUMMARIES</b> .....	1
Arizona.....	1
Arkansas.....	6
California.....	9
Colorado .....	14
Florida.....	17
Georgia .....	21
Illinois.....	26
Iowa .....	30
Maryland .....	33
Massachusetts.....	35
Michigan .....	41
Minnesota .....	45
Nebraska .....	49
New Jersey .....	52
New York .....	57
Oklahoma .....	61
Oregon.....	64
Texas .....	67
Washington.....	70
List of Key Contacts in Work-Welfare Programs and Child Care .....	75
 <b>HEAD START GRANTEE DISCUSSION SUMMARIES</b> .....	 77
Part-Day Head Start, Title XX/United Way Full Day, FDC Sponsor ( <i>Ann Ward, ME</i> ).....	 77
Head Start/Title XX/State Preschool/Family Day Care ( <i>Ken Gunderman, CT</i> ) .....	80
Part-Day Head Start with Extended Hours ( <i>Sharon Wein, NJ</i> ) .....	84
Part-Day and Full-Day Head Start, Title XX ( <i>Ellen Farrar, NY</i> ).....	89
Head Start in Day Care Homes, Brokering Child Care ( <i>Linda Prutisto, NY</i> ) .....	93
Head Start, Head Start/Title XX, Title XX, Parent Tuition ( <i>Eileen Klotz, PA</i> ) .....	96
Part-Day Head Start, Title XX, Parent Fee ( <i>George Moore, PA</i> ) .....	100
Full Day Head Start ( <i>Carol King, GA</i> ) .....	105
Part-Day Head Start, Title XX ( <i>Patsy Thomas, GA</i> ).....	109
Family Day Care Homes ( <i>Freddie Larsen, OH</i> ) .....	113
Program for Teen Parents: Parents Too Soon ( <i>Ann Gilman Dawson, IL</i> ).....	116
Full-Day Head Start ( <i>Ruth Marshall, TX</i> ) .....	118
Family Day Care Homes ( <i>Nell Watson, TX</i> ).....	122
Head Start/Title XX ( <i>Virginia Irwin, IA</i> ).....	124
Full-Day Head Start in Centers and Homes ( <i>Lois Harris, MO</i> ).....	127
Part-Day Head Start, Title XX ( <i>Ruby McCreight, CO</i> ).....	130
Part-Day Head Start, Migrant Head Start, Welfare Diversion Child Care ( <i>Juanita Santana, CO</i> ).....	 133
Full-Day Head Start ( <i>Scott Anderson, MT</i> ) .....	137

Full-Day Head Start, State-Funded Center Care and Day Care Homes, “Parent Select Option” ( <i>Senaida Garcia, CA</i> ).....	140
Full-Day Head Start ( <i>Norma Johnson, CA</i> ).....	144
Full-Day Head Start ( <i>Ron Herndon, OR</i> ) .....	146
<b>HEAD START COST EXAMPLES</b> .....	148
An Example of Costs Per Child Using the Various Cost Principles.....	148

# STATE DISCUSSION SUMMARIES

## ARIZONA

### **Work-Welfare Program**

#### ***Program Overview and Key Components***

Arizona is a waiver state. The waiver makes WIN participation mandatory for parents with children aged 3-5 and permits the standard WIN exemptions. The waiver only applies to Maricopa and Pima Counties and does not operate in the balance of the state. Those two counties have 70 percent of the state's AFDC population and 8500 out of the 9500 participants with children aged 3-5. (The other 1000 participants are volunteers from the two counties or other counties in the balance of the state.)

Arizona operated a WIN Demonstration in 1982 in Maricopa and Pima Counties. That WIN Program was placement oriented--no services--with a six month limit on training. The state also instituted "The Right Change," a grant diversion program. That program operated for three years (October 1983 to October 1986) and was extended through September 30, 1987. The state has not decided whether to continue the grant diversion program.

Through the demonstration projects, it was determined that employers would hire clients, however, "we couldn't keep them employed." There were many barriers. The employers were willing to train clients, but in service jobs, at minimum wage, the workers were not coping. They had no work history, they needed alarm clocks, adequate transportation, and child care.

Because of these findings and the factor of limited program funding, Arizona went to a statewide expansion of WIN called "Arizona Works." This program includes a placement/orientation" component, plus an "intensive services" component. The intensive services component focuses on:

- AFDC clients who have been on AFDC for a long period, have no job skills, and whose youngest child is aged 16; and
- teen parents.

Other clients can volunteer. Approximately 2000 participants in Maricopa County and 2000 in Pima County are in the intensive services component and about 8500 in the placement/orientation component.

## ***Work-/Welfare Program Initiative/Support***

The Arizona Works Program was initiated and funded in the normal state budgetary process. However, since the organization of the Department of Economic Services included Employment services, JTPA, Vocational Rehabilitation, AFDC, and Food Stamps, there is coordinated funding and creativity. This organization is perceived as a significant strength of the state's work-welfare program.

## **Child Care Supporting Work-Welfare Program**

There is no special child care component to support work-welfare program participants. Child care for these participants is provided through the state's general child care program which is described below.

### ***Type of Services***

The Department of Economic Security has contracts or financial agreements with approximately 340 centers, or about one-half of the licensed centers in the state. There are some school-based programs and church-based programs which must be licensed. There are also approximately 1000 certified family day care homes throughout the state. There is virtually no relative care paid for by the Department. The rare exception may occur (most likely in rural areas) if an economically eligible client elects to use a relative who is also a certified provider.

The Department of Economic Services pays the same rates for:

- infant and toddler care, and
- center or family day care home care.

The majority of clients use child care centers. If the copayment requirement poses a problem, clients turn to family day care homes. However, there is a limit of four children to each home, therefore, there are fewer available slots in homes. Some family day care providers charge the exact amount allowed by the department. Others maintain higher rates requiring a high client copayment. This is seen as encouraging a two-tier system, in which "the children who need it the most get the poorest quality care."

### ***Licensing***

The Department of Health Services licenses centers and the Department of Economic Services (DES) "accepts their judgment and uses their monitoring." DES certifies family day care homes. (There is no state statute requiring licensing/certification for homes.) The purpose of the certification is quality and eligibility for reimbursement.

## ***Prioritization***

The general child care eligibility requirements in Arizona include the following:

- Programmatic
  - up to 40 hours of child care can be provided for job search, even for "walk-ins";
  - client must state no child care is available;
  - client may be attending training, high school, technical school, or undergraduate college (up to four years);
  - client may be referred by Protective Services;
  - foster parents; or
  - referral for medical reasons; and
- Economic Eligibility
  - 65 percent or below the state median income (includes consideration of income and family size); and
  - client is responsible for any copayment.

Transitional child care is available for up to four months. New regulations will allow up to nine months.

There is no prioritization at present. However, if a prioritization scheme were established, it might be:

- Alternative #1:
  - (1) Protective Services/Foster Care,
  - (2) "Arizona Works" participants; or
- Alternative #2: Lower the percent of state median income for qualifying; or
- Alternative #3: Cut off some groups, such as college students.

## ***Funding***

The general child care program is funded 20 percent by Title XX (SSBG) and 80 percent by state monies. The total funding is \$18 million.

Child care funds also include additional monies from WIN, AFDC, and JTPA, and state/Governor's Discretionary Fund monies for the "intensive services component" of the work-welfare program.

## ***Payment Mechanisms***

Payment is made directly to the provider. The AFDC disregard is used, and there is a copayment requirement, depending on the client's gross income.



A pilot project is currently operating in the Flagstaff area. It is not perceived as cost-effective because it is not automated. The lack of automation of the process inhibits tracking the use of non-certified providers.

### ***Strengths and Weaknesses***

Transportation and/or the existence of the copayment requirement are seen as the major problems--not a lack of available child care.

Another problem is that Arizona has low AFDC benefits. This means that about 95 percent of those who work are ineligible for AFDC, thus they lose child care, their food stamps may go up, and they may lose eligibility for medical care.

Availability of 24-hour child care resources is limited. This problem may be related to insurance rates of providers. There is no 24-hour center care in Tucson and only four such centers in Phoenix.

## **Impact of Proposed Legislation**

### ***Mandatory Participation***

No problem is perceived in placing three-year olds, but the potential impact on the state budget may require imposing some prioritization scheme.

Currently there are insufficient slots for infants/toddlers. This could be a problem if the age limit were lower than age 3.

There is currently a need for economic development in rural areas, and no work available on Indian reservations. Thus, mandatory participation in such areas could be a paper process with negative impacts for the clients and agency.

### ***Regulation***

No problem is perceived for family day care homes, as the proposed regulations now being considered in Arizona are similar to the NAEYC standards.

The current compromise with center-based providers on proposed regulations in Arizona does not meet NAEYC standards. Therefore, a change in federal law would have an impact on the state. Also, any change in federal law and timetable for implementation would impact on Arizona, as the state's regulatory/implementation process is quite lengthy.

## **Child Care and Head Start**

Head Start in Arizona has regional agencies. The department works with head Start agencies. However, Head Start operates half-day and does not provide child care services.

If a child cannot use Head Start, the Head Start agency may, informally, call the department. The department, in turn, meets the needs of that child. The Department of Economic Security needs extended day care from Head Start.

# ARKANSAS

## **Work-Welfare Program**

### ***Program Overview and Key Component***

Arkansas previously operated a WIN Demonstration, which was superseded by the work-welfare program, known as "Project Success." The new program is operating as a IV-A work search program.

As a waiver state, Arkansas mandates participation of parents with children over age 3. The exemptions from program participation are identical to WIN.

### ***Work-Welfare Program Initiative/Support***

The new work program is a departmental initiative, driven by federal financial participation available (based on the federal OBRA legislation). No state legislation was required.

## **Child Care Supporting Work-Welfare Program**

The Arkansas program is supported by the general child care program.

Child care in Arkansas has high visibility at the level of the Governor and the legislature. The Governor's Task Force on child care was instrumental in expanding child care in 1986-1987, securing \$700,000 in state dollars to be added to the Title XX resources to implement some 332 recommendations. Child care is also heavily supported by the Arkansas Advocates for Children and Families, a broad-based advocacy group which lobbies for children and families in Arkansas.

### ***Type of Services***

Payment is made for child care in licensed centers and family day care homes (any situation or care provided for children of different families or exceeding six children in a facility).

There are currently 2000 child care programs in Arkansas serving about 48,000-50,000 children, including:

- 500 family day care homes,
- 800-900 centers for infants, toddlers, and age 3 to school age, and
- some school systems have federal grant monies to provide child care.

### ***Transitional Care***

Transitional care for clients moving into employment situations is provided for an unlimited amount of time. Parents are required to participate in paying for care through a sliding fee scale.

### ***Licensing***

Providers must be licensed to receive payment. Centers are exempt from the licensing/registration requirement if they operate less than five hours per day or ten hours per week. Day care homes which care for children of fewer than four different families or for a total of fewer than six children are not currently required to register. It is anticipated that a voluntary registration program will be instituted within the next three years.

### ***Prioritization***

There is no prioritization at present, although the Title XX priority, Protective services, is cited as a top priority.

### ***Funding***

Approximately \$3 million in title XX (SSBG) funds, plus \$700,000 in state monies support the general child care program. In the last legislative session, an additional \$200,000 in state monies was made available for the purchase of child care services. Child care to support the work-welfare program is funded primarily from IV-A, with little or none from title XX or state funds.

### ***Payment Mechanisms***

Payment is made directly to licensed providers on contracts. Such contracts may involve:

- group contracts--purchasing of a majority of slots for Title XX clients; or
- "mini-contracts"--purchase of service on a case-specific basis, e.g., for support (employment-related) or protective services child care.

No payment is made directly to the client. At present, vouchers are not used. However, a pilot voucher program may be initiated in one area in 1988.

### ***Transitional Care***

Transitional child care assistance is available with no time limit, on a sliding fee basis. However, affordability of care is a problem, once the client is employed and child care is no longer subsidized.

## **Impact of Proposed Legislation**

No problem is anticipated by Arkansas if the federally mandated age minimum is lowered, assuming that:

- federal child care monies are available,
- medical services can continue beyond 3-4 months after the client leaves AFDC, and
- there is no huge influx of children.

Otherwise, a "system-shock" would result.

With regard to federally mandated standards, Arkansas now licenses child care facilities but would need additional staff to license/monitor added facilities.

## **Child Care and Head Start**

Coordination with Head Start with regard to the work-welfare program is not pursued. For the general child care program, there is some sharing of training, and some departmental contract to Title XX clients. There was a Head Start representative on the Governor's Task Force on Child Care. Efforts are being made to get Head Start to "go beyond the expansion services." There has been some responsiveness among individual Head Start providers.

# CALIFORNIA

## **Work-Welfare Program**

California is currently phasing in county-by-county, a major statewide Welfare Reform program known as GAIN (Greater Avenues for Independence). This discussion of the work-welfare program in California focuses on the GAIN Program and the child care options supporting Gain.

### ***Program Overview and Key Component***

GAIN is a comprehensive Welfare Reform program that offers job search, education, training, and supportive services to enable welfare recipients to become self-sufficient in unsubsidized employment. GAIN is operating in 22 of California's 58 counties. Three more counties will begin in January 1988. Of the larger counties, Santa Clara has been operating GAIN for one year; San Diego began in September 1987; San Francisco will begin in August 1988; and Los Angeles and Alameda will begin in September 1988.

All able-bodied applicants and recipients of AFDC whose youngest child is aged six or above must register for GAIN. Others may volunteer. "Temporary deferral" is permitted for such causes as:

- legal problems,
- emotional problems, or
- drug or alcohol dependence.

Registrants are evaluated by the county welfare department to determine if there is a need for remedial education. Also, employment history is explored. At the conclusion of the appraisal process, the registrant enters into a contract with the county. The contract describes:

- the participation requirements, and
- the supportive services (including child care) to be provided.

GAIN involves comprehensive services leading to employment, such as: job club, supervised job search, or assessment; remedial education, including basic literacy or math skills, English language skills, high school or GED certificates; development of an employment plan; work experience including (if necessary) work behavior skills/work habits; and other activities, including on-the-job training, community college programs supported work, and transitional employment.

## ***Participation/Exemption***

GAIN makes participation mandatory for parents with children aged six and over. Other parents may volunteer. "Temporary deferrals" are permitted for legal or emotional problems or drug/alcohol dependence. There are provisions for just cause exemptions. Although lack of child care is permitted as an exemption, experience in the counties operating one year or more indicates that no such exemptions were requested.

## ***Work-Welfare Program Initiative Support***

GAIN is the result of a bipartisan process over several years. The Governor's campaign in the early 1980s promised Welfare Reform. However, efforts to establish a program failed in legislative committees two years in a row. Demonstration projects were in operation, most notably a San Diego County Employment Preparation and Experimental Work Experience Program. Results of that demonstration, plus a review of the work-welfare programs in Massachusetts, West Virginia, and Pennsylvania led to a consolidated proposal put forth by the Governor.

Since the current Governor is a conservative and the Legislature has a Democratic majority, the proposal was at an impasse in 1984. Over many months in 1985, members of the Governor's staff met with aides to key legislators to see if their different approaches to a common goal could be reconciled.

Numerous compromises and political tactics were used to move the legislation, once the various provisions were agreed upon. For example: passages of a "latchkey" bill was tied to enactment of the GAIN legislation--one could not become law without the other. And, at the very end of the legislative session, at 3:45 a.m., with the clocks stopped in the chamber, the two bills were passed. The GAIN legislation was signed into law by the Governor on September 26, 1985.

GAIN requires each county to develop a plan specifying how the employment, training, and support services will be provided to GAIN participants. Counties must conduct labor market assessments, participant assessments, and child care assessments and must offer an adequate range of services to meet those needs. All county plans must be approved by the local (elected) County Board of Supervisors and submitted to the State Department of Social Services for Review/approval.

## **Child Care Supporting Work-Welfare Program**

GAIN is supported by a major, comprehensive, dedicated child care program, which is separated from the state's general child care program. The "latchkey" bill that was enacted adding funding for expansion of after-school child care programs and for capital outlays for construction and expansion of child care facilities. And, the key provision of the GAIN legislation itself is that approximately one-third of the GAIN budget is designated for child care services for GAIN participants.

### ***Type of Service***

The types of child care available varies by county. The GAIN requires each county to conduct a survey of recipient preferences as part of the county-level planning process.

### ***Funding***

GAIN is funded approximately 70 to 75 percent by state monies. The total annual GAIN program costs are expected to be approximately \$356 million for approximately 194,000 participants annually. Some federal WIN funds (90/10 sharing ratio) are available to the program, plus federal administrative matching funds (50/50 ratio).

Funds for GAIN child care are allocated/claimed as follows:

- if associated with education: state monies; and
- if associated with job search: can be shared federal/state funding.

Approximately one-third of the total GAIN budget is designated for child care.

### ***Payment Mechanisms***

Generally, GAIN child care payments are made to the provider on contract. However, the system is flexible, permitting counties also to:

- use voucher,
- use dual party (recipient and provider) checks; or
- for license-exempt providers (relatives), make the check directly to the provider.

### ***Transition***

GAIN provides three months of fully paid child care as transition assistance. As soon as an eligible participant signs up for GAIN, he or she is immediately referred to get on the waiting list of the general child care program administered by the State Department of Education. All child care services needed while in GAIN are provided and funded by the GAIN program.

Once the GAIN participant completes the agreed-upon activities in GAIN and moves into employment, he or she--ideally--by that time is at the top of the waiting list for the Department of Education subsidized child care program, which has a sliding fee scale requirement. Nevertheless, the three months transition assistance is paid from GAIN funds while the participant retains his or her place at the top of the Department of Education waiting list. Then the client moves over to the subsidized (general) child program.



## **General Child Care Program**

Separate from GAIN-related child care (which is administered by the State Department of Social Services), California operates a general child care program (administered by the State Department of Education.)

There are fourteen different program types, with a budget of some \$330 million, plus \$46 million in capital outlays, serving about 111,000 children statewide. The majority of these children are pre-school, of whom 20 percent are aged 0-3.

### ***Type of Service***

In the Department of Education general child care program, payment is made to licensed providers or to "license-exempt" providers (care givers who have children from one family in care). Some school districts operate centers that are also exempt from the license requirement. Care available includes licensed centers, group/family child care homes, as well as license-exempt providers.

### ***Licensing***

Licensing standards are described as high. Centers and homes must be licensed. However, school districts operate centers that are exempt from licensing. Providers caring for children from one family (in addition to the provider's own children) are exempt from the licensing requirements.

### ***Prioritization***

The general child care program has three broad categories of priority:

- (1) Protective Services;
- (2) GAIN graduates employed or on the general child care program waiting list; and
- (3) all others--includes income eligibles, special needs, AFDC-homeless (those with lowest incomes have the highest priority).

### ***Funding***

The general child care program in California is funded "99.88 percent" by the state general fund. No Title XX funds are used in the general child care program. The only non-state general fund monies currently used are \$2.14 million in federal monies used for Migrant Chapter I, as a supplement to the \$6.1 million in state funding for migrant child care.

## ***Payment Mechanisms***

Payment is made directly to the provider in 100 percent of the cases for licensed or license-exempt care.

## **Impact of Proposed Legislation**

The Budget Act (state statute) mandates a joint study by June 1988 by the Department of Education and Department of Social Services on the potential impacts of federal legislation mandating lower age limits.

It should also be noted that Los Angeles, San Francisco, Alameda, San Diego, and others of the largest counties have had no, or only very limited, experience with GAIN. Therefore, potential impacts on staffing, funding, and community resources are not yet known.

Assuming that the federal legislation mandates a lowering of the minimum age, the state of California would require federal financial assistance for the extra (and higher) costs of care for the younger children.

Currently, California's single state agency administering child care is the Department of Education. GAIN child care is administered by the Department of Social services. If the federal government imposed standards, the question is: to which department would the federal government give the funds? If the funding went to the Department of Education, the licensing standards would have to meet that department's (more stringent) program requirements. There might be an impact on staffing or on resources available to clients.

## **Child Care and Head Start**

There is a direct, close coordination at the state level with Region 9--a good working relationship over ten years. For example, the Department of Education and the Head Start Region coordinate the quality control review/report. In some classrooms, there are both state preschool and Head Start children. Efforts are made to have consistent policies: the Department of Education modifies policies to avoid conflicts.

## COLORADO

### **Work-Welfare Program**

Other than Weld County, Colorado is not a waiver state. This discussion of the work-welfare program in Colorado will focus primarily on the Weld County work-welfare program which is a waiver program. Where appropriate, references will be made to the state-level work programs.

The Weld County work-welfare program is a grant diversion program with mandatory participation of parents with children aged 6 months and over. This provision was added in the third year renewal of the waiver, which is now under federal review. Previously, participation was the same as WIN guidelines, with parents of children under age 6 permitted to volunteer.

Currently, for those areas of the state other than Weld County, the following work programs are operating:

- a basic WIN Program in 9 counties (5 rural, 4 urban); and
- CWEP in 27 counties.

A work supplementation (grant division) program is "on the books and in the rules," but not yet implemented, outside of the Weld County work-welfare program.

### ***Program Overview and Key Components***

The Weld County work-welfare program provides up to six months of full-time work experience in a minimum wage position with a public or non-profit agency. The work experience is reimbursed under the waiver funds and additional supplementation comes from JTPA. Funding is tight. The program cannot serve 100 percent of the total population, but tries to deal with 100 percent of the applicants. Medicaid continues (under the waiver) while the client remains in the grant diversion project. Once the client gets a job, Medicaid coverage is lost.

### ***Work-Welfare Program Initiative/Support***

The current work programs in Colorado (other than the Weld County work-welfare program) are generally supported through the budget process, including action by the State Legislature and county administration at the local level.

The Weld County demonstration is historically rooted in the 1979 Program for Better Jobs and Income, which was subsequently terminated under this administration. Weld County sought to revive a similar concept. The Weld County work-welfare program required approval by the State Legislature. When the State Department of

Human resources delayed, Weld County went directly to the federal government for a waiver through Senator Armstrong's office.

## **Child Care Options Supporting Work-Welfare Program**

The general child care program in Colorado supports the Weld County work-welfare program participants, as well as participants in the other state work programs.

In FY87 approximately 7,634 children were served (full and part time) by the general child care program in Weld County. Ages served included:

0-6 weeks	=	4
6 weeks-2 years	=	13,000
2-3 years	=	405
3-4 years	=	1,012
4-6 years	=	2,100
6-10 years	=	2,500
10+ years	=	796

### ***Type of Care Paid***

For FY87, the department paid for care as follows:

- 55 percent of the children served were in center care;
- 27 percent in day care homes; and
- 19 percent in in-home care or cared for by relatives.

### ***Licensing***

Licensing is mandatory for any provider caring for one or more unrelated child(ren). All centers, homes, or other providers must apply and be evaluated. Centers are evaluated by the state. Other providers are evaluated by the county department.

### ***Prioritization***

Priorities for general child care services are as follows:

- employed parents,
- parents in job search, and
- parents in training.

Child care for special circumstances (for example, Protective Services or Child Welfare) is provided under a separately funded program.

It should be noted that under all work programs in the counties, including Weld County, the basic WIN exemptions apply. In Weld County, lack of child care could be used as an exemption from work-welfare program participation. However, no such request for exemption has been made in the course of the Weld County program.

### ***Funding***

For FY87 the appropriation for the general child care program is \$11.9 million, of which \$7.07 million is Title XX (SSBG) and the remainder is state funds and 20 percent county monies.

### ***Payment Mechanisms***

In Colorado (including Weld County), payment is made directly to the provider. Counties may negotiate contracts with any licensed providers), in-home provider, or relatives. If the client uses income disregard, the provider bills the local department for the remainder.

## **Impact of Proposed Legislation**

For the state as a whole, if the age limit were changed, an impact on resource development is anticipated. If the additional resources were not developed, service to clients would be impacted, resulting in a major barrier to employment.

For Weld County in particular, the impact of changes in the mandatory age limit by the federal government is unknown. A survey of the Weld County project is now being completed to determine specific impact.

For the state as a whole (including Weld County) the potential licensing requirement change is seen as having no impact, because it is the same as the state's current requirement.

## **Child Care and Head Start**

In Weld County, some preschool children are placed in Head Start. Also, some "thinking" is going on about Head Start in such issues as sick child care, but thus far, no action. Also, grant diversion participants are being placed as helpers in Head Start agencies.

# FLORIDA

## **Work-Welfare Program**

Florida operates Project Independence which is a modified WIN Demonstration. As a waiver state, Florida has instituted mandatory participation for parents with children aged 3 and over. Volunteers with younger children are accepted. Exemptions are the same as for WIN and include lack of child care. An additional federal waiver is being sought that would require a teenaged mother to remain in school in order to continue receiving an AFDC check.

### ***Program Overview and Key Components***

Project Independence includes an assessment of job readiness. If the client has not completed a 10th grade education or does not have 13 months total work experience, the client is channelled to education or training--not job search.

Project Independence came out of the Florida Economic Opportunity Act of 1987. The program began in October 1987. It is too early to determine the number of program participants or to evaluate the program's success.

### ***Work-Welfare Program Initiative/Support***

The development of Project Independence is seen as "serendipitous." The Legislature was interested for some time in revising the WIN demonstration statute (Public Assistance Productivity Act). There was little emphasis on training in that statute and no funding to pay for it. The Legislature's interest coincided with the new Governor's interest in improving coordination in work-welfare programs.

In an effort to end fragmentation of services and funding, the Governor proposed Project Independence and worked with the department heads in Education, Health and Rehabilitative services, and Employment Services to focus on the needs of welfare recipients to the extent that funds were available.

"The coordinative effort is a very positive strength," and Project Independence is seen as having much potential. Both the coordination and the emphasis on welfare recipients are major changes for Florida. Politically, public commitments have been made to place 118,000 persons in jobs and to make massive savings in welfare and related expenditures. There have been some allegations in the media that the priority given to Project Independence makes a two-tier system that slights the working poor.

The employment situation is seen as favorable in Florida, in the sense that employers are willing to work with Project Independence participants. However, there are some barriers to successful implementation. Service jobs are in affluent areas and participants/working poor, increasingly, cannot afford to live where the jobs are. Also,

the loss of medical care is seen as a more important barrier to employment than child care.

## **Child Care Supporting Work-Welfare Program**

There is a special child care component for Project Independence which operates under different rules from the general child care program. The major difference is that Project Independence can pay for relative care if the client chooses relative care the relative does not volunteer to provide the care without compensation.

### ***Care Available***

Project Independence workers assist the client in planning for and locating child care. Project Independence can pay for child care in centers, homes, or--unlike the general child care program--with relatives.

The following problems affect child care within the State of Florida and may also impact Project Independence:

- inadequate number of centers;
- few child care resources in rural areas and, where there are resources, some providers do not like to mix ages or socioeconomic classes.

Some Project Independence friends will be targeted to help upgrade child care homes to meet licensing requirements.

### ***Funding***

Child care funding for Project Independence is supported in the Support Services Budget and includes WIN and AFDC monies.

### ***Payment Mechanisms***

Payment is made direct to the provider while the participant is in training or job search. The AFDC disregard is used once the participant becomes employed with any balance paid direct to the provider.

### ***Transition***

Project Independence can pay for child care up to 90 days after employment, then the client can come to the general child program.

## **General Child Care**

There are currently 34,000 children in the general child care program statewide. The Department of Health and Rehabilitation Services expects to be serving 36,000 by the end of the year. There are 27,000 children on the waiting list (not including any additional children of Project Independence participants).

### ***Type of Service***

The Department of Health and Rehabilitative Services contracts with "Central Agencies" (private, non-profit agencies, local governments, or school boards) as umbrella agencies to manage child care services. The Central Agencies, in turn, contract with local licensed providers of center-based family day care services. Rates are set by the Legislature and are considered lower than the average cost of care. Care is purchased for infant, toddler, preschool and school age children. Employer sponsored child care is a new initiative of the program.

### ***Licensing***

State statute requires that all centers be licensed to participate in the Purchase of Service program and that family day care homes be registered. Currently, Florida's licensing standards exceed the requirements in the proposed federal legislation.

### ***Prioritization***

The state has always had priorities for vacancies in the general child care program and requires providers to fill slots at follows:

- (1) children at risk of abuse/neglect;
- (2) children of Project Independence participants;
- (3) children of other AFDC clients (volunteers);
- (4) children of Group Eligibles (e.g., migrants); and
- (5) children of Income Eligibles (the working poor--with sliding fee scale).

### ***Funding***

Florida's child care program is funded through a combination of federal, state, and local funds including:

- \$33 million from title XX (SSBG);
- \$22 million from general revenues (state monies)p and
- \$7.8 million local match (includes United Way county/city funds, and other local funds).



### ***Payment Mechanisms***

Florida does not directly operate day care programs. The state contracts with central agencies for a fixed number of slots at negotiated rates. The central agency in turn is responsible for reimbursing the individual providers.

### **Impact of Proposed Legislation**

Project Independence already has a minimum age of 3, so no impact is anticipated if federal legislation made participation mandatory for parents with children aged 3 and above. It should be noted, however, that Project Independence has not operated long enough to determine the full impact.

There is no political or public pressure in Florida to go below age 3 so, if federal legislation mandated lower ages, many exemptions can be anticipated in Florida.

Since the state currently licenses centers, no problem is anticipated with regard to federally mandated licensing standards. However, homes are regulated in terms of avoiding child abuse, not for physical set-up. This requirement, if imposed, could require a change in the current requirements for registration of family day care home.

### **Child Care Head Start**

Project Independence has recently initiated coordination with the Head Start program to support some of the child care needs of participants; however, historically there has been little interaction between Head Start and the general child care program.

# GEORGIA

## Work-Welfare Program

### *Program Overview and Key Components*

PEACH (Positive Employment and Community Help) is a comprehensive work-welfare program which replaced/merged CWEP and WIN administered at the county level. Currently, the program is operating in 20 counties, and four additional counties will begin in 1988.

Registration in PEACH is mandatory for parents with children aged six and over. Registration is voluntary for parents with children under age six. Exemption from registration is permitted for parents who are ill or parents who must care for disabled relatives.

PEACH is a comprehensive program which includes the following components:

- assessment,
- orientation,
- job search,
- work experience,
- job placement,
- adult basic education, and
- vocational skills training.

Available statistics for FY87 for PEACH are as follows:

- Registered Recipients
  - 993 (2 county pilot)
  - 505 (former CWEP)
  - 12,021 (WIN)
- Active Participants
  - 641 (2 county pilot)
  - 308 (former CWEP)
- Number of Clients Entering Employment
  - 175 (2 county pilot)
  - 84 (former CWEP)
  - 1, 522 (WIN)

There were few voluntary participants reported.

### ***Work-Welfare Program Initiative/Support***

The PEACH model was developed by a state advisory committee and approved by the State Legislature in 1986. The program is now the major Department of Human Resources initiative and continues to gain support of individual legislators.

### **Child Care Supporting Work-Welfare Program**

PEACH is supported by a child care program with different funding from the general child care program. PEACH can pay for all types of care, regulated and unregulated.

#### ***Program Support***

The Peach model stresses the design of programs to meet local needs. Therefore, local Peach projects select activities that meet client population characteristics and community resources. Counties are responsible for developing child care and other resources to meet identified needs.

#### ***Participation/Exemption***

Registration is mandatory for parents with children aged six and over. Parents with children under six may volunteer. Exemptions include parents who are ill or parents who must care for disabled relatives.

#### ***Type of Service***

PEACH can pay for child care that is regulated (licensed centers and registered family day care homes) or unregulated. The latter includes day care homes with fewer than three children, care in the child's own home, or care provided by relatives or friends.

The availability of resources to support PEACH is unknown, because the program has been operating for only a limited period of time, and because individual counties are addressing needs/gaps in resources individually.

Weaknesses include the following:

- funding and staff is inadequate to serve all clients;
- child care for children aged 0-3 is limited and costly; only a few volunteers have been dealt with so far, and it is anticipated that numbers and costs will increase; and
- there is a need to be more creative in types of care provided, e.g., after school, organizations and clubs (YMCA, etc.).

The major strength--in addition to the high priority placed on the PEACH Program by the Department of Human Resources--is the good flexibility the program provides to meet individual needs.

### ***Funding***

PEACH is supported by a pool of funds from WIN, state monies, and IV-A. No Title XX (SSBG) monies are used for PEACH child care.

### ***Payment Mechanisms***

Payment is made directly to the provider on presentation of an invoice for all types of child care.

### ***Transition***

Approximately three-fourths of the counties operating PEACH provide transitional child care assistance up to 12 months after employment. The remaining one-fourth of the counties have a three-month limit; however, these counties are expected to increase the time limit on transitional child care in 1988.

## **General Child Care**

There are currently 8,025 children in the general child care program, including approximately 1,400 aged 0-3 and 6,500 aged 3 to 5. There is no subsidized program for school aged children, an issue "brought to the attention of the Budget Office." There are few vacancies statewide. No waiting list is currently maintained. When a waiting list was last maintained, there were 5,000-6,000 children on it.

### ***Type of Service***

The general child care program pays for center-based care and registered family day care homes. No payment is made for unregulated care. No in-home or relative care in Georgia is subsidized by the department.

The department also pays for "outreach," which is a home management program in North Georgia, where access to centers is difficult. Workers teach parents home management skills and child development.

### ***Licensing***

The general child care program in Georgia has higher standards than Licensing. The staff/child ratio is higher and--until program funds became limited over the past two years--the department had a higher "educational component" (child development vs. custodial care).

The Department will not do business with a center unless it meets the Department's criteria. Family day care homes (three or more children) must be registered.

### ***Prioritization***

Basic eligibility requirements for the general child care program are:

- income eligible, e.g., income of a certain level; and
- income maintenance, e.g., client must be working, in training, or in job search.

Prioritization of eligible clients is as follows:

- (1) Protective Services,
- (2) Foster Care Reunification,
- (3) Income Maintenance (FDC), and
- (4) Income Eligible (Low Income)

### ***Funding***

The general child care program is funded by \$12 million in Title XX (SSBG) funds, state monies, and a sliding fee scale. All clients receiving a child care subsidy pay, even AFDC recipient. The minimum co-payment is \$3.50.

An additional \$500,000 is available exclusively for Protective Services and Foster Care Reunification child care. None of these funds may be used for employment-related child care. The counties receive and disburse these funds.

### ***Payment Mechanisms***

The Department establishes a rate with the provider. The provider submits a request for payment for total clients served. Payment is made directly to the provider. There is no payment to the client, no AFDC disregard, and no vouchers. There is a sliding fee for all clients receiving a child care subsidy, including AFDC. The minimum co-payment is \$3.50.

### **Impact of Proposed Legislation**

The current problem of inadequate staff to serve current participation levels would be exacerbated by mandatory participation, whether targeted at parents with children aged three and over or six months and over. In addition, insufficient infant care is available now.

The potential impact of federal legislation mandating standards would be a further limitation on available resources, such as in-home care or relative care. Most such resources--even some centers--could not meet even limited fire/safety standards. Family day care providers could not afford to keep children at department-paid rates and renovate.

## **Child Care and Head Start**

PEACH coordinates with Head Start, but most Head Start programs are not full day, so it is difficult to use Head Start services. Moreover, the actual provision of services to a given client only works if transportation is available to/from the child care center and Head Start location. There are no joint PEACH/Head Start projects.

There is "not a lot" of coordination at the state level between the general child care program and Head Start. There may be local coordination. As with PEACH, the problem is that Head Start is not a full-day program. Also, the general child care program encourages the same preschool (developmental) activities in its program as Head Start.

# ILLINOIS

## Work-Welfare Program

Illinois' approach to welfare reform focused on a program called Project Chance which was initiated in December 1985. Project Chance is a major statewide extension of the WIN Demonstration, but with major enhancements. It started with a mission to find jobs for every person on welfare who was willing to put the time and effort into becoming a qualified job candidate.

### *Program Overview and Key Features*

The focus of Project Chance has been to redefine welfare as a temporary support system, rather than a permanent form of dependency. In doing so, Project Chance provides the tools, training and support needed to help public aid clients realize their potential to become self-supporting. It is described as a comprehensive program of counseling, education, training and other support services needed to guide welfare recipients into the workforce.

Project Chance is open to any person receiving benefits from the Department of Public Aid, including AFDC and General Assistance (GA), and some Food Stamp recipients. Enrollment is mandatory for all new GA clients and AFDC mothers with children age six and over. This translates into mandatory participation for 88,000 of the 264,000 mothers receiving AFDC and 106,000 people on General Assistance. Exemptions are granted to mothers with children under the age of six; however, all exempted recipients are strongly encouraged to volunteer for participation. Voluntary participation in early 1987 was close to 12,000.

Project Chance, which is operated through the local County offices, provides an intensive eight-week Job Search session followed by a period in which they are encouraged to try to find a job. If unsuccessful, clients are moved into one or a combination of different programs sponsored by a variety of state agencies. These include:

- job training through JTPA,
- literacy training through the Illinois Literacy Council,
- adult basic education and GED programs through the State Board of Education and community college system,
- vocational training,
- work experience program, and
- support services including child care and transportation.

The goal of Project Chance is to move 100,000 welfare recipients into jobs by July 1988. By the end of FY 1987, it was estimated that Project Chance had moved close to 75,000 welfare clients into jobs.

The FY87 budget for Project Chance was \$40.6 million, including some \$30.6 million in state funding and \$100 million in federal revenues. The budget for FY 1988 is estimated to be \$62.9 million, of which \$54 million are State funds.

### ***Work-Welfare Program Initiative/Support***

Illinois renewed its commitment to welfare reform through recently passed legislation based on recommendations issued by the Governor's Task Force on Welfare Reform. The new law will enable the Department of Public Aid to significantly expand Project Chance to meet the goal of placing 100,000 public aid recipients into jobs by early 1988.

A key element of the legislation is a six-month extension in medical assistance and child care benefits to assist in the transition from welfare dependency to self-sufficiency. It calls for a grant diversion program to funnel welfare grants to employers as a wage subsidy, giving businesses greater incentive to hire Project Chance clients. Another component is the expansion of the child support enforcement system to increase child support collections.

### **Child Care Supporting Work-Welfare**

Illinois places significant emphasis on child care as a support service for Project Chance. Currently, clients are responsible for making their own care arrangements through a variety of regulated and unregulated providers, including licensed centers, family day care homes, in-home and relative care.

#### ***Care Available***

Payment for child care may be approved for any of the following types of care:

- care provided in a licensed day care center, including:
  - full-time pre-school and full-time school age care,
  - full-time infant care
  - part-time school age care on days when school is in session;
- care provided in a licensed day care home, including,
  - full-time Pre-School and full-time School Age care,
  - full-time Infant care; and
- care provided in a home not subject to licensing.

#### ***Funding***

Child care is 29.6% of the support services costs for Project Chance. A combination of State, WIN and IV-A funds are used to support child care.



## ***Payment Mechanism***

Two forms of payment are employed to reimburse for child care services. A cash reimbursement may be made directly to the client who in turn is responsible for paying the provider, or this cash reimbursement may be "redirected" to the provider in the name of the client. One concern of the state which is currently under examination is that direct payments to some clients do not always end up as reimbursement to providers.

## ***Transition***

With the new legislation, the state initiated a new program of Extended Child Care on October 1, 1988. Clients entering job placements can continue to receive child care services through Project Chance for six months. At the end of the six month period, they are referred to the Title XX Child Care Program.

## **General Child Care**

The Title XX Child Care Program is administered by the Department of Children and Family Services and does not support clients in the Project Chance Program, other than accepting referrals at the end of the six month transition period. Since this practice only began in October 1988, there are no data available to determine whether the Title XX program can provide the services needed.

Very little information was available on the Title XX Child Care Program. Its resources appear to be limited, and the priority for care is on protective service clients.

## **Impact of Proposed Legislation**

Project Chance public information documents and Project Facts materials state that agency officials are actively lobbying Congress to enact proposed welfare reforms that would have a marked impact on the effectiveness of Illinois' Project Chance Program. The federal proposals pending before Congress contain similar provisions outlined in the state's new welfare reform laws, including extended medical coverage and day care for newly employed workers, child support enforcement programs, along with increased employer incentives to foster the transition between welfare and working independence.

However, when asked about the impact of **mandatory participation** of mothers with children three years and younger, the response of staff was that there would be a major shortage of funds to support the increased demand for child care. The expected result would be an increased use of exemptions.

When asked about the impact of **regulated care**, staff reported that shortages in licensed centers could be expected. Of particular concern would be the anticipated lack of resources for infants, and part-time flexible care.

## **Child Care and Head Start**

Staff contacted were unaware of any formal coordination or cooperation between Head Start programs and child care provided as a support to work-welfare.

# IOWA

## **Work-Welfare Program**

### ***Program Overview and Key Components***

In Iowa, three work-welfare programs are currently operating under the auspices of the Employment and Training Program of the Iowa Department of Human Services. These include:

- Classroom Training,
- WIN Demonstration, and
- JTPA.

Participation in these programs is based on federal WIN exemptions. Mothers with children under age six are encouraged to participate on the voluntary basis. The Classroom Training Program provides tuition support to voluntary participants. The WIN Demonstration, which currently operates in 49 of the 99 counties, includes three activities--job club and work experience, both of which are mandatory for AFDC recipients with children over age six, and classroom training which is voluntary.

The Iowa Employment and Training Program has been a priority program of the department for the past two years, and has had strong support of both the Governor and the Legislature.

## **Child Care Supporting Work-Welfare Program**

Child care is available to support the work-welfare program, funded primarily through a combination of state and federal dollars. A new program recently implemented provides child care to JTPA participants who may not qualify under the Classroom Training or WIN Demonstration programs for the service. In these cases the participant can get child care under a category of ADC special needs.

### ***Type of Service***

Iowa employment and Training Program participants are under no restrictions in selecting child care. It is the responsibility of the participants to arrange for care; and all types of child care arrangements may be made by the participants, including relative and in-home care, since licensed or regulated care is not required. The only exception to the type of care which will be reimbursed is that a current or ex-spouse is not acceptable as a paid care giver.

### ***Payment Mechanism***

Reimbursement is made directly to the client who is responsible for all financial arrangements with the caregiver. Reimbursement is made at the prevailing community rate for the various types of care available.

### ***Transition***

Currently there is no transition period for Employment and Training Program participants who become employed. Child care becomes an income disregard at the point of employment, up to \$175 per month. In rare cases, SSBG funds may be used to supplement the income disregard, but these resources are usually not available to this population.

There is a new proposal before the legislature to extend child care benefits up to 12 months after employment.

## **General Child Care**

Iowa's Child Care Program provides little if any support to the Employment and Training Program. In FY 1987, 4200 clients were served through a variety of arrangements.

### ***Type of Services***

Child care services are provided through purchase of service arrangements with local providers of center, group and family care. Iowa had an average of 730 providers per month in FY 1987. Counties have the option to purchase one, or a combination of care types.

### ***Licensing***

Licensing requirements in Iowa were described as relatively weak. Child care providers must be licensed as centers if they have 15 or more children in care. Family day care homes must be registered if there are more than nine children in the home.

### ***Prioritization***

Child care in Iowa is limited to a single priority for services--Child Protective Services. Counties have the option of including other priority groups only if county funds are available to supplement the budget.

## ***Funding/Payment Mechanisms***

The general child care program in Iowa is funded primarily through SSBG monies, supplemented with state funds and parent fees. Total funding for FY 1987 was \$3.2 million. Since child care is provided through Purchase of Service arrangements, payment is made directly to the provider on behalf of the client, based on prevailing community rates.

## **Impact of Proposed Legislation**

### ***Mandatory Participation***

The State is currently reviewing the option presented in the legislative proposals which would mandate participation of mothers and children three years of age and older. Expectations, if this should occur, are that child care costs would skyrocket, requiring additional federal support to develop adequate resources.

### ***Regulated Care***

If regulated care of any degree were required, the State would not have the available resources required to support additional staff to recruit, license and monitor child care providers. More importantly, the State would expect exemptions to escalate given the rural nature of the state which they believe precludes the practicality of the requirement for regulated care. Currently, 24 counties in Iowa are WIN exempt because of lack of transportation and inaccessibility of child care services.

## **Child Care and Head Start**

There is virtually no coordination with Head Start to supplement the needs of Employment and Training Program participants for child care. While there may be a few individual arrangements, these are indeed the responsibility of the participant and are dependent upon the availability of Head Start in the local areas and their willingness to accept the maximum set for child care under the Employment and Training Program.

# MARYLAND

## Work-Welfare Program

### *Program Overview and Key Components*

Maryland operates a variety of work-welfare programs. These include:

- WIN Demonstration;
- Grant Diversion, in Baltimore City and 7 counties;
- "Investment in Job Opportunities" (IJO), a state-funded jobs program for AFDC, supplemented by JTPA; and
- "Project Independence" which is a Welfare Reform welfare-to-work program involving:
  - a consolidated application (Food Stamps, AFDC, Medicaid)
  - a case manager for "intensive" services to link the hard-to-place client with JTPA, or
  - assignment to a "transitional" caseload if working but still eligible for public assistance.

Participation in the IJO Program is by AFDC recipients--WIN mandatory clients and volunteers. The WIN age 6 limit is generally ignored, since volunteers are encouraged for the IJO program.

For Project Independence, the participants are also WIN mandatory clients and volunteers, prioritized as follows:

- AFDC-dependent for two or more years,
- participants from mandated WIN Demonstration who volunteer, and
- other volunteers.

### *Work-Welfare Program Initiative/Support*

The history of Project Independence is as follows:

- The Secretary of the Department of Human Resources served on the Board of the American Public Welfare Association (APWA). She sought to implement the APWA's recommended income maintenance delivery system.
- She established an Office of Welfare Employment which reported on potential program improvements.
- The WIN Demonstration operated, followed by the IJO (Investment in Job Opportunities) Programs.
- Legislative approval was obtained for funding.

- The Secretary also obtained support from the U.S. House of Representatives Ways and Means Committee for a Welfare Reform initiative.
- The new Governor's top priority is welfare reform.
- Finally, the effort includes changing the focus of income maintenance administration and staff from an emphasis on certification of eligibility and error reduction to an emphasis on net caseload reduction by getting clients into self-sufficiency faster.

## **Child Care Supporting Work-Welfare Program**

There is separate funding for child care for parents in job training programs. The funding comes from JTPA monies and from IJO funds, which are state monies. We were unable to contact the key agency official for additional information about the child care supporting the work-welfare program in Maryland.

## **General Child Care Program**

The general child care program in Maryland has approximately 12,000 children in care, plus 3,000 children on the waiting list. (The waiting list does not include children of Project Independence participants--an additional potential of 5,000 more children.)

### ***Type of Care Paid***

The Department pays for regulated care, including licensed centers and registered day care homes. (Centers equal 60 percent of the total.)

### ***Licensing***

Centers are licensed by the Department of Mental Hygiene. Family day care homes are registered by the Department of Human Resources. The registration process is described as lengthy. It applies to any provider who cares for any unrelated child for over 20 hours per month.

### ***Prioritization***

For the general child care program, the prioritization scheme involves some 13 separate levels, with the following five broad categories.

- (1) family with Protective services involvement;
- (2) AFDC working and non-AFDC working, with income under \$11,000;
- (3) AFDC completing high school;
- (4) income eligibles; and
- (5) in training or completing undergraduate college education.

Currently, the department is in the process of reversing the order of priority categories Number 4 and Number 5 above.

### ***Funding***

Almost all of the general child care program funding is from Title XX (SSBG). Two local jurisdictions supplement with local monies. Also, some funds are specifically earmarked for participants in jobs programs. (The JTPA/IJO child care monies are managed separately under those programs. As indicated earlier, details are unknown regarding the child care supporting those work-welfare programs.)

By November 1987, \$19 million had already been committed. Eighteen jurisdictions had their funding frozen--some since the beginning of the fiscal year.

### ***Payments***

There are two systems for payment in Maryland:

- the department pays direct to providers (centers and homes) on contracts negotiated by the local departments; or
- in 13 counties, 10 jurisdictions, and Baltimore City, a voucher program is used. (The voucher price is negotiated between client and provider, not to exceed the rate to the general public.)

The voucher pilots are now being evaluated. It is anticipated that vouchers will be used in the counties, but not in Baltimore City. Baltimore City, with 40 percent of all children in care in the state, has an automated contract payment system and it is not clear if the change to vouchers is feasible.

## **Impact of Proposed Legislation**

Major impact is anticipated if the mandatory age limit is lowered. Statewide, there are insufficient resources to meet current demand. Any federal mandate would require resource development and funding.

Currently, the process of registration is lengthy and involved. The state currently registers providers caring for any unrelated child over 20 hours per month. Limited impact is anticipated if federally mandated standards were imposed.

## **Child Care and Head Start**

At the state level, there is no coordination with Head Start. At the local level, the degree of coordination varies. In Baltimore City, there is "fairly close coordination." In other jurisdictions, less.



# MASSACHUSETTS

## **Work-Welfare Program**

### ***Program Overview and Key Components***

Massachusetts initiated its welfare reform program in 1983 with the implementation of the Employment and Training CHOICES Supported Work Program (ET CHOICES). Operated by the Massachusetts Department of Welfare, ET CHOICES offers recipients of Aid to Families With Dependent Children (AFDC) opportunities for employment, skills training, and education through a variety of state and local options.

Registration in ET CHOICES is mandatory for all AFDC recipients with children age six and over. Mothers with children under six are encouraged to participate on a voluntary basis. Of interest is the fact that in 1984, only 18 percent of ET participants had children under the age of six. Last year, this figure was 41 percent.

ET CHOICES program philosophy espouses that ET participants are free to choose a component that is right for them. Working with their local Department of Welfare, participants can choose direct job placement assistance if they are "job ready," or education, skills training, or supported work for those without the skills required to find stable employment paying the wages necessary for them to become self-sufficient. ET offers all participants child care and reimbursement for transportation expenses, as well as continued Medicaid to support the employment-training activity.

### ***Work-Welfare Program initiative/Support***

With four years of experience, ET CHOICES is now an institutionalized program statewide, grounded in state statute with state funding.

## **Child Care Supporting Work-Welfare**

Massachusetts has made a substantial commitment to the ET CHOICES program through the Voucher Day Care Program. As a special component of the ET program, the Voucher Day Care Program adheres to the same philosophy as ET CHOICES in that participants are free to choose the type of care that is best for them and their children.

The Voucher Program is operated by the Department of Social Services (DSS) under a contract from the Department of Welfare. DSS administers the Voucher Program through ten contracted vendors across the state called Vendor Management Agencies. These agencies assist participants (called consumers by the Program) to locate care by providing information and referral services, assessing parent fees, and providing follow-up case management services. These agencies are also responsible

for recruitment and development of provider resources, training and technical assistance, and reimbursement of providers for services.

The Voucher Program offers participants the choice of two basic types of licensed care, center-based facilities and family day care systems. It also provides the option of independent family day care homes which must be registered through the Vendor Management Agency. The independent family day care home concept was developed to address the lack or inaccessibility to licensed centers and family day care systems in some of the more rural areas, or in those cases where immediate care is required and no slots are available. In most cases, the independent family day care provider is a relative.

The Voucher Day Care Program prepares quarterly statistical reports on numbers served. Utilization statistics for Fiscal Year 1987 indicated that day care services were provided to a total of 9332 children through 1654 voucher day care providers. Specific figures for each type of care are:

- Family Day Care Systems
  - 60 providers
  - 1243 children
- Center-Based Facilities
  - 776 centers
  - 6823 children
- independent Family Day Care Homes
  - 818 homes
  - 1261 children

The types of care used by participants in 1987 was:

Infant to 15 months	-	7%
Toddler (15-33 months)	-	21%
Preschool to first grade	-	50%
School age	-	21%

The Voucher Program, as a special component of the ET Program, is funded through a combination of state and federal funds, 98 percent state and 2 percent federal. The budget for FY 88 is \$30 million, almost one-half of the total ET budget.

### ***Payment Mechanism***

Participants are issued vouchers authorized for two-month periods. Providers accepting vouchers are reimbursed monthly by the Voucher Management Agency.

## ***Transition***

ET participants receive a voucher subsidy for the entire period they participate in an ET component activity. In addition, participants continue to receive voucher assistance for a period of 12 months after employment. During this period, participants are transferred to the "Contracted Day Care Program," the State's general day care program. If a participant is unable to access a contracted slot at the end of the twelve-month period, the participant may be allowed to continue on the voucher subsidy indefinitely. Massachusetts believes this commitment to continuity of care is critical to a client's ability to become self-sufficient.

## **General Child Care**

Consumers eligible for services through DSS are provided child care through the Contracted Day Care Program. This program provides two types of day care through purchase of service arrangements with centers and family day care home providers:

- Basic Day Care, and
- Supportive Day Care.

Basic Day Care is available to assist families in achieving or maintaining self-sufficiency through employment or training programs; to prevent abuse or neglect; to assist families in which the parent or guardian is incapacitated; and to assist families in which the child is physically, emotionally or mentally disabled. Basic care provides a core of comprehensive child care and developmental activities.

Supportive Day Care is available for protective services families and for foster care children with special needs. It provides the components of basic day care, as well as additional developmental activities, social services on site and transportation services.

As of December 1987, the Contracted Day Care Program had 17,788 contracted slots for children, including:

- 13,522 Basic slots,
- 4,129 Support slots, and
- 137 special teen parent slots.

Both types of care provide services for a wide range of children. Care is available to infants, toddlers, preschoolers, and school-age through centers. Family day care homes provide care for children age one month through 14 years.

## ***Licensing***

Child care in the Contracted Day Care Program is restricted to licensed centers and family day care homes only. In Massachusetts, the Office for Children is responsible for licensing all child care facilities based on licensing standards specific to group day care, family day care, and school age programs.

## ***Prioritization***

The demand for state subsidized day care services far exceeds the limited supply. In an effort to meet this demand, DSS, DOW and the Executive Office of Human Services developed an Alternating Intake System which is designed to allow access to limited services in a fair and equitable manner. Children should be enrolled based on the following sequence:

- (1) income eligible consumer who is participating in an employment or training program, or starting/continuing employment;
- (2) AFDC consumer with work/training needs or voucher transfers;
- (3) income eligible consumer (same as (1));
- (4) AFDC consumer (same as (2));
- (5) income eligible consumer (same as (1));
- (6) DSS referred consumer (family with preventive or special needs).

## ***Funding***

Funding for the Contracted Day care Program is primarily through the Social Service Block Grant.

## ***Payment Mechanism***

Payment is made directly to the day care provider at a rate negotiated under the purchase of service agreement. Clients participate in the program through a sliding fee scale, paying fees directly to the provider.

## **Impact of Proposed Legislation**

### ***Mandated Participation***

Based on current experiences, Massachusetts expects that mandated participation of mothers with children under the age of six would place a significant burden on already limited resources, particularly for infants and toddlers.

## ***Regulations***

The Voucher Program has attempted to meet some of the demands for infant and toddler care through the independent family day care homes which are not licensed facilities. In addition, these consumers have been allowed to develop independent caregivers to meet their unique needs where care may be inaccessible. If licensing were mandated, these resources would have to be replaced which would require additional funds. The burden on licensing staff and the Vendor Management Agencies to meet the need for more licensed care would increase. Massachusetts would require additional funds and staff to meet the demand resulting from mandated participation and required licensing.

## **Child Care and Head Start**

The Voucher Program has no established relationship with Head Start in Massachusetts. There have been a few arrangements with individual Head Start programs, but these have been arranged by the participant.

The contracted Day Care Program currently contracts with six Head Start programs throughout the state to provide full-day child care.

# MI CH I G A N

## **Work-Welfare Program**

Michigan operates the MOST (Michigan opportunities Skills) Program which is an umbrella program incorporating:

- WIN Demonstration,
- IV-A work program,
- Food Stamp employment and training program, and
- General Assistance work program.

As of September 30, 1987, there were 91,471 participants in MOST, of which about 60,000 were AFDC and the remainder Food Stamp and General Assistance clients.

### ***Program Overview and Key Components***

The MOST Program regulations follow the WIN regulations. As a waiver state, participation is mandatory for parents with children aged six months and older. The standard WIN exemptions apply. Lack of child care is an exemption, and many such exemptions are granted.

The focus of MOST is on welfare recipients on the rolls two years or more. The emphasis is on trying to develop job skills-"not just for fast-food."

### ***Work-Welfare Program Initiative/Support***

The MOST Program was established by the State Legislature in December 1983. Michigan had had success in developing service delivery systems and moving employable/job ready people into jobs. It was recognized that service delivery systems were less successful with recipients on the rolls two years or more. The MOST legislation is seen as a recognition that working with the hard-to-place, long-term recipients (who may comprise one-third of the total caseload) take focused efforts over time.

## **Child Care Supporting Work-Welfare Programs**

Michigan provides child care to most participants through its state general child care program. Currently, the general child care program serves:

- 5,500 children in Title XX funded care, and
- 10,000 children in IV-A funded care.

The majority of the children served are two to eight years of age.

### ***Type of Services***

By Michigan statute, all non-related child care providers must be licensed or registered. However, for IV-A there is no specific requirement that the Department pay only for regulated care. The Department can and does pay for relative care. However, for Title XX cases, payment is only made if the facility is licensed or certified.

### ***Licensing***

Centers must be licensed. Facilities with seven to twelve children must be licensed. Homes with one to six children must be registered. Monitoring in Michigan is very limited.

### ***Prioritization***

The general child care program is seen as "entitlement assistance." By this it is meant that if the client is eligible and fits a need category, the Department attempts to provide service.

### ***Funding***

The general child care program is funded by IV-A and Title XX (SSBG) and funds are allocated claimed as follows:

- IV-A funds--for AFDC parents in employment or training; and
- Title XX funds--for all other categories, including:
  - AFDC not unemployment and training,
  - Protective Services
  - prevention
  - migrants
  - young parents completing high school
  - low income single parents, and
  - low income two parent families.

### ***Payment mechanisms***

Payment is made directly to the AFDC recipient in the grant. No vouchers or contract with providers are used. The state's interpretation of federal regulations is that payment be made to the client without designation by the agency. Currently, there are delays of up to four weeks in getting the payment to the client in the welfare grant for child care services rendered.

## ***Transition Care***

Transition child care assistance is available for the month the client is employed until the first paycheck is received. Thereafter, child care is calculated as an employment expense. Also, a sliding scale is used.

## ***Strengths and Weaknesses***

In our discussions with Michigan agency officials, a "Catch2211 problem was identified, which was illustrated by the state's experience with MOST:

- The longer clients stay on the rolls, the harder it is to divert them into employment.
- The most employable/job ready clients are the younger mothers with young children.
- However, infant care is a major problem and lack of child care is an exemption from the MOST (work-welfare) Program.
- Therefore, these exempt parents may linger on the rolls for two or more years, losing time, skills, and motivation.

In addition to the problem of lack of care for infants, the other weaknesses identified included the following:

- handicapped child care is a problem;
- evening/weekend/holiday child care is difficult; and
- Affordability is a problem (department rates are not adequate and clients have difficulty paying once they are employed and no longer receive child care subsidy).

Anecdotally, it is estimated that 85 percent of the individuals who get jobs get them on their own. This can be viewed as a strength, in terms of effectively providing the clients with the skills to find and hold jobs--or as a weakness, in terms of the limited success rate of formal placement activities.

## **Impact of Proposed Legislation**

No impact is anticipated for MOST if the federal age minimum were lowered. No impact, positive or negative is anticipated on child care in Michigan.

Michigan already requires licensing/registration. However, since monitoring is now very limited, there will be a potential impact on staffing if federal legislation mandates changes in standards.



## **Child Care and Head Start**

There is no state-level coordination. Head Start has a federal regional organization, not a state organization--e.g., state officials find it difficult to identify a counterpart in Head Start with whom to work. There is state level coordination on some issues with the President of the Head Start Association.

# MINNESOTA

## Work Welfare Program

PATHS is Minnesota's strategy to help a specified group of AFDC recipients achieve self-sufficiency. PATHS, which stands for Priority Access to Human Services, is a multi-agency multidisciplinary self-sufficiency program which is designed to target three groups of AFDC recipients including:

- caretakers under the age of 21;
- caretakers without a high school diploma or GED; and
- caretakers who have been on assistance for 24 out of the last 35 months.

The first two groups were chosen as priorities based on characteristics that often determine long-term dependency, that is, being a young parent or lacking a high school education. The third group has already begun a period of "long-term" AFDC dependency.

PATHS, which was created in 1987, is to be implemented on a county-by-county basis, and currently nine counties either have programs in design or underway.

### ***Program Overview and Key Components***

PATHS, as it is currently designed, is a voluntary program for AFDC recipients. The major components include:

- case management,
- employment and training,
- child care,
- health care, and
- AFDC self-employment.

Case management is the central service funded for welfare reform. This component consists primarily of vocational counseling and assistance activities which include:

- Assessing an individual's employment, training, education, and support needs;
- developing a contract which sets out a plan to achieve self-sufficiency and a timetable for achieving the plan; and
- helping the person access vocational, social and support services that are needed.

The provision of employment and training services may vary widely among Minnesota's counties. However, each county must include in its local PATHS plan a job

search program which is mandatory for one parent in two-parent AFDC families, and an initial orientation for all recipients to inform them of employment, training, education, and support services.

To support clients participating in PATHS in transition to self-sufficiency, Minnesota has expanded eligibility for the Medical Assistance (MA), setting the income eligibility level at 133 percent of the AFDC level program. It has also created a new program for low income children and pregnant women, Children's Health Plan, which covers low-income pregnant women and children under age 7 for most outpatient service. Child support is also considered a factor in PATHS. Five counties have been approved for pilot projects to test mandatory immediate wage withholding of new child support orders.

As a special project, the Minnesota Legislature approved funding for a demonstration project to test self-employment as a "path" to self-sufficiency for AFDC recipients. Under this program, selected volunteers will receive business training and assistance, loan leveraging services and other technical assistance based on individual business plans.

### ***Work-Welfare Initiative/Support***

The PATHS program builds on the Minnesota 1985 Jobs Act which reorganized the state's employment and training delivery system and mandated that the employment and training and income maintenance resources be coordinated for the purpose of putting unemployed Minnesotans to work. The 1987 Welfare Reform law established PATHS and committed more than \$50 million in state funds for the program.

Responsibility for PATHS is shared by a number of state agencies and local service units (counties). The Department of Jobs and Training (DJT), the Department of Human Service (DHS), and the office of Jobs Policy (OJP) are the three state agencies involved. DJT has lead responsibility for the development and delivery of employment and training programs, approving and overseeing local "job systems," and assuring coordination among employment and training programs. DHS, as the state IV-A agency, has ultimate authority over all issues with AFDC. It is also in charge of the operation of the Child Care Fund, the special child care component of PATHS. OJP, created by executive order in 1987, coordinates policy development and planning for jobs, public assistance, and education issues that cross state agency lines. the Local Service Units (LSU) have primary responsibility for developing and operating "jobs systems" that best suit the needs of the local communities.

### **Child Care Supporting Work-Welfare**

The PATHS program was designed with child care as a major component. Minnesota believes that child care is the most significant barrier to self-sufficiency for AFDC recipients. The Child Care Sliding Fee Program was designed to provide state-

subsidized child care to AFDC recipients and other low-income families, based on a sliding fee schedule.

### ***Care Available***

Child care is available to PATH priority group participants and other low-income families primarily from licensed day care centers and family day care homes. Participants are given lists of licensed providers from the Local Service Unit staff and are encouraged to make arrangements for themselves which will best fit their own unique needs.

In some counties, participants are able to choose a special family day care situation which is unlicensed. Family day care homes which serve children from only one additional family are exempt from licensing. In the major metropolitan counties where resources are considered adequate, consideration is being given to mandating the use of licensed centers only. In the outlying counties where child care resources are more scarce, some flexibility may be given.

### ***Funding***

Funding for the Child Care Sliding Fee Program was increased from \$10.1 million for the 1985-1987 biennium to almost \$26 million for 1987-1989. Approximately \$5.7 million of this budget is designated for use by PATHS participants who are in employment and training services or in transition to employment. Another \$5.2 million is reserved for AFDC recipients in post-secondary education. These funds are considered very important to the PATHS program since the state plans to use area Vocational Technical Institutes, the Community Colleges, and other post-secondary institutions as central agents in providing recipients with the tools to become self-sufficient.

The federal match to be drawn down on expenditures for AFDC recipients who are in job search, job readiness, education, and training is 53.98% for FY 1988.

### ***Payment Mechanism***

Provider surveys have been conducted in each of the counties to determine median rates for infant, toddler, preschool, and school age care in day care centers and in family day care homes. These rates have been established for Service Delivery Areas, which are groups of counties with similar characteristics. Rates are negotiated with providers based on these established median rates, and providers are paid directly for services. In very few cases are clients reimbursed directly for child care expenses.

Parents are expected to participate in the child care expense through a co-payment established through the sliding fee schedule. This fee schedule is based on the state median income adjusted for family size.

***Transition***

Through the Sliding Fee Program, subsidized child care is provided indefinitely to priority group participants who are transitioning to unsubsidized employment.

**Impact of Proposed Legislation**

Since Minnesota's work-welfare program is totally voluntary, it can be expected that mandatory participation will impact on the current resources available, both in funding and in licensed care. Staff were particularly concerned about the existing limited resources for infants and toddlers. With mandatory licensing, the resources currently available through the exempted family day care homes would no longer be an option in the outlying areas where licensed care is limited.

# NEBRASKA

## Work-Welfare Program

All work programs in Nebraska are tied into the WIN Demonstration (IV-A job search and CWEP). Nebraska is a waiver state. Its original waiver (March 1985) made participation mandatory for parents with children aged three and above. In June, 1987, the waiver reduced the minimum age limit to six months. The exemptions from participation are the same as for WIN. Lack of child care is not an exemption from participation. However, the client is not required to participate until the client locates child care.

### *Work-Welfare Program Initiative/Support*

The work-welfare program in Nebraska is grounded in state policies--not legislation. Funding decisions are made through the normal budget process. In the last fiscal year, the work programs were tied more closely together. Such programs are getting more attention now as both the Legislature and the Governor are seen as being more interested in the work-welfare programs.

## Child Care Supporting Work-Welfare Program

Child care for work-welfare participants is provided through the general child care program. The strength of the work-welfare program and the child care program in Nebraska is seen in its flexibility. The program tries to overcome any barriers that arise, even if the barriers are outside the original plan. For example, funds are made available on a case-by-case basis to: pay for gasoline, bus vouchers, vehicle licenses or repairs, car pools, payments to third parties for transportation to job interviews--whatever support services might be necessary to help clients seek or accept a job. The child care program also occasionally permits payment for relative care at staff discretion and payment direct to the client, instead of the provider.

For this fiscal year ending September 30, 1987, the general child care program statistics are as follows:

Job Support	--	\$221,875	-	254 children;
Without Regard to Income (e.g., Protective Services AFDC	--	\$198,818	-	181 children;
Low Income (not current recipients, below national poverty level	--	\$2,571,432	-	2,256 children;
Fee Paying (at or below poverty level)	--	\$1,335,942	-	1,041 children;
		\$656,675	-	703 children.

Availability of facilities is spotty through the state. The shortages are in many areas--mostly urban areas. The cause of gaps in urban areas is the rates, not the ages of the children. It is too early to determine if the age six months limit is causing gaps in availability.

### ***Type of Services***

Payment is made for child care in licensed centers and registered group or family child care homes. Rare exceptions can be made at the discretion of the staff to pay for child care by a relative if the relative is the only resource. However, on those occasions, the relative is paid less than the usual rate.

### ***Licensing***

By statute, centers must be licensed and day care homes must be registered. Private homes (not referenced in the statute) are "approved."

### ***Funding***

Funding for the general child care program comes from "Title XX and a lot of things--whatever is available." This includes WIN, IV-A, and state monies over and above required matching funds.

### ***Payment Mechanisms***

Payment is made directly to the providers, based on prior authorization and billing. Although it is possible to pay directly to the client, it is rarely done.

## **Impact of Proposed Legislation**

Nebraska's experience with an age limit of three years did not create a problem. Care was available for the age group. It is too early to determine if the current age limit of six months will be a problem. The six month age limit is being phased in as cases come up for the AFDC redetermination. Therefore, numbers of potential participants and departmental workloads are not yet known.

Licensing of facilities caring for children from four or more families is currently required in Nebraska. Any more stringent requirements or broader application would result in a workload increase.

## **Child Care and Head Start**

Coordination with Head Start has recently begun, including attempts to address such issues as timing (times that head Start facilities are available to departmental clients) and transportation.



## NEW JERSEY

### **Work-Welfare Program**

New Jersey received a federal waiver on October 1, 1987, to operate a Welfare Reform program known as REACH (Realizing Economic Achievement). This discussion of the work welfare program in New Jersey focuses on the REACH Program. References to the current WIN/Employment and Training Program (if any) will be clearly identified.

#### ***Program Overview and key Components***

Reach is a comprehensive Welfare Reform program whose ultimate goal is to include every AFDC family in New Jersey (120,000) families/365,000 individuals). The REACH initiative is to help welfare recipients become self-sufficient. It is seen as a "mutual obligation" program, with both the government and the able-bodied recipient having responsibilities.

- The able-bodied recipient is responsible for developing a plan for achieving self-sufficiency and, if the youngest child is aged 2 or over, the parent must participate in education, job training, or employment programs.
- The government is responsible for removing barriers to employment and providing support programs and services, including:
  - extension of Medicaid coverage for up to one year after employment;
  - providing child care allowances;
  - providing transportation allowances; and
  - providing educational programs, counseling, vocational assessment, job training and placement services.

The program is currently operating in three counties. Two more counties will begin in February 1988; five more will be phased in by the spring of 1988. By the end of the first year, the goal is to have REACH operating in thirteen counties representing 93 percent of the welfare caseload.

#### ***Work-Welfare Program Initiative/Support***

REACH is a Governor's initiative to change the state's welfare program from payments to emphasis on employment and training.

REACH involved the legislative appropriations process, as well as a county planning process within state guidelines, and extensive involvement of the private sector and community groups. At the county level, the local welfare departments, Private Industry Councils, and Human Services Advisory Councils work together in the planning process regarding organization and administration of services, and assessment of local needs and use of local resources.

The cost of REACH is estimated at \$12.5 million the first year (limited number of counties). Over the first three years, the state is expected to commit \$100 million to the program. Annual costs when REACH is fully implemented will be \$60 million. Federal monies will be used in addition to state monies in future years. The mix and sources of future federal funding are not yet known. "REACH will pay for itself when the program moves 15 percent of participants off welfare and into jobs."

In addition to REACH, New Jersey also operates two other employment and life skills programs:

- Teen Progress, and
- Atlantic City Casino Employment Initiative.

Teen Progress is part of a national demonstration project providing parenting and life skills, vocational assessments, education and GET preparation for AFDC teen mothers with children as young as six months. The employment initiative is a public/private initiative with Atlantic City's casinos. The casinos have pledged 1500 jobs for welfare recipients over the next three years.

### ***Participation/Exemption***

REACH is mandatory for parents with children aged two and over. Other parents may volunteer.

The same exemptions apply to REACH as to WIN, however, lack of child care is not an exemption. Illness or incapacity of the parent, or the need to care for a disabled child or adult are exemptions. The assumption is that one-half of REACH registrants will be exempt for substance abuse, psychological or other health problems (their own or their dependents').

## **Child Care Supporting Work-Welfare Program**

One-half of the total REACH budget is dedicated to support services. REACH has its own child care funding within the support services budget. The child care supporting REACH is separate from the general child care program.

### ***Program Support***

Current demand for child care exceeds the supply. However, the commitment of the state government--Governor, Legislature, Department of Human Services--is to "remove barriers to employment cited by welfare recipients and provide support programs and services."

The assumption is that the Department of Human Services will develop or find the necessary child care resources to meet the needs of REACH participants. The county planning process, with the involvement of Private Industry Councils and Human Services Advisory Councils, is designed to assess the need for local support services, including child care, and to help increase the network of family child care homes.

### ***Type of Services***

REACH child care includes licensed centers and registered family day care homes (registration requirement effective January 1988). The availability of care depends on the geographic location and age of the children.

In addition, REACH can pay for relative care, regulated or unregulated. The relative may register and be reimbursed for care. If the relative care is unregulated, the payment is one-half the rate paid to relatives who are registered.

### ***Funding***

The total funding for REACH is \$12.5 million in state monies for the first year (limited number of counties). The amount of federal financial participation, if any, was not known. One-half of the REACH budget is for support services, including child care.

### ***Payment Mechanism***

REACH will use a voucher system. The voucher will be given to the client who, in turn, will give the voucher to the provider the client chooses. The state will pay directly to the provider upon submission of the voucher.

Counties may supplement the state rates paid to providers. Also, if relative care is used, the relative who is not a registered provider receives one-half the rate paid to a relative who is registered.

### ***Transition***

REACH will continue Medicaid and child care for up to one year after employment.

## **General Child Care**

Separate from the child care supporting the REACH program, there is a general child care program operating in New Jersey. The general child care program currently serves 16,000 children, of whom approximately 13,500 are funded by the Title XX (SSBG) as follows:

- 620 infant toddler

- 9,000 aged three to five, and
- 2,100 school aged.

Of those children whose child care is funded by title XX< most are in centers and 1,000 are in family child care homes. Most parents use unregulated care. There are currently approximately 386,000 children in poverty in New Jersey.

### ***Type of Services***

Under the general child care program, payment is made only for care in licensed centers and registered homes. Under the general child care program, no payment is made for relative care, unless the relative is a registered provider. (REACH can pay unregulated relative care at one-half the rate of regulated relative care.)

### ***Licensing***

Centers are licensed. Currently, the registration requirement for homes is voluntary; effective in 1988, registration will be mandatory.

### ***Prioritization***

The priorities of the general child care program are as follows:

- (1) children at risk of abuse/neglect and under youth and Family Services supervision;
- (2) children at risk of abuse/neglect or children with special needs--referred by community agencies;
- (3) child welfare placements to prevent family break-up;
- (4) children of families with eligibility, e.t., parent(s) working or in training full time;
- (5) children whose parent(s) are in school, working, or in training part time; and
- (6) children of families with other income eligibility (e.g., typical AFDC).

Priority category (4) above, children whose parents are working or in training full time, represents about 85 percent of the total cases. Note that REACH is not included in the above priorities because it has its own child care program funding and resources.

### ***Funding***

Funding for the general child care program is as follows:

- Title XX (SSBG), including federal, state, and local monies and sliding fee scale = \$42 million;
- vendor contracts for children under protective services = \$.4 million; and
- subsidy voucher program = \$.4 million

### ***Payment Mechanisms***

The principal method of payment is “fixed unit rate contracting.” The department contracts with licensed centers for a specific number of slots at a fixed rate. The payment is made directly to the provider.

For the voucher demonstration projects, the client presents the voucher to the provider and the department pays directly to the provider.

Relatives may only receive payment for child care if the relative is a registered provider.

### **Impact of Proposed Legislation**

Lowering the age limit would require extensive resource development. Impact--as compared with REACH timetable--would depend on federally imposed implementation schedule.

Imposition of standards may cause problems for providers. Providers, especially in urban areas, may not be able to meet the standards.

## NEW YORK

### Work Welfare Program

New York currently operates a WIN Demonstration Program that is voluntary for mothers with children under age 6. The State also operates a voluntary work welfare program known as CEOSC-Comprehensive Employment Opportunity Support Centers. This discussion of the work welfare program in the State of New York focuses on the CEOSC Program.

#### *Program Overview and key Components*

As part of New York State's welfare employment initiative, caretaker parents of children under age 6 who are receiving AFDC will be encouraged to volunteer for CEOSC. The CEOSCs are operated by public or voluntary agencies. There are currently eight such projects operating in the state, with eight more scheduled to begin operating by February 1988. Two of the projects are in New York City. The others are in counties throughout the state. Examples of CEOSC sponsorship include the following:

- local Boards of Cooperative Education,
- private college,
- private organizations, e-g.,
  - National Puerto Rican Forum of New York City,
  - Federation of Employment Guidance Services of New York City,
  - Hudson Valley Opportunities Industrialization Center,
  - Hispanic Women's Center (New York City),
  - Allentown Community Center (Buffalo) and
  - Ridgewood/Bushwick Senior Citizens Council (Brooklyn)
- county Departments of Social Services,
- county Departments of Labor, and
- JTPA.

The key concepts of CEOSC are case management and "one-stop shopping."

- The case management concept requires that one staff person work with the client throughout the involvement with CEOSC. The goal of case management is to coordinate the comprehensive array of services, support, and assistance necessary to the recipient's achieving self-sufficiency.
- The one-stop shopping concept means that CEOSC is a full-service program, providing necessary services or serving as a broker to secure needed services.

Child care (generally on-site) and transportation are included in the support services that the CEOSC case manager assists the client in obtaining.

As of October 30, 1987, the numbers of potentially eligible participants (parents with children under age 6) was 169,351. This number is greater than that of the "traditional employable group" (111,511 as of October 30, 1987). Participation in CEOSC is voluntary for parents in the eligible group.

### ***Work-Welfare Program Initiative Support***

The impetus for CEOSC was part of the Governor's initiative of 1986 to remove the barriers to economic independence faced by public assistance recipients. Funding for CEOSC is included in the annual Executive Budget and approved by the Legislature.

## **Child Care Supporting Work-Welfare Program**

In addition to on-site child care in the centers, the CEOSC program is supported by the State's general child care program.

### ***Type of Care Paid***

The State of New York pays for care in licensed child care centers and certified family day care homes. In addition, the state pays for unregulated care for income maintenance clients. When a public assistance case is closed because of earned income, and there is a need for continued child care (includes CEOSC cases or other public assistance cases), the state will pay for transitional child care for up to nine months after the case is closed.

Statewide, there are approximately 133,500 slots available for child care, the majority of which are private pay. Approximately 55,000 to 58,000 of the total slots are used by subsidized children. By the end of February, 1988, an additional 9,500 slots will be opened--mostly targeted to CEOSC. Other child care expansion efforts are continuing.

CEOSC is also supported by ten on-site, licensed day care centers at the training sites. However, the majority of care in CEOSC is unregulated, with friends or neighbors. The state pays for the care through the local Social Services Departments. The local jurisdiction has the option to pay \$160 per child or actual cost, if higher. For example, for a certified home or licensed center, payment can be made up to \$389 in New York City.

### ***Licensing***

Child care centers (including the on-site centers at CEOSC training sites) are licensed. Family day care homes are certified, with annual inspection/renewal requirement.

Licensed family day care exists in New York, but it is not used for or by subsidized clients, only for the private market. Unregulated care may be used by income maintenance clients.

### ***Prioritization***

There is no formal, statewide prioritizational system in New York. However, the state has "mandates" for service which include the following:

- any recipient in an approved vocational training program or completing high school,
- protective service,
- preventive service (if the case plan includes the need for day care), and
- adolescent parents completing high school

New York City has all of its waiting lists prioritized in approximately ten categories, ranging as follows:

- highest priorities:
  - protective services and mandatory prevention,
  - public assistance siblings of children in care,
  - CEOSC participants,
  - public assistance employed, and
- lowest priority: non-public assistance seeking employment

Within CEOSC, in Year 1, there were no priorities. For Year 2, the State has asked each of the CEOSC projects to allocate approximately 10 percent of the child care to pregnant 16-18 year old participants.

### ***Funding***

The general child care program is funded as follows.

- child care related to CEOSC--principally IV-A funds.
- If IV-A does not pay for a particular client or service, Title XX funds may be used, or state funds under the new child care funding initiatives.
- Other funding--Title XX and state initiatives, including:
  - capacity building--funds for start-up and program development. These funds are targeted to providers and administered by the Bureau of Program development and Demonstrations;
  - client subsidy--allocations to counties to pay for the cost of care. These funds are administered by the Bureau of Policy Planning.

No local monies are required; however, 47 of 57 local jurisdictions participate with the state in funding transitional child care assistance.



## ***Payment Mechanisms***

New York is a state-supervised, locally administered program. Therefore, local jurisdictions have the option in selecting payment mechanisms. For example, the IV-A disregard is used by many county departments. Also, local Social Services Departments pay directly to providers as follows:

- payment direct to centers on contracts
- payment direct to the sponsoring agency for family day care
- payment direct to a provider (non-contract) upon presentation of an invoice.

Vouchers are being piloted in New York City and in Westchester County, involving close to 2,300 children.

## **Child Care and Head Start**

In New York, state-level coordination with Head Start "is something that we have been putting particular emphasis on for the past 4-5 years." Initiatives that have been implemented include:

- a part-day Head Start program with state day care funding for the balance of the day;
- a cluster of family day care providers grouped around a Head Start program; and
- a Westchester County model involving county-wide dual eligibility for Head Start and day care; the model provides routine full-day service at the same center and by the same staff, with funding resources allocated appropriately.

The Westchester project was primarily a local coordination effort. The state was involved in the project development, provided "encouragement," and (with Cornell University) developed and distributed written materials describing the project.

# OKLAHOMA

## **Work Welfare Program**

### ***Program Overview and key Components***

The work-welfare program in Oklahoma is a diversified, comprehensive employment and training program that includes:

- WIN Demonstration,
- CWEP,
- direct job search,
- structured job search,
- basic adult education,
- g.e.d., and
- work supplementation (grant diversion).

The current program is seen as the result of a continuous building process, with features added annually since 1981 to the initial WIN demo.

Oklahoma is a waiver state. The waiver completely removes the minimum age of the children as a factor for determining a parent's eligibility for the work-welfare program. Registration of the parent is mandatory. Once the parent is registered, a plan is developed which considers the adequacy of child care, transportation, and the physical/mental condition of the parent and children. If the above assessment indicates that the applicant is not job ready, the applicant then goes into an "exempt pool" until the departmental worker can provide the needed service.

### ***Work-Welfare Program Initiative Support***

Employment has the highest priority of the Human Services Commission, the Governor, and the Department of Human Services Director. Anything needed to further the employment and training program receives legislative approval and budgetary support.

### ***Participation/Exemption***

Registration is mandatory for parents with children of age 0 and over. Once a parent is registered, a plan is developed which considers the adequacy of child care, transportation, and physical/mental condition of the parent and children.

If, as result of this assessment, the applicant is deemed not job ready, the applicant is placed in an "exempt pool" until the departmental worker can provide the needed service.

Statistics show better success in placing mothers with children under age 6, rather than those with children over 6. The informal priority is on young mothers with young children: their education and business machine/clerical skills are seen as fresher, and they need little assistance to move into a job.

## **Child Care Supporting Work-Welfare Program**

Child care in Oklahoma is almost exclusively to support the employment and training program. The limited exceptions include such short term child care assistance as a mother going into the hospital for a brief stay. Seen as essential to a successful employment program, child care in Oklahoma is targeted toward employment and training program participants and receives legislative/budgetary support.

### ***Care Available***

Licensed daycare homes and centers are available. There are no waiting lists. In providing resource and referral services, the initial question is the availability of care by the family. However, no payment is made for unregulated care.

Care is available without problems in metropolitan areas, including night time service. Availability of child care is a problem in some rural areas, coupled with transportation.

### ***Funding***

The child care program in Oklahoma is funded by IV-A and Title XX monies which are utilized as follows:

- if the participant is in CWEP and remaining on AFDC, the child care is paid out of IV-A funds; or
- if the participant is placed in a job and off of AFDC, the child care is paid out of Title XX with a sliding fee scale.

### ***Payment Mechanisms***

There are stringent licensing standards for child care in Oklahoma. All centers and homes in the state must be licensed, whether or not the department pays for the care.

The department only pays for licensed care in centers or day care homes. Payment is made direct to the providers on monthly claims processed through the county offices to the state.

There are no provisions to pay for unregulated care (care by relatives).

### ***Transitional Care***

Transitional child care assistance is available, based on a sliding fee scale, with no time limit.

### **General Child Care Program**

Since the child care program in Oklahoma is almost exclusively used to support employment and training, any special issues and provisions applicable to general child care were included, as appropriate, in the section above.

### **Impact of Proposed Legislation**

No problems are anticipated from federally mandated minimum age limits or licensing standards.

## OREGON

### **Work-Welfare Program**

The NEW JOBS Program is a pilot program in seven sites representing one-fourth of the state's population. The NEW JOBS Program will start on February 1, 1988, with all sites phased in by April 1. Previously, the JOBS Program (which was Oregon's WIN Demonstration) operated since 1982.

#### ***Program Overview and Key Components***

The NEW JOBS Program has greater emphasis on long-term self-sufficiency, including

- work search,
- vocational education,
- work site training,
- supported work,
- business development,
- assessment, and
- basic skills.

Oregon is a waiver state, with participation mandatory for parents with children aged 3 and older. Other parents may volunteer. The exemptions are identical to basic federal WIN exemptions--except that lack of child care is not an exemption.

#### ***Work-Welfare Program Initiative/Support***

The NEW JOBS Program is a comprehensive WIN Demonstration approved by the Legislature in the last session.

### **Child Care Supporting Work-Welfare Program**

Oregon's child care program is totally employment-related.

#### ***Program Support***

Support for the program's initiative is evidenced by the following:

- The Governor is interested in child care.
- The Governor's Commission on Child Care is very active, and many of its recommendations have been enacted/implemented.

- The Legislature meets every other year; however, the Commission is able to communicate effectively with the Legislature, even if the Commission's formal recommendations are not in the Governor's approved budget.
- The Children's Service Division decides what services it will pay for, working with the Commission and Providers.

### ***Type of Services***

Child care is available through a range of services, including 50 group child care centers, in-home care, and use of relatives. A teen parent child care program is starting in the Portland area schools, currently the only school-based child care initiative.

Statewide, there are 3,107 cases and 5,542 children in the general child care program.

### ***Funding***

The work programs have money built in for child care. Specifically, these funds include WIN and IV-A/disregard, plus state monies for the Employment Related Day Care Program clients who leave AFDC through the (current) JOBS program.

### ***Payment Mechanisms***

The Department can pay for child care whether it is regulated or not. Generally, payment is made to the client, based on assurance that the provider was paid.

The Governor's Commission on child care identified nonpayment of providers as a problem. There will be a pilot in some areas within the NEW JOBS Program using dual-party checks. (Although the dual-party check pilot program will be called "vendor payments," it is neither a voucher system nor direct payment to providers.

### ***Transition***

WIN funds can be used for one-time costs, for example, if a client needs to make an "up-front" payment to a new provider. Under the Employment Related Day Care Program, funds can be used to pay for child care/transportation.

### ***Licensing***

There are stringent licensing requirements for centers and group homes. However, there is little compliance/monitoring and the requirements are seen as a "paper process." Payment is made for child care services regardless of certification.

### ***Strengths and Weaknesses***

The strengths of the child care program are perceived as follows:

- the work-welfare programs have money built in for child care,
- the Employment Related Day Care Program is available to assist clients who lease AFDC through the work-welfare programs
- the child care supporting the work-welfare program is responsive to client needs and has flexible payment mechanisms, and
- neither lack of available child care nor lack of providers as been identified as barriers to employment in the pilots or statewide program.

Respondents mentioned that the lack of drop-in/sporadic care is a problem for clients engaged in job search. In addition, the Interim Report (1988) of the Governor's Commission on Child Care was provided, and it lists over 50 individual recommendations for improvement. The Governor's priority is promoting employer involvement in child care.

## **Impact of Proposed Legislation**

The State of Oregon is already operating a child care program for children aged 3 and older. No problem is anticipated. It is too early to determine if there will be any problems if the age limit were lowered to 6 months.

It is felt that the providers could meet the requirements. However, it is unknown how many would be willing to go through the process. Also, there will be potential impacts on the agency to monitor compliance--an activity not currently conducted.

## **Child Care and Head Start**

The relationship with Head Start is described as "a close working relationship." However, there is no coordination at the state level, except for regular meetings and committees (e.g., teen parents and other issues of mutual interest). Some local departments and Head Start agencies may consult on an individual client basis.

# TEXAS

## Work-Welfare Program

### *Program Overview and Key Components*

Texas operates a WIN Program on contract with the Texas Employment Commission. The state also operates a Food Stamp Employment and Training Program. There are no other employment programs although other resources (for example, JTPA, vocational training) are used.

## Child Care Supporting Work-Welfare Program

Child care for participants in the WIN program is provided through the state's general child care program. As a result of the recent downturn in the state's economy, the following changes in the child care program are being implemented:

- effective March 1, 1988, child care will be available up to two years while a parent is in training (formerly one year); and
- transition child care will be extended to eight weeks (formerly 30 days).

In FY87, a total of 37,000 children were served. This is an unduplicated count of each child in care one time during the year. Monthly counts differ because of in/out movement. The monthly fluctuation may be between 13,000-16,000 per month. For example, in August 1987 the numbers of children in care were as follows:

Lubbock/Amarillo	1,045
El Paso/Odessa	1,437
Abeline	867
Dallas/Fort Worth	1,568
Austin	1,409
Perris/Tyler	809
Edinburgh	2,162
San Antonio	2,731
Beaumont/Nacodoches	793
Houston/Galveston	2,970
TOTAL	15,791

Some of these regions are geographically larger than others. For example, Edinburgh is a large geographic area, while the San Antonio figures are for the city plus the Bexar County area in which the city is located.

The ages of the children served in FY86 are as follows (percentages rounded).



0-12 months	=	6%
12-18 months	=	5.5%
18-24 months	=	7%
2-3 years	=	19%
3-4 years	=	23%
4-5 years	=	20.5%
5-6 years	=	11%
6+ years	=	8%

***Type of Service***

Care is available in licensed centers and group homes, and registered family day care homes. Most of the care provided is in licensed centers. If a parent selects a group home, payment is only made if the group home is licensed. Payment is also made for registered family day care homes. Relative care is considered only if the relative is registered and the relative's child is not cared for in the home.

***Licensing***

Texas is said to have more accredited (NAEYC standard) child care centers than any state. There are state minimum licensing standards. Child care is provided in licensed centers and group homes, and registered family day care homes.

***Prioritization***

Within the general child care program, there are the following priorities:

- (1) children in need of Protective Services (without regard to income);
- (2) children who receive or whose parent is receiving AFDC, SSI, or refugee assistance and the parent is in employment, or training leading to employment;
- (3) children who receive or whose parent is receiving Food Stamps and the parent is in employment or training leading to employment; and
- (4) all other clients meeting income eligibility requirements and the parent is in employment or training leading to employment.

Child care in Texas is administered on a regional basis. Some regions have available spaces and some have "huge wait lists."

***Funding***

All child care in Texas is funded through Title XX.

***Payment Mechanisms***

Payment is made direct to the provider.

## **Impact of Proposed Legislation**

If federal legislation mandated reduced age limits (to age three and above), the following impacts are anticipated:

- difficult to develop necessary resources,
- difficult to monitor the program, and
- insufficient staff.

The above problems would be exacerbated by mandating a lower age limit (age six months and above). If federally mandated licensing standards were imposed, an increase in workload is anticipated.

## **Child Care and Head Start**

There is no formal coordination at the state level. There is coordination at the regional (substate) level. For example, there could be Title XX day care and Head Start children in the same place. However, in some areas the site has their "own boxes of crayons and marked that way" (for example, Title XX vs. Head Start).

# WASHINGTON

## Work-Welfare Program

Washington currently operates a WIN/Employment and Training Program administered by the Division of Income Assistance. However, the State of Washington has proposed a comprehensive Welfare program known as the Family Independence Program (FIP). This discussion of the work-welfare program in the state focuses on the proposed FIP. References to the current WIN/Employment and Training Program will be clearly identified.

### *Program Overview and Key Components*

The Family Independence Program (FIP) is a wide ranging Welfare Reform demonstration. The State of Washington proposes to operate FIP within the general framework of Title IV-A for a five year period, as an alternative to the AFDC Program. FIP requires federal legislation, since the provisions include a cash-out of Food Stamps, and impacts on AFDC, Medicaid, and WIN. Federal waivers (age limits, for example, may also be required).

The goal of FIP is to get more family heads working, whether on or off of welfare. The idea is to be "budget neutral" (no additional state funding above current levels) accomplished through:

- placing enrolles in employment at an earlier point than is now done in AFDC and freeing funds for child care, medical care, social services, incentive payments, etc.; and
- improving child support collections.

FIP will be implemented county-by-county based on jobs available and number of volunteers. FIP will be totally voluntary for the first two years. Registration and assessment only will be mandatory during that period. Thereafter, participation in training, education, or work programs will be mandatory in regions of the state where FIP has placed over 50 percent of job ready enrolles within three months.

Participation will be mandatory for parents whose youngest child is aged three and over. If a single parent has a child between the ages of six months and three years, and the family has been receiving public assistance for more than three years, participation will also be mandatory.

The FIP work component will involve:

- a thorough assessment of the applicants' skills and potential; and
- coordination among the State Departments of Employment Security Development and Social and Health Services to assist the applicant in:

- completing high school or a GED program,
- attending a community college or four year institution,
- participate in training to prepare for jobs likely to be available, and/or
- obtain employment in an available job on a full-time or part-time basis.

Of the current 70,000 caseload, 11,000 individuals were placed in jobs under WIN last year. In the first two years of FIP, an increase to 16,000 placements is expected. Also, the expectation is that there will be more volunteers than there are job slots.

### ***Work-Welfare Program Initiative/Support***

The impetus for FIP came from Jule Sugarman, Secretary of the Department of Social and Health Services. The Washington State Legislature meets every two years, with interim sessions. The legislature is predominantly a "citizen legislature," with heavy rural representation. State legislation was passed in May 1987, including some provisions not requested by the department (e.g., emphasis on voluntary participation and higher minimum age of children).

Because of the impacts on AFDC, Food Stamps, Medicaid, and WIN, federal legislative approval is also required for the FIP Welfare Reform Demonstration. (A provision authorizing the FIP demonstration is included in the version of HR 1720, the Welfare Reform Bill, which was approved by the U.S. House of Representatives in December 1987. That measure will be considered by the Senate in 1988.) Federal waivers may also be required depending on the scope of the federal legislative provision.

### **Child Care Supporting Work-Welfare Program**

The intent of FIP is to provide child care--infant, toddler, pre-school, and school age--and medical care to FIP enrollees involved in education, training, and employment. Rates will be 90 to 100 percent of prevailing market rates. There would be no co-payment requirement.

Transition child care and medical assistance will also be available for one year after family income exceeds 135 percent of the cash payment standard. A co-payment requirement (maximum 25 percent) would apply. (See General Child Care Program in next subsection, for the current situation in Washington.)

### ***Program Support***

A major child care initiative is under way, with FIP as the driver. Over 500 people in the State of Washington are involved in the planning process, including:

- State Legislature
- a citizens advisory structure;

- hearings, seminars, meetings; and
- the state regulatory process.

Emphasis is on "a mobilization of resources in every sector of the state economy," and the creation of partnerships "among state and local governments, education, business, the news media, non-profit agencies, advocacy groups, private and non-profit child care providers and parents."

### ***Type of Service***

Currently, and proposed under FIP, child care for work-welfare participants is provided through a variety of care arrangements, including licensed care in day care centers and family day care homes, as well as regulated care provided by relatives or other in-home caregivers.

### ***Funding***

The current child care funding supporting the WIN/Employment and Training program is Title XX, WIN, and AFDC income disregard.

FIP is being organized as a "budget neutral" program with combined federal and state funding. The proposal calls for federal sharing of child care expenditures associated with education, training, and work activities and transition child care at the AFDC matching rate.

### ***Payment Mechanism***

Currently, the State of Washington does not pay beyond the \$160 disregard, except for a few WIN cases. Most payments are made directly to the licensed provider. Payment can be made directly to the parent for (unregulated) care provided by a relative or in-home caregiver. Title XX child care currently uses a voucher system and sliding fee scale. Working AFDC recipients are not required to use licensed providers in order to receive the AFDC disregard.

Under FIP, a voucher system is being contemplated. Parents would use the voucher with licensed providers or schools demonstrating compliance with the state minimum licensing standards. A separate payment process/basis will be developed to reimburse in-home and relative caregivers.

### ***Transition***

The key to FIP is seen as:

- 12 months of continuing medical benefits, PLUS
- 12 months of continuing child care (with a sliding fee scale).

## **General Child Care**

Under the current general child care program, the full range of services is available, for example, licensed centers and family day care homes, and unregulated in-home care and relative care. Clients served include low income working families, teenage parents completing high school, families with children at risk due to abuse/neglect, working AFDC recipients, and a very limited "last use" program for AFDC applicants/recipients in post high school training in the OPPORTUNITIES Program.

### ***Type of Services***

Title XX monies can only be paid to licensed providers under the current program. Currently clients using the AFDC disregard are not required to use licensed providers. Client preference is seen as unregulated care provided in-home or by relatives.

### ***Licensing***

The current child care program requires licensing, however,

- the number of licensers and reviewers is low, so "we probably fund a lot of unlicensed care"; and
- most clients use unlicensed care (preferred for infants).

### ***Prioritization***

In the current general child care program, the local offices do their own prioritization, e.g., clients with lowest income, or clients already on a waiting list.

The plan for FIP is to make it an "entitlement" program: clients meeting the eligibility requirements receive the identified service, e.g., full payment of child care at prevailing market rates.

### ***Funding***

The current program funding includes Title XX, WIN, and AFDC disregard. The funding total is \$5-6 million.

Projections for FIP are for \$43 million in funding for child care in the first year of implementation, rising to \$100 million in year two, \$163 million for year three, \$217 million in year four, and \$239 million in year five.

### ***Strengths/Weaknesses***

In the current program, weaknesses include the following:

- difficulty funding care, e.g., at odd hours; and
- limited child care funding and low rates.

Strengths of the current program include:

- recent establishment of a specific child care unit, separate from licensing, to pull together a comprehensive program; and
- recent capital expansion by the Seattle (King County) School District to build centers in five to eight schools for up to fifty children each.

## **Impact of Proposed Legislation**

The premise of FIP is that the State of Washington will operate its own Welfare Reform Demonstration. If FIP does not receive federal legislative approval (or any waivers that might be required), the mandatory provision for ages three or six months would be no problem.

Given the limited current licensing and reviewing staff, any federal requirement regarding stricter licensing/enforcement would be a problem.

## **Child Care and Head Start**

Head Start/Child Care coordination is conducted at the local level. "There is no larger state coordinating strategy or focus." Head Start is in the Department of Community Development, a separate umbrella from other human services. However, there are some strategy meetings between the Director of Planning, Evaluation, and Professional Development in the Department of Social and Health Services with the Regional Director of Head Start to improve services available.

## LIST OF KEY CONTACTS IN WORK-WELFARE PROGRAMS AND CHILD CARE

<b>State</b>	<b>Contact &amp; Title</b>	<b>Agency</b>	<b>Telephone Number</b>
ARIZONA	Gloria Young Special Programs Coordinator	Division of Employment & Rehabilitation Services Department of Economic Security	(602) 255-1783
	Jackie Bennett	Department of Economic Security	(602) 255-3981
ARKANSAS	Clarence Boyd Manager	Work Program Division of Economic & Medical Services Department of Human Services	(501) 682-8264
	Kathy Stegall Licensing Supervisor	Division of Child & Family Services Department of Human Services	(501) 371-5001
	Glenda Bean Day Care Consultant	Governor's Task Force on Child Care Services	(501) 371-9678
CALIFORNIA	Carl Williams Deputy Director	Employment & Community Services Division Department of Social Services	(916) 322-2019
	Janet Poole Assistant Director	Child Development Division Department of Education	(916) 322-6233
	Ray Garcia Chief	Governmental Relations Los Angeles County Department of Public Social Services	(818) 572-5502
	Abby Cohen Managing Attorney	Child Care Law Center	(415) 495-5498
COLORADO	Robert Hensen Director	Division of Work Programs Department of Social Services	(303) 294-2836
	Dr. Peggy Cuciti Research Director (Weld County Evaluator)	Center for Public Management University of Colorado at Denver	(303) 556-4848
FLORIDA	Camille Brackman Program Supervisor	Project Independence Department of Health & Rehabilitative Services	(904) 487-2380
	Pam Davis Senior Human Services Program Specialist	Subsidized Day Care Program Department of Health & Rehabilitative Services	(904) 488-5881
GEORGIA	Dee Woodward Chief	Day Care Unit Social Services Division of Family and Children Services	(404) 894-3796
	Sylvia Elam Chief	Employment Service Unit	(404) 894-4488
ILLINOIS	Starla Storm	Information Resource Unit Project Chance Department of Public Aid	(217) 785-0480
IOWA	Robert Lipman Coordinator	Employment & Training Program Department of Human Services	(515) 281-8629
	Harold Poore	Purchase of Service Day Care Division of Social Services Department of Human Services	
MARYLAND	Steve Minnich Director	Project Independence Department of Human Resources	(301) 333-0010
	Barbara Tayman Acting Program Director	Day Care Program Family & Child Development Division Department of Human Resources	(301) 333-0165



<b>State</b>	<b>Contact &amp; Title</b>	<b>Agency</b>	<b>Telephone Number</b>
MASSACHUSETTS	Ronnie Saunders Director	Voucher Day Care Program Department of Social Services	(617) 727-0900
	Tracey Carlough Abrams Manager	Field Operations Voucher Day Care Program Department of Social Services	(617) 727-0900
	Susan Fletcher Director	Contract Day Care Program Department of Social Services	(617) 727-0900
	Jeanne Gerrold Day Care Analyst	Contract Day Care Program Department of Social Services	(617) 727-0900
MICHIGAN	Charles Valk Acting Program Director	Policy Development and Interpretation Division Department of Social Services	(517) 373-7382
	Bill Hankins Council Staff	Human Services Cabinet	(517) 373-7382
MINNESOTA	Anne Knapp Assistant Commissioner	Department of Jobs Training	(612) 296-3711
	Karen Korman Supervisor	Work & Training Unit Department of Jobs Training	(612) 296-2460
	Tom Anzelc Deputy Director	Office of Jobs Policy	(612) 296-4908
	Carol Watkins Supervisor	Family & Children Services Department of Human Services	(612) 297-2766
NEBRASKA	Margaret Hall Administrator	Public Assistance Unit Department of Social Services	(402) 471-9264
	Jim Maney Administrator	Family Support Unit Department of Social Services	(402) 471-9238
NEW JERSEY	Eileen McGinnis Executive Assistant	Policy & Program Evaluation Unit Department of Human Services	(609) 292-9686
	Terry Castral Supervisor	Community Based Services Department of Human Services	(609) 292-0902
NEW YORK	Charles Brown Director	Day Care Program Department of Social Services	(518) 432-2543
	Jim Yonkers IM Specialist	Income Maintenance Unit Department of Social Services	(518) 474-9299
	John Haley Specialist	Program Outreach Department of Social Services	(518) 474-9292
OKLAHOMA	Woodrow Hogue Assistant Director	Income Support Division Department of Human Services	(405) 521-3076
OREGON	Sue Ford Policy Analyst	Family Assistant Policy Unit Department of Human Resources	(503) 378-3520
	Mary McClintock Coordinator	Day Care Program Department of Human Resources	(503) 378-3154
	Dawn Marges Chairperson	Oregon Commission on Child	(503) 399-5271
TEXAS	Charlotte Brantley Program Specialist	Day Care Program Department of Human Services	(512) 450-4179
	Jack Eschelman Director	Employment Services Department of Human Services	(512) 753-3020
WASHINGTON	Norm Zimlich Director	Planning, Evaluation, and Professional Development Department of Social and Health Services	(206) 753-6050

# HEAD START GRANTEE DISCUSSION SUMMARIES

Ann Ward  
Androscoggin County Head Start  
Lewiston, ME

November 20, 1987

## PART-DAY HEAD START, TITLE XX/UNITED WAY FULL DAY, FDC SPONSOR

### Description of Program

National Head Start funds support a center-based program 4 hours a day, 5 days a week for 117 children and a home-based program for 50 children. In general the parents of these children are not working. They are located throughout Androscoggin County, in the rural areas as well as the cities of Lewiston and Auburn. In addition to these children, state Head Start funds 47 slots. The state program follows the same guidelines as the national program in terms of services to children.

Three full-day programs for young children are funded by other sources. First, the agency operates a family day care program for children 6 weeks old to 3½ years old, paid for by Title XX funds and parents on a sliding fee scale. There are 40 slots for these children in 10 to 12 homes. This program is always oversubscribed. Children tend to enter the program at 6 weeks and stay for 3½ years, so slots do not open very often and there is always a long waiting list. The agency trains providers, monitors the homes on an irregular basis, and acts as the sponsor for USDA funds. Second, the cities of Lewiston and Auburn jointly fund full-day center care for 100 3½ to 5-year-olds. Third, the agency operates a before and after kindergarten program for 30 children since kindergarten is only 2 hours long. United Way pays for half of this program, parents the other half.

The services to children and families do differ in the different programs. Head Start families have "terrific" special services therapies and treatment under the health component. For the day care children, the agency tries to obtain screenings and treatment by requiring that each child have a physical exam before entering the program and by encouraging families to come to "clinics" that they offer where screenings are given. There are some other monies in the community for health services in that Maternal and Child Health will pay for some services. But they are interested only in "fixable" children which tends to mean that they will pay for a one-time treatment, but are not willing to pay for long-term assistance.

The agency's social services staff help out day care parents by providing referrals and encouraging parent involvement. For instance, the agency hires a Social Worker

for 16 hours a week and she conducts the STEP program for parents in Head Start or day care. It operates once a week for 8 weeks, about 2 hours a night. Ann would like to be able to purchase this woman's services for more hours as she seems to have a very good rapport with parents; parents will talk with her at length about problems at home. However, they don't have the money for any more hours.

## **Families Served**

The agency serves two kinds of families -- the Head Start group and the day care group. The Head Start families are poorer with an average of 3 children. Usually the Head Start child is the oldest. Usually the mother is a single parent. The family has no car. Its circumstances make it almost impossible for the mother to go to work.

The day care parent is working, has a higher income, may be single, but is more self-sufficient. She may have an infant in family day care and a child at the center. Usually she has a car. If a family applies for day care and does not meet the Title XX requirement that both parents work because one parent is a drug abuser or an alcoholic or unable to act as caretaker, Ann can declare that family under "stress" and they are eligible (in the state of Maine) for Title XX.

The Head Start parents determine just which families are to be served by the program. They try to take the poorest of the poor, those with low education, large families, and homes where children have no place to play. Day care slots are allotted on a first-come, first-served basis, with the exception of children recommended by Child Protective Services. This latter group goes to the top of the list, although Ann would not load a class with 6 to 8 CPS children. Day care has no money for special needs and they do not feel this heavy an enrollment of children with extra needs is appropriate.

## **Funding**

The programs are separated fiscally and in terms of the space they occupy. Administrative costs such as salaries and the audit are prorated in terms of the number of children in each program. National Head Start pays 50% of their salaries, state Head Start 14% and day care 36%. There are different personnel policies and different pay scales for teachers in Head Start and day care. All work 30 hours a week, with the extra hours of day care supervised by aides and a supervisor. The Head Start pay scale is higher than day care, but the agency is working to make them equal.

Because of the separate accounting for the programs, they know the cost per child in each program. The state and national Head Start children cost about \$2700 per child (the program runs for 8½ months) while day care costs about \$3000 per child for its 11½ months of operation. (Day care is closed the first two weeks in July when the mills are also closed.)

One interesting feature of the billing of parents (for the sliding fee scale) is the practice of the agency with regard to families with more than 1 child in care. The

second child is billed at 50% of the sliding fee; the third and any further children at 25%. Even if the first child is in a private care setting, the Title XX child is billed at 50%.

### **Coordination with AFDC, Title XX**

The agency always tries to coordinate with case workers at AFDC or WIN. If there is a Social Worker at AFDC with the case, they have team meetings about the child and exchange telephone calls. If the child doesn't fit in to care well (e.g., he is hyperactive), they may, find some extra money from AFDC or WIN to pay for an extra classroom aide to work with the child. WIN does refer clients to the agency. If there is a slot (and these children go to the top of the list), the child is placed in the program on a 2-week trial basis. If things, work out, they are in the program permanently. Ann's classroom staff and the nurse provide feedback to WIN staff.

Interaction with Title XX staff occurs generally in the negotiation of the contract for the forthcoming year. They report to the city of Lewiston and to the state on a monthly basis. There do not appear to be outstanding issues for joint resolution.

### **Expansion**

Given the means, Ann would like to expand the program for family day care homes. However, the time it takes to license a home is very long, so she needs to know well ahead of time that she will have money for at least 20 slots. She would also like to extend the program for older children by opening or re-opening some centers.

## HEAD START/TITLE XX/STATE PRESCHOOL/FAMILY DAY CARE

### Description of Program

There are three separate programs operated through this Community Action Agency: part-day Head Start, full-day center care, and a family day care home network. The Head Start portion sponsors three different schedules of operation for 423 children: a center-based program which operates 3-hour double sessions for 333 3- and 4-year-olds; a home-based program which serves 90 children, mostly from families referred from Children and Youth Services, who range in age from infants to 4-year-olds; and a program for young parents in New London jointly sponsored by Head Start and the school system where Head Start inputs its standards into the child care facility and working with parents on parenting skills and the parents attend high school. About 20 children are in care in this program. These schedules all operate during the school year only. The latter two programs involve infants and toddlers as well as older preschoolers.

The day care program, in 8 centers around the county, is a separate operation from Head Start. It operates for 320 children. The hours are 7:30 - 5:30, Monday through Friday, 12 months a year. Its problem now is that it does not do the job thoroughly. A lot of parents in the county are working as nursing aids with early evening shifts or as waitresses in the evening and there is no child care then. The CAA would like to expand its hours to serve this need. Also, many of the state and federal facilities in the county operate 7 days a week. They also have a good number of entry level jobs. The CAA would like to see a "convenient affordable day care package" for the families in these jobs. Having one of their centers open would not fill the need because any one center would not be conveniently located for all of the workers. Basically, they need on-site day care funded and operated by a public/private partnership. There is no administrative direction for this at the moment.

The agency is also involved in sponsorship of 120 family day care homes. It administers the USDA food program for these homes, and staff make referrals of families to homes. But the homes serve a broad range of families with regard to income, not simply low income families. It used to be that few referrals were made to these homes because the state of Connecticut would not provide sufficient subsidies to allow families to meet the providers' rates. Recently the state has increased its attention on child development and increased the maximum payment allowable from SSBG and state funds to \$75/child/week. The low income population now has real options in the form of care chosen. The family receives a voucher for payment; they may use a relative as caregiver and pay that person if the person is a licensed provider.

There is some interaction between Head Start, day care, and the network of family day care homes. During recruitment, families come to one place and a staff member describes all of their options. The client has the right to decide on the kind of care she needs for her children. The staff member is trained to listen to what needs the family brings to the program, and to try to match the needs and types, of child care. While the day care program is generally the choice for working mothers, there are options within it. For example, one center is better at serving bilingual children, another at working with children with certain kinds of handicaps. Staff members offer the options; parents choose. Unfortunately, little transportation is provided for day care children. The assumption is that parents are working and mobile and can bring their children to the day care facility. There is transportation for these children for field trips, and there is transportation for children in the after-school program, arranged in conjunction with the school system. All Head Start children are provided with transportation.

Head Start is recommended for families who need a "host of basic skills". Head Start has a strong parent focus. Staff want to develop parenting skills, not job skills. In day care, there is little emphasis on parents, more on providing a developmental program for children that allows them to be safe in a nurturing environment. If a Head Start mother goes to work and needs more hours of care, she can transfer her child into the day care program (providing that a slot is available). But since Head Start and day care are not colocated and there is no provision for transportation to the day care facility, she cannot keep the child in Head Start.

Head Start offers the required range of services to families; day care offers some. There is health screening, and there are two social services staff who can deal, at least, with emergency situations and some referrals for day care families.

Ken feels it would be difficult to expand Head Start to serve families with working mothers. Their program simply isn't organized to assist this group. For one, the facilities are already fully used since Head Start operates double sessions. Ken would not like to see fewer children served in Head Start in order to convert some classrooms to full day. Licensable facilities are just about impossible to find. And, parent involvement would be especially hard and would require a lot of compromises. Day care centers don't have a mandate for parent involvement; it's difficult for working parents to be actively involved.

## **Families Served**

Many of the families in Head Start are on AFDC; essentially all of the mothers are non-working. As discussed above, most of the children are 3- and 4-years-old, though a few in the home-based program are younger, and those of the high school-aged parents are often younger.

Day care families generally have working mothers. Most of the centers deal with 3- and 4-year-olds; some with younger children. Family day care homes have children of all ages.

## **Funding**

Several sources of funding are used by the agency: Head Start, USDA, Title XX and state funds. The state of Connecticut has meshed its state appropriation for child care with the SSBG and has one set of rules for use of the funds. Basically, there are clear separation among the services paid for by each source. Head Start and day care are not colocated; funds are used for separate costs.

The exception to the separation is that a few administrative staff positions in the agency have been jointly funded. There used to be one Director for child development and two assistants. This eased the sharing of resources like materials, consultants, and training activities. But the work load was too much for this individual, and now there are separate Directors for day care and Head Start. Some coordination is still managed by one staff member who is jointly funded specifically to facilitate exchanges.

There is additional coordination between day care and Head Start in that the agency operates the foster grandparent program and places grandparents in both day care and Head Start.

## **Advantages/Disadvantages**

The major advantage of this sort of arrangement is that parents can come to one agency to find out about all of their child care options. They talk to one person who can describe all of the choices for care. It works and it is cost-effective. They are making maximum use of all facilities, and have placed them near the population; needing services.

The major concerns are twofold. First, there is the need described above to extend the hours of service. Second, there is a need for more options for care of infants and toddlers. At the moment a mother can choose to work and leave her infants and toddlers in a family day care home. Ken would like to see more options for these children, particularly in centers. Staff need training in working with the younger ages; new programming needs to be developed. Also, the smaller centers -- with perhaps 30 children in all -- will have trouble adapting to the whole age span of 0-10. Someone should give some thought to the difficulties and possible solutions.

## **Coordination with AFDC/Title XX**

The agency has a good relationship with AFDC. Social Workers from the welfare office will call with referrals; these children are one of the agency's priorities. Unfortunately, well into the school year, it is sometimes difficult to find a slot, but they try very hard.

Coordination with WIN is almost non-existent. WIN seems very limited in its resources, gives the client options, but then doesn't follow up. The client is supposed to go find services. So there is not much interest in coordination.

The agency has a very good working relationship with the lead state agency that handles child care. There are frequent telephone communications; they may formalize the coordination with quarterly meetings to talk about new needs and issues. For example, they want to address the day care needs of homeless families. So, the state agency and Ken's agency have submitted a joint proposal for a discretionary grant to develop a Head Start-type program in welfare hotels which would track families after they leave the hotels. DHR asked Ken's agency to try to get these funds; the final proposal united one major city, 6 community action agencies.

Also, the state Department of Human Resources funds a special program relating to the assignment of foster grandparents. The agency gets referrals about families needing support to prevent child abuse. A foster grandparent is assigned to the family, so that when the child returns, the grandparent comes, too. This project was developed jointly by ACYF, DHR and Ken's CAA.

## **Expansion**

The major hindrance to expansion is a lack of licensable facilities. If the government wishes to make a long-term commitment: to child care, it should provide one-shot dollars to acquire or build centers. Rental doesn't make sense over the long term. A second problem is having every center try to deal with all ages of children. The smaller ones will have trouble with staffing and programming. At least, these issues will need thoughtful attention.



Sharon Wein  
Upper Passaic County Head Start  
Wanaque, New Jersey

December 10, 1987

## **PART-DAY HEAD START WITH EXTENDED HOURS**

### **Description of Program**

As an innovative grant 3 years ago, Head Start extended the day of one classroom where Head Start paid for 6 hours, the county 3. The goal was to help parents become self-sufficient. In fact, 95% of the parents got employment or training, so it succeeded in its intent. And it was the first program to bring together county and Head Start money. This program continues in the grantee in that one classroom operates Head Start from 8 to 1, and the county extended day from 1 to about 5.

The remainder of the Head Start part-day children, 7 classrooms, are organized as follows: 1 classroom operating from 9 to 2, 5 days a week; 2 classrooms operating split sessions with some children coming 3 days a week, others 2 in the fall and then the groups switch in the spring; and 2 classes operating as a double session. In the application for new Head Start funding for next year, Sharon is asking for permission to convert the double session classroom to extended day so that the grantee can do more to assist working parents. This would mean lowering enrollment from 136 to 123 (and not lowering the dollars from Head Start).

The Governor began the REACH (Realizing Economic Achievement) program about 1 year ago, allowing each county planning time for how goals can best be achieved. When the Governor initially held hearings about potential problems in this kind of endeavor, it was made clear that child care and medical coverage were the major issues for these families. So, child care dollars are built into REACH in two forms: dollars to support Head Start-like child care and those to go to private care providers (many of whom now have Title XX children). This decision partly came from an examination of the families served by the two programs. Title XX in the state accepts families with incomes up to 85% of the median state income and charges parents on a sliding fee scale. A parent earning about \$25,000 pays the providers \$35 per week in addition to the XX subsidy. A parent on welfare pays \$3. So, XX providers would rather serve parents who earn more money and traditionally have done so. For REACH child care, adding to Head Start made sense. In terms of medical coverage, the Governor also built in opportunities: medical coverage continues for families through the first year of the parent's employment. And, in addition, there will be support systems in each county to help the parents find employment and training opportunities through the Private Industry Councils.

Sharon has agreed to have two extended day classrooms under REACH and will receive about \$24,000 from the county to supplement Head Start funds. Her classrooms will operate as Head Start for 5 hours a day, 5 days a week, and will be "county" classrooms for an additional 5 hours a day. While regular Head Start operates

10 months a year (175 days), these extended day classrooms will operate a full 52 weeks a year. The extra 2 months will be paid for totally on county funds.

Head Start accepts both 3- and 4-year-old children, though priority is given to 4-year-olds. Three-year-olds are often placed in the 2-day a week options, 4s are given longer time in the program, if possible. Problems in transportation sometimes means that this "ideal" cannot be met. And the lengthy bus routes make more double sessions impossible.

Because all of the children are Head Start children, all receive the same comprehensive services. Home visits are done in the evening for working parents. Parent involvement is more difficult, so they encourage involvement in the evening in the sense of making things for the classroom. The Policy Council and the Board always meet in the evening. Exploring Parenting is offered in the evening. There is less parent volunteering in the classroom, and the grantee has asked the county to pay for a third staff member (another aide) in each classroom. In addition, the county is allowing the program to reimburse parents for babysitting and travel expenses incurred when they come to volunteer, so they can receive up to \$10 a day. The Education Coordinator trains a group of about 10 to 12 parents who have agreed to volunteer regularly and they use funds for substitutes" to reimburse the parents.

### **Families Served**

Most families are receiving public assistance; many have single parents. Next year Head Start will give priority to families in REACH when it comes to the full-day classrooms. The Policy Council will have to work out the exact way the criteria will work. At the moment there are extra points awarded a family if the child is age 4, they are recommended by CPS, or there is a special problem in the household. Sharon will get the list from the SS Coordinator and send me the exact priorities.

One problem with REACH is going to be the lack of care for children 2 years of age. Their mothers must participate, but there is no child care for them. The county planning committee has not really dealt with this issue. The mothers may have to be exempted from the program for the lack of care if the only opportunity is placing children in unregulated care.

### **Funding**

County and Head Start funds will be used. The county will reimburse the program at a rate of \$1.65 per hour for 5 hours a day. They automatically reimburse if the classroom attendance remains over 87%. If it drops below, the program is only reimbursed for the number of children actually in attendance. Generally this level of attendance has not been a problem since working parents or parents in training do bring their children to child care.

The separation of funding for different staff and non-personnel line items is not yet clear. Part of the grantee's willingness to extend its day is its desire to increase staff salaries. For example, the Director has traditionally been paid by Head Start for a 7-hour day. Her salary will now increase as she will be paid for an additional 1 hour per day from county funds. However, this marginal cost does not represent a correct division of costs according to the work done for each program. A second example is the teacher and aide. They are currently paid for 7-hour work days. However, they will probably be in the classroom more than 5 hours a day, and they will have to plan for a 10-hour day. The aides will handle additional hours in the classroom, each working a 7-hour day. One teacher and one aide per classroom are paid wholly by Head Start, one aide is paid by the county.

Over the next year Sharon hopes to hammer out an appropriate split on all staff salaries, taking into account the amounts of money granted by her two funding sources. She has done some joint training with Nick Cordasco in the Regional Office on how to do component costing in Head Start and hopes to put this training to work in costing her own program.

The extended day is carried out in the same classrooms as Head Start, so there is a need to split this cost as well. At the moment the county is paying 15% of its grant as administrative costs which include space. Sharon needs to figure out if this is reasonable for the classrooms she is using in school buildings.

The additional costs required for extended day, above and beyond those paid for by Head Start, include the extra Classroom Aide and extended hours for the Bus Driver, the administrators and supervisors. Other than personnel, however, Sharon could not pinpoint other added costs. The county has given the grantee \$10,000 to upgrade its equipment. This will include new classroom supplies and equipment and a new computer on which they will keep all USDA information. So, while Head Start is paying for some county services, the county is also assisting Head Start.

### **Advantages and Concerns**

The advantages of this arrangements are that Head Start is an established program -- we are not reinventing the wheel; the grantee is already working with the target population for REACH and can simply extend their services; and the families are receiving comprehensive services which will help them become more self-sufficient.

One concern Sharon has is that there is a tremendous increase in the amount of work staff must do. She and her supervisors have a great deal more planning to do, more committees to sit on and report to. Her teachers will be working with children more hours and over a 12-month period. Many of them liked Head Start particularly because they could be at home with their children over the summer. The agency is extending itself without really increasing staff and people may reach a limit.

Her advice on work/welfare is:

- Look at the resources you have in Head Start and augment them. It is much more cost effective than creating new programs.
- The county/state/grantee need a planning period. Their 3 months before proposals were due was critical. And it is very useful to have a time line on which counties begin the program at staggered intervals. You can ask the people with experience to help you through initial problems.
- The planning process should involve everyone who will be touched by the program: private industry, job training programs, medical programs, Head Start, Title XX, private day care. This can make all the difference to the success of the program.
- Head Start grantees should get involved in county systems now, become known by county staff. It is much easier to write a grant proposal when you know the county funding process, the people who make decisions, the way the offices do business.

## **Coordination**

REACH has brought all of the providers in the community together in a productive way. A county person will introduce clients to REACH and send them to the coordinated Child Care Council for the county. With one telephone call, the client will find out about all of her opportunities for child care. As Head Start is the only free care, they expect to be called upon often. As the program continues, there will be quarterly meetings of the Child Care group along with county, staff.

Because REACH clients can enter the program throughout the year and Head Start accepts families for the school year (generally), they may need to adopt a policy of overenrollment. A REACH stipend of \$50 (via a voucher) will come with some participants and they may be able to add these fee-paying children to existing classrooms. At present the class size is 17, so the number who might be added to two classrooms is at most 6.

## **Expansion**

The problem of expanding the extended day program or of adding classrooms is that there is no appropriate space. Even now Head Start is in schools and the school enrollment is growing. It may be that they will have to find alternative space for the existing classrooms. At the very least this will mean high rents.

But they can "expand" in other ways. For example, they have designed an early intervention program for the county. Now the Department of Education wants to hire the grantee to expand their model to serve the schools. This gives the Education

Coordinator an added salary and helps keep such good employees. Even though they are a single purpose agency, Sharon feels that they must respond to community needs and attract additional funding.

## **PART-DAY AND FULL-DAY HEAD START, TITLE XX**

### **Description of Program**

This program serves 1400 children in Westchester County in Head start and Title XX day care. Children may be in full-day care as infants, toddlers, or preschoolers and in before- and after-school programs up to age 11. At the moment there are 8 classes of infants and toddlers (about 60), 4 programs for before and after school children, 947 children counted as Head Start children and about 300 other preschoolers counted as Title XX full-day children.

There are two varieties of Head Start: part-day double session (40 classes) where children attend 3¼ hours a day, 5 days a week; and full-day where Head Start children are in class with other Title XX children. Part-day Head Start lasts for 10 months; full-day for 12 months. This full-day care is open 10 hours a day, 52 weeks a year, only closed for 12 holidays.

If a Head Start parent goes to work, the child can change immediately from a part-day to a full-day classroom (if space allows). Staff try to do this changing with the minimum amount of disruption for the child. Thus, they prefer to keep the child in the same center (a different classroom), and not to introduce the child to a family day care home.

As an agency, the staff are also in charge of the fiscal side of the family day care network in the community. The Child Care Council runs the program; Head Start is the fiscal manager. The Child Care council is next door and is responsible for all Title XX care in the county. Having this arrangement of program versus fiscal services was cheaper for the county.

The services for all children are comprehensive. Infants and toddlers do not receive the same services as older children, but appropriate services for their ages. There is a different educational program, different requirements for health services. Some delegates supply transportation; others do not.

If there are additional slots in centers, some accept fee-paying children. It is interesting to note that in one delegate, there are several Black children who are fully fee-paying and a relatively large number of White children who are under Title XX or Head Start. The social class differences are clear and not in the direction that so often is the case. It has been an educational experience for all involved.

Home visits have become a problem within Head Start because of the issue of safety of staff. There are lots of drugs in some of the housing units and it is just not safe

for a staff member to be walking around in the evening. One teacher resigned last week because she didn't feel safe doing home visits. Unfortunately, teacher turnover is relatively high. Unemployment in Westchester County is 0. Burger King is offering \$6.50 per hour as a starting salary. Head Start is having trouble paying its staff high enough salaries to compete for good people.

Parent involvement is also sometimes a problem. It must be different in character for working parents since they cannot volunteer in class. They do serve on the Policy Council and come to evening meetings, and they show strong support for keeping the program going. But they do not go on trips with the children, hold bake sales, and attend class as do the part-day parents.

### **Families Served**

About 75% of the families are single parent units; there are lots of teen parents with children in the infant and toddler rooms. About 80% of the children are DSS children with parents on welfare. The number of single parents is growing. And with the number of programs for teen parents growing, there is a greater need for infant care. (The grantee has agreed to take 8 infants as a part of a state program on teen pregnancy. For these 8, Ellen is supposed to attend a weekly meeting, fill out a monthly report form that is 18 pages long and a quarterly report form that is 37 pages long. She doesn't.)

Head Start children are selected based on three criteria: Income (they must be the poorest of the poor); Special Needs; Emergency or crisis in the family; and then, to enter the full-day option, that they are recommended by CPS, or the parent is working or in training. If the mother is at home, the program believes that there is no need to pay for 8 hours a day of child care. It is better for the child to be at home.

One of the very nice features of the array of services offered by the grantee is that all children in a family can receive the needed hours of child care. There are, however, pressures to increase the amount of infant care, in particular. Ellen believes, over all, that there is sufficient demand for care that they could double in size. Her commitment is to the community. If parents are working or going to change from welfare parents to earners, they need the support of the child care community.

### **Funding**

Head Start, the Department of Social Services, and parent fees provide funds for the program. The separation of funding has been a problem over time. At first they tried a time study of all staff for 7 months. It was very complicated. Then they agreed with the Regional Office and DSS on a formula: they would first use DSS dollars (and parent fees) and then Head Start dollars. If any money was left, they would pay it back to Head Start. (No money is ever left.) It became very important for Head Start to trust them. They must serve 947 children with Head Start quality services -- and they do.

At the moment, Head Start pays for the Director and 6 Central Office staff members fully. The grantee would have to have this staff just to serve the number of Head Start children they are serving, so, the arrangement seemed fine to the R.O. Head Start pays fully for the part-day children. Then for the full-day classes, they use the rule of DSS money first, then Head Start. DSS reimburses based on enrollment and attendance. Staff focus on keeping attendance high to ensure that they receive all of the DSS money possible. The maximum reimbursement is \$90 for infants, \$75 per week for preschoolers. Where parent fees are charged, one delegate has gone to a maximum of \$125 for infants because they are having trouble making ends meet.

The auditors are pleased with the current arrangements. They like the coordination among programs. In fact, Ellen believes that New York City's notion of independent Head Start and day care is crazy.

Ellen believes that the marginal cost for full-day services; includes the cost of an extra aide for each class, and the cost for longer hours for bus drivers. In fact, she has recently changed to operating transportation through a contract so she does not have to deal with the scheduling and odd hours of bus drivers.

### **Advantages and Disadvantages**

There are three major advantages to this combination of services:

- (1) The grantee is serving the needs of the children and families in the county. The long-term effects on both are very positive.
- (2) Because of the coordination of services within one agency, the county does not suffer from a duplication of services or personnel; administrative costs per program are reduced.
- (3) The community has a positive attitude toward day care because day care is really Head Start. Head Start has managed to affect the whole day care community in strong positive ways. For example, when the ceiling for Title XX placed day care in trouble, Head Start received an expansion. Head Start funds went into day care centers, adding a coordinator, paying some rent, etc. It meant that these centers did not have to close, and substantially improved their services.

There are, however, two major disadvantages. First, there is a lot more work for all staff and an increase in their responsibilities. Many Head Start staff would not welcome such an increase. Second, it is hard to fit the operation into the categories on reporting forms like the PIR and the cost system. These forms would probably be most useful filled out for all children and all funds coming into the program. And, of course, there are many more forms to be filled out.



## **Coordination with Other Agencies**

Ellen believes she has a "great" relationship with the AFDC staff. They give out a pamphlet on Head Start to families with eligible children, and regularly meet with grantee staff on particular children. They help each other out with training and in any other ways help is needed.

There are also regular meetings with Title XX staff Ellen designed the current option in conjunction with the Director of DSS. The two of them used to travel together around the country to talk about the model. Recently the county gave the grantee \$50,000 to help offset increased costs for insurance.

## **Advice for Work/Welfare**

- (1) Keep the licensing of centers as a required element. Give no money to clients for child care unless that care is licensed.
- (2) Don't de-emphasize training of staff. Turnover is going to continue and there needs to be continuing funds for appropriate training.
- (3) Look at the needs of the family as a unit; don't be parochial and look only at the child. Allow each community to be flexible to serve their own families.
- (4) Emphasize coordination of day care with other services. Stop fighting over turf and coordinate, even among all agencies serving the pre-K population.

## **Expansion**

There are two problems with expanding further: space and salaries. They may be able to overcome the space problem by putting more programs in schools. But the salary problem is difficult to resolve. They are losing staff regularly and losing quality because of turnover. They can only afford to pay \$4.50 per hour for aides in comparison to Burger King's \$6.50. Burger King is even offering to pay people for referring potential employees to them. They are now in a crisis over staff that has no immediately obvious solution.

## **HEAD START IN DAY CARE HOMES, BROKERING CHILD CARE**

### **Description of Program**

Broome County offers three different Head Start options and a number of ancillary child development services. Within Head Start its largest enrollment is in the part-day center-based option where 153 4-year-olds attend classes 3 hours a day, 4 days a week. The classes are operated as double sessions. Of these children, 22 are paid for by the city of Binghamton. This latter group of children receive the same services according to the same schedule as the other Head Start children. The second Head Start option is home-based. Thirty-six families with 3-year-olds are now involved in a standard home-based option. Each family receives weekly home visits and there is a weekly socialization session for children. Families in the home-based option may graduate to the center-based option in a second year; about half of the families do so because of the mobility of the population.

The third Head Start option is the one full-day program. This is a locally designed home-based program involving 16 children who are placed in existing family day care homes. It is like a home-based program involving day care providers. The home visitor visits the day care home on a regular basis, offering training regarding early childhood education and daily programming to the provider. The children get Head Start health, nutrition, social services, and the regular home visits of the home visitor. Sometimes the visitor works (in the evenings) with the child's parent and the child.

This third option is generally for children recommended by CPS where the child needs to be out of the home. If a family day care home is interested in working with Head Start, the home visitor checks out the home, begins the training process with the provider, receives a recommendation from CPS, places the child in the home and then does the regular visits. The home visitors from the HB program are assigned some regular HB children and some of these CPS children. There is too much to do in the homes to have one person assigned totally to the third option.

In addition to Head Start, Broome County offers extensive services in the nature of child care information and referral. They operate employer sponsored referral services for a number of businesses (including such large companies as IBM), help find respite care for people with handicapping conditions for the state Office of Mental Health and Developmental Disabilities, and provide peer support for parents with disabled children.

Other services include:

- recruiting, registering, training and providing technical assistance to new family day care providers;
- coordinating school age child care and helping new programs begin such a service;
- working with teenagers in three ways: with teen parents in a program like Head Start's home-based option; with young teens in a prevention program in an intermediate school; and with at-risk teens helping them gain employment skills by placing them in a school age child care program where they are paid and provided training in child development and parenting skills;
- linking geriatric facilities with preschools to educate children about aging. The children are taken to the facility for joint activities; the emphasis is on establishing good attitudes among children about the elderly.

## **Funding**

Head Start pays for the locally designed option, the only full-day care offered by the grantee. Many other sources pay for the grantee's other services.

## **Assistance for Working Parents**

On the one hand, the Head Start needs assessment, conducted each year, suggests that the program should be part-day. In addition, the grantee does not have any space in which it could offer full-day services, if it wishes to continue serving the same number of children. On the other hand, CCR&R calls suggest that low income working parents are having trouble finding appropriate care. They use family day care homes or underground providers or relatives.

The Department of Social Services does have some subsidized slots. But there are two problems with these services. First, DSS will only give contracts to providers who they certify and the certification process is difficult and lengthy. Broome County is now "registering" providers, but is having trouble convincing DSS to allow these providers to accept subsidized children. Second, DSS is very slow to pay people. The good news is that DSS is opening a drop-off center for a certain group of working parents -- those who are in their training program. They may subcontract for full-day care for these parents.

So, there is a need in the community for increasing full-day slots for preschool children. DSS pays for some, but not in a satisfactory manner. And infant slots in any program are few and far between. There definitely needs to be an increase there. Third, the schools are becoming involved in pre-kindergarten. The families in this

program may need some sort of home-based services like Head Start in addition to the children's program in the schools.

To meet these needs, it may be possible for Broome County Child Development to expand. Head Start could offer home-based services to families using the school system program. It could purchase more slots in family day care homes. The agency could target their recruitment of day care homes to those who are willing to take infants and toddlers.

### **Coordination with AFDC, DSS**

There is a close relationship between the grantee and the welfare office. Staff serve on each other's committees. For the locally designed option, AFDC staff send out letters. They also often refer families. Head Start regularly does presentations to talk about its services.

The relationship with DSS is more problematic. It may improve this year because DSS has received a foundation grant to hire a staff member with the responsibility of coordinating child care with the community.

Eileen Klotz, Director  
Schuylkill County Child Development  
Schuylkill Haven, PA

November 16, 1987

## **HEAD START, HEAD START/TITLE XX, TITLE XX, PARENT TUITION**

### **Description of Program**

This agency operates a series of child care programs. Its Head Start program is part-day (4.5 hours) and accommodates 287 children. Its Title XX program has about 350 children placed in about 15 family day care homes and about 10 centers. The agency subcontracts with these facilities for child care, and it employs one staff member to provide assistance to the providers and the Title XX centers. She regularly visits these facilities to ensure quality provision of services. In addition, the Regional Office has funded the agency at a rate of \$300 per child to provide Head Start-eligible children who are now in Title XX day care with the services that would bring the Title XX program in line with Head Start's performance standards. There are currently 68 children in this category. And, parents who are not income-eligible for Head Start or Title XX may pay "tuition" so that their children receive the full gamut of Head Start services. Lastly, the agency has a mental health grant (I believe from the county) to mainstream "at risk" children, those with emotional problems, threat of child abuse, etc.

Title XX sites potentially operate from 6 am to 6 pm, 12 months a year. Schuylkill County has a large number of factories where the shifts start at 7, so they open centers early for these families and then stay open to accommodate those who work 9 to 5. If all of the children in a center are regularly picked up by 5, that center can choose to close earlier than 6. These long hours mean that each Title XX class has 3 full-time staff and a part-time substitute.

In general, Head Start classrooms are only used for their 4.5 hours a day, 160 days a year and then are empty. However, in 1 center (a school), one Head Start classroom is used for after-school care. Eileen would like to expand this practice, but no other Head Start centers are conveniently located in school buildings and they would need to have the school system agree to transport the children to the center. Title XX does not pay for any transportation. Also, she now has a school-age program going in a few Head Start classrooms over the summer and would like to expand this use.

There is pressure for expanding day care in the community. In particular, she has a waiting list of 20 babies and is negotiating with a local school for a facility. And they would like to add 2 more day care classes for older children. One problem here is that Title XX has a limited number of slots for which they will pay; the county is now at its maximum.

Eileen sees the expanded Head Start services offered to parents as a real advantage for them. No Performance Standards create problems with the working

parents, although she doesn't have the same expectations about parent involvement for working parents. They can make one parent meeting a month. If they have a day off, she encourages them to visit the center. They do not have classroom teacher home visits, but they may schedule meetings with the teacher or a social worker just before the parent meeting or at a mutually convenient time. Sometimes the social worker goes to the parent's work site at lunch.

## **Families Served**

The intake process for all families is thorough. The non-working families will generally be eligible for Head Start and will elect Head Start. If both parents are working or in training, many are eligible for Title XX. These families may elect Head Start, if they are income-eligible, but since the comprehensive services will also be available to their children in Title XX classrooms, most opt for Title XX. One great advantage of offering both services is that parents only need come to one agency to find out their options for child care and get advice on what care arrangements to choose. Head Start parents who enter a training program may transfer their children to day care where the hours are longer.

Many of the Head Start families' parents are single; perhaps 25% are in training (Eileen was not certain of percentages). Head Start concentrates on 3- to 5-year-olds; Title XX serves infants through school-aged children. Title XX operates one center especially for infants with 20 children from 3- to 18-months-old and 40 children from 18- to 35-months-old. All of the remaining Title XX centers have mixed ages of children. The rooms change as the ages of children changes. Eileen tries to keep infants out of family day care homes unless parents really want this in the belief that the family home providers do not have enough time to care for infants satisfactorily.

## **Funding**

The funding sources include Head Start, Title XX, parent tuition, and the Mental Health grant. To set the rate for tuition, Eileen looked at the prevailing market rate for care and at her budgeted costs for care. They are now charging \$50 per week for an infant or toddler and \$45 for 3- to 5-year-olds for comprehensive services. They may have to raise this rate soon because of increases in liability insurance and a need to raise staff salaries. Most of the families who pay tuition are the "near poor"; some may have higher incomes. The agency does not verify income for people who are choosing to pay.

They have had a Head Start grant since the mid-60s. In about 1970, when Title XX came into being, it was operated by Family Services. This agency did not wish to continue, and in 1971 or 1972, Eileen's agency took it over.

The costs of the program divide as follows. Administrative staff salaries are pro-rated across all 3 programs (Head Start, Title XX, parent tuition) which means that the administrative cost to any one program is relatively low (she believes the administrative

cost for Head Start is about 8%). Other staff are billed to the program they serve. Teachers are either Head Start or Title XX/parent tuition teachers, etc. Support staff work the same way. There is one salary scale for positions within the agency, whatever the funding source. But when Head Start, for example, does not offer a cost-of-living increase, Head Start teachers do not get an increase and other teachers do. Staff did not like it when this scenario was enacted, but the agency was able to make up the difference a year later. The fringe benefit package is extensive and that makes up a bit for problems with salaries.

If classrooms are colocated, site costs are divided by the number of classrooms in each program. Since the rental agreements include utilities and may be arranged on a monthly basis, she feels this is fair.

Eileen thinks the marginal cost for the increased number of hours is basically the cost of additional staff to assure the appropriate ratios at all times. Somewhat more materials are used in the added hours.

### **Advantages**

This sort of joint operation of day care and Head Start is an opportunity to provide the county with much needed child care. By combining the administration of the programs, administrative costs can be kept to a minimum so that the dollars provide services. At a fixed unit cost for Title XX, the dollars can provide extra services for children.

The Regional Office has liked their operation, witnessed by the fact that they have been given the grant at \$300 per child to increase services to some of their Title XX children.

### **Coordination with AFDC/Title XX**

There is some coordination with AFDC/WIN in that a number of children are enrolled as WIN children where the money for their services is paid for directly by the Department of Social Services. There is, however, no regular meeting of staff to discuss issues.

There is also little coordination with state or regional Title XX staff. There used to be meetings, but this hasn't happened for 3 or 4 years. Now a periodic telephone call is what occurs.

On the other hand, within the agency, there is considerable coordination of Title XX and Head Start. The Center Directors meet monthly to plan training sessions, coordinate the delivery of services and discuss issues.

Eileen's area of concern about coordination (or the lack of it) is the state's limited regulation of family day care. All you must do is send in a form with your signature

notarized in order to become a registered provider. There are not visits to the home; there is no monitoring of providers. For government subsidized care, she believes there should be better regulation.

## **Expansion**

Eileen would like to see expansion in four areas:

- infant care
- the provision of comprehensive services to more children
- increased enrollment (if Title XX would increase their slots)
- increase in programming for substance abuse. A lot of her children are very familiar with drug language. She now has a Dept. of Education grant to develop a preschool curriculum on substance abuse. She believes any new federal program should include an initiative to prevent substance abuse in children and parents.

She is also investigating joint work with Penn. State, Schuylkill campus to set up a center on their grounds where students could work for an Associates Degree in Early Childhood. Eileen's agency could train staff including some of their parents. But they need money to build and to staff such a center. The college will pay for some staffing when the program is in operation, but they need additional funding to begin.



## **PART-DAY HEAD START, TITLE XX, PARENT FEE**

### **Description of Program**

Community Progress used to operate full-day, full-year Head Start for 3- and 4-year-olds and full-day, full-year Title XX day care for 3- to 7-year-olds. Under pressure from the Regional Office, it now operates part-day, part-year Head Start for 317 4-year-old children (and includes a home-based option), in addition to its Title XX care for 90 children, and one classroom of 18 children paid for by parent fees. Head Start schedules include 3½ hour, 4 day a week double session classes for 180 children; 8:30 am to 1:30 pm (5 hour) sessions, 4 days a week for 72 children; and home-based schedules for 65 children.

When they were deciding the form of Head Start to operate on a part-day basis, they considered the following facts: that the teachers were committed to working full time, that the Regional Office wanted them to serve more children for the same amount of money, and that they therefore couldn't afford to pay any more rent for facilities. So, they chose to operate mostly 3½ hour double sessions for 4-year-old children. They kept as many classrooms as possible for the longer 5 hour schedule.

There were several ramifications of these decisions. George feels now that he is seeing teacher burn-out in the double sessions which did not occur when the teachers had children for the full day. Children took naps and teachers had more substantial breaks. The teachers had fewer children whose needs they were attending to each day. Second, he feels that children are rushed in 3½ hours and only 9 months of Head Start. They don't have the time to absorb the lessons of Head Start that they used to have. Third, Head Start does not seem to have as great an impact on families now. It used to be that the families were a part of Head Start for 24 months and that Head Start staff were very involved with them and their children throughout that time. The reduction from 2 years to 1 year of service has meant that families may "slip through the cracks". For example, one little boy last year was diagnosed as having a hearing impediment. The parent was advised of where to take the child for further diagnostic work. Apparently she never took the child in. Luckily he is back in Head Start this year (for a variety of reasons), and the health staff found out he had not been treated. If he had not come back, he might have gone on to school without the proper care. Fourth, the grantee has had to separate the part-day (Head Start) and full-day (Title XX) programs into different buildings. The Title XX children nap in the afternoon, and having them next to an active Head Start afternoon session was not conducive to sleeping. So, Head Start children have to be bused across town, even though they may live near one of the grantee's centers (since it has been converted to a Title XX center). And Title XX parents must bring their children across town to the one Title XX center. The arrangement is much less convenient for parents and the Head Start program.

One of the arguments of the Regional Office had been that children needing full-day care could receive the care paid for by Title XX. There are a number of reasons why this is not so. First, George has received no more Title XX slots since he has changed from full-day to part-day Head Start. Second, many parents in need of full-day care for their children do not meet the Title XX requirements for eligibility. Specifically, Title XX requires that if both parents are in the home, both must be working or in an approved training program (unless one is certified as disabled). If there is one parent in the home, that person must be working or in training. The families that are ignored include, for example,

- (1) those two-parent families where one parent is working and the other is not an appropriate caregiver. The non-working parent may be an alcoholic, a drug abuser, or in some way abusive to the child.
- (2) those single-parent families where the parent is disabled. Title XX says that, in this case, Children & Youth Services should be responsible for the child's care. But that agency only has money for temporary placements, and these are generally not with Head Start since Head Start now provides a "solution" for only part of the day.
- (3) those families where one parent is in a "non-approved" program. The state of Pennsylvania discovered that a fairly large number of Title XX slots were being used in State College by students who came from middle class backgrounds and were not the priority population. So, the state restricted Title XX to try to exclude this group. The new requirement means that a low-income parent can enter Beauty School only to find that there are no jobs for beauticians -- but cannot get a college degree (this is not considered "job training") unless she can make free child care arrangements. There are some 2-year programs that lead to specific credentials that are permissible within Title XX. But George argues that we are not training parents for "meaningful employment".

Title XX slots are filled by children 3- to 7-years-old. The younger ones (about 60) are in the program up to 11 hours a day (6:30am - 5:30 pm); the older ones, kindergarten and first graders, may come before and after their school hours. Parents generally bring the child to the center; the program transports these children to school and picks them up from school; parents then pick up the child when they finish work. Some parents take the child directly to school and then the center picks them up.

The fee-paying class is for those families not eligible for Title XX, but in need of full-day care for their children. There are 18 children in this not-for profit class; each family is paying \$35 a week for care. There are 2½ paid staff for the class, where the ½ time person comes at two different times of day to help. Some of these parents are working or in training through the WIN program and can receive payments for child care. Unfortunately (George believes), the check for payment of care is made out to the parent with the expectation that she will use it to pay for child care. This philosophy is a

part of the state plan to increase the self-sufficiency of families now on welfare. Some parents never do pay the center, and in a couple of cases George has had to initiate law suits to be paid. In one instance he talked with the WIN case worker and she called him as she handed the check to the client. The client still did not pay for child care. George believes that the system is teaching parents fraud instead of fiscal responsibility.

Another problem in serving all families is serving the family in transition. A parent may place her child in Head Start because she is working part-time and then want to increase her hours. The XX center is always full. It would be useful to be able to supplement the Head Start program with Title XX dollars to be able to have some classrooms become full-time again. George understands the notion of serving more families, but would like to have at least some full-day Head Start classrooms. Also, for the parent going to work for the first time, George feels that the continued support of Head Start through this period is important. If a parent transfers the child to the Title XX class or to a home for care, she does not receive the helpful support she would if the child remained in Head Start.

The grantee tries to provide comprehensive services for all families. The Title XX and fee-paying class receive fewer health and social services, but the program tries to meet their needs. Parents in these groups still have evening meetings, but schedule them quarterly instead of Head Start's monthly meetings. Many of the families were in Head Start and received the comprehensive services at that time. Now as Title XX families they seem to have fewer problems. If a problem does arise, the grantee finds some way to help.

## **Families Served**

The Head Start families are all low income and, generally, parents are not working full-time. The classes meeting 5 hours a day have some working parents (with part-time schedules) and some parents in training. It is these parents in transition who are some of the group "falling through the cracks" -- not provided an option for child care. When these parents change to longer working hours and there are no Title XX slots, they tend to remove the child from Head Start. Similarly, if they join a training program that meets different (or more) hours from Head Start, they take the child out of the program.

The clientele served by Community Progress are younger each year and also less responsive and responsible. It takes more effort to get them involved as parents because they see parent meetings as "school" and don't like them. Once Head Start has parents involved, staff want to continue the relationship to help parents succeed in their newfound self-sufficiency.

Title XX families have slightly higher incomes than Head Start families and, of course, meet the requirements for full-time working parents.

George does not know where the siblings of their full-day children are cared for. It may be in family day care homes. Community Progress serves as a USDA sponsor for about 20 homes. The grantee has a nutritionist who works half-time for Head Start and half for USDA, checking menus in the homes and visiting each home 3 times a year for monitoring purposes.

## **Funding**

Head Start, Title XX and parent fees are all sources of program funding. They are kept separated as revenue and as expenditures, with the exception of administrative salaries. These are split between funding sources (Head Start and Title XX) based on the number of children paid for by each source. Since the programs are located in separate buildings, there is not a problem of dividing staff or occupancy costs. Meals for everyone are prepared in a central kitchen and billed on a per-meal basis.

To arrive at \$35 per week for fee-paying parents, the grantee figured out the lowest cost it could for a classroom. The facility is a church basement which is provided free of charge. The cost is for 2½ staff and supplies. If parents want children transported, they must pay an extra \$5 per week.

## **Other Concerns**

George has a couple of current concerns. First, the Regional Office does not like double sessions. Even though he is serving more children at the same cost -- which is what they were asking for -- he feels that the families have lost more than has been gained in serving more families and he is afraid the Regional Office is going to press for single sessions. This will mean finding new centers and the cost per child increasing. He still very much believes in full-day, full-year services and would rather return to this schedule.

Second, he is very concerned about the families who cannot be served by Head Start and perhaps not by other day care. His fee-paying class is still not meeting all needs.

## **Coordination with AFDC, Title XX**

Coordination with AFDC continues to be very difficult. He asked if he could have a list of eligible families to mail them information about Head Start. This was not approved because the list is confidential. So he asked if AFDC would include information about Head Start in one of its mailings to clients. They agreed in principle, but the local office does not have a mailing list. The only list is kept in Harrisburg. After 4 months of negotiation, the state office finally agreed to mail ¼ sheet of paper to clients in York County at a cost of \$800 to Head Start. George asked if he could meet with welfare case workers at one of their regular staff meetings to tell them about the program. The answer was "No" because there were too many other things on their agenda. And they are not recommending Head Start to clients.

Finally, at an Open House last year, he specifically invited each welfare case worker and the line staff. 10 people came. Their case loads are "impossible", and there may not yet be any referrals, but George believes that at least some of the staff are positive enough to refer clients.

George also has some problems with getting health services paid for by EPSDT. He says the staff in that office do not "sell the program to clients", so families do not enroll. Head Start ends up paying for health services.

There is no county Title XX staff member, just people in state and regional offices. He feels that he can call the Regional Director when he needs to discuss an issue and the Director is responsive. But this doesn't mean that the problems are solved. For example, if a fee-paying parent does not turn the WIN money over to the grantee, he may count the child as a Title XX child. This means that the state pays for the child's care twice (once to the mother who does not turn over the money to the grantee, and once directly to the grantee). George says the state is aware of the problem, but is not acting on it.

## **Expansion**

George has the following suggestions for expanding his care arrangements:

- (1) Allow him to return part of Head Start to full day to serve those parents in transition and those who now fall through the cracks.
- (2) Provide for a "quality" expansion. Churches will no longer provide free space. We need to thoroughly prepare sites for day care in terms of handicapped access and meeting local codes.
- (3) Require that staff be trained and provide the wherewithall to do it.
- (4) Allow for comprehensive services to families. Don't just provide a safe place for children to go as is done in Title XX. Give them an educational program, health and social services. The young mothers entering a work/welfare program will need lots of support services.

## FULL DAY HEAD START

### Description of Program

This program operates two Head Start schedules: 365 children come for 6 hours a day, leaving at 2 or 2:30; 60 others stay until 4:30 or 5. All Lead Teachers are employed until 4:30; other staff as needed.

Full-day care would be useful for all children, but the Regional Office does not encourage full-day services. In fact, it is a regular fight to keep any children on a full-day schedule. Such services are needed, for example, because about 90% of the mothers of children in the program are on welfare. When they enter school or a training program or get employed, they may not be able to pick up the child at 2:30. Head Start will switch the child into a full-day classroom. If this were not possible, children would be staying with "old ladies or school children".

There is lots of teenage pregnancy in Georgia. These mothers have to get more education. So, last year Harambee enrolled 45 mothers in a GED program at the local community college. The college transported mothers from the Head Start center to the college and back again. If the mothers had had to transport themselves, they would not have attended as regularly or as long. This year Harambee is working with a vocational school to set up a morning program. Also, with JTPA, Harambee has arranged to train 3 mothers for their CDA. JTPA (Dept. of Labor) will pay half of the mothers' salary; the agency will pay the other half. The parents will be given preservice training and then a regular 4-four training each week. They will be assessed for the CDA next fall. It now looks as though as many as 12 parents may join this program and be paid for partly by JTPA.

### Families Served

Head Start now serves about 90% families on welfare; about 90% single parents. This is a change from the 1970s in that more homes have no men now; children are having children. The mothers need to complete their education to get employment. To work with this problem, Harambee got a state grant about 5 years ago to work with teens to develop their consciousness about having children. They went around to high schools and talked with groups of teens. This grant has ended. Harambee is now surveying the health needs of families and working to get neighborhood health clinics in low income areas. If teens have to spend money on bus fare to get contraceptives or if they have to go a long distance, they don't go. Carol wants local clinics with birth control available in every neighborhood.

Head Start in Albany, GA has many more applicants than it can serve. Carol has parents calling her at home at night asking why their child has not been admitted to the program. Their criteria for selection are:

- (1) Returning children
- (2) Emergency cases from CPS, child abuse, fire, accident, death, etc.
- (3) Handicapping condition
- (4) On public assistance
- (5) Stress in the home, e.g., deprivation, poverty, an alcoholic parent, parent with a nervous breakdown, an older person with a chronic illness who needs the constant attention of the parent
- (6) Low income
- (7) Referrals from other social service agencies
- (8) Parents are students
- (9) There is no caretaker in the home
- (10) Child is in need of temporary care -- new baby, family is moving, house burned down
- (11) Family is above income (children in this category generally fall into another category as well)

Children from 3- to 5-years-old are served; some are served for multiple years. GA has public kindergarten for most 5-year-olds, but children remain until they go to school. The priorities for choosing children (listed above) do not include age.

Younger siblings are cared for any place they can be dropped. Carol has a friend who has opened an infant center (without Title XX money). She has only 12 paying parents, though she is licensed for 30. People need infant care, but cannot afford to pay. Title XX will not support infant care.

### **Description of Services**

Harambee used to run a summer program as well as a full-year program. When summer monies were eliminated, they changed to Sept. to June. With recent cutbacks, they have had to eliminate care in June. The children are on the street with no services provided to them. If she could return to full-year operation (be funded for it), she would.

The services provided to part-day and full-day parents are the same. Parent involvement is not a problem if you understand that you must sell it to the parents. Working parents cannot come into the classroom during the day, but she has found many creative ways to bring them in other hours. The three keys are providing good food, good presenters and transportation. For example, she has a "Parent Training Fair" from 5 pm to 9 pm with 40 to 50 tables. Every table has a different kind of food on it, prepared by her staff members. Each table has people from different social service agencies, health agencies, groups that can provide useful information to parents. To ensure that parents stay for the whole time and visit as many tables as possible, she has a drawing every half-hour for \$10. Second example -- she has organized a

Breakfast Club which starts at 8 in the morning and runs for 1½ hours. When you bring in your child, you can go downstairs for breakfast and to talk with a consultant. It is informal, but there is a program. Sometimes parents just need someone to talk to about personal problems. Carol believes having this outlet forestalls taking out problems on the children. Third example Saturday morning workshops. They had one 3-hour workshop where people from different businesses came to talk about how to write a resume, how to fill out an application, how to behave in an interview. About 50 parents came and stayed the whole time. The important thing is to be committed to what you are doing. If you are committed to parent involvement, it happens.

The major advantage of the full-day option is that the child gets more exposure to a good program and not the hazards in the home.

## **Funding**

Only Head Start funds are used by the program because Title XX has one particular regulation that they cannot meet: they cannot provide the required non-Federal share which must be in the form of "cash or certified cost". They cannot count their free space because the program is not operated by a county. And parent hours in the classroom are in-kind, not a cash cost. They could ask parents to pay dollars for "extra" hours of service, but don't feel this is reasonable with their parents.

Parents need "free child care, Medicaid and Food Stamps" if you want them to get trained/educated, find employment and stay employed. If AFDC only supports them for 6 or 12 months when training is longer, they will be in trouble.

## **Coordinating with AFDC**

Harambee coordinates with AFDC a great deal. When some red tape needs cutting, Carol will call the Director of Family and Children's Services and make sure that what needs to happen will happen. For example, JTPA requires that certain forms be filled out about eligibility in order for a parent to work for Head Start and gain the CDA. These papers were held up for one parent. Carol called and by the end of the day she had the papers in hand. So, the first element of coordination is knowing all of the people -- case workers and the Director -- and working with them regularly.

Second, Carol has placed people from AFDC on her Board and/or Policy Council. She has also organized a "Women's Auxiliary for Children" to get a lot of community people to volunteer for Head Start. She invited about 90 to attend a Saturday luncheon at a local church with formal invitations. Her cooks prepared the food (being paid overtime); her teachers dressed appropriately and waited on tables. She had a booklet printed which listed the needs of the program relating to eight different areas. She got commitments from 60 people to continue on committees attending to these 8 areas of need. The group meets once a month on Saturday for lunch and planning sessions. When a health need arises -- for example, this need for neighborhood clinics for birth control -- the health committee tackles the issue, plans



action items, reports to the whole Auxiliary, and works to solve the problem. This means lots of non-federal share and lots of coordination with other agencies.

One issue she has with WIN is their policy on the provision of vouchers for child care. She has had Head Start children taken out of the program and placed with a relative because the parent could pay for care that way. Then the stipend has ended and the child is left without care. Even when the child was in the care of the relative, Carol argues that the care was not of the level of quality of Head Start. She feels WIN should recommend that the parent place the child in Head Start.

She would like to help as many mothers as possible who need child care under a new work/welfare program. More money for her Head Start would mean more children served. She is very willing to work with AFDC/WIN to accomplish this expansion of care.

## **PART-DAY HEAD START, TITLE XX**

### **Description of Program**

The grantee operates Head Start in a 17 county rural area and operates Title XX in 2 of the counties. Center-based Head Start serves 1,045 children and is tied to the school systems of each county. Almost all of the centers are school buildings; the school systems transport the children. So, the program runs from 8:15 to 1:45 (5½ hours a day), 5 days a week. An additional 100 children are served by a home-based option.

About 186 children are served in the two Title XX programs. One is in a county where there is center-based Head Start, the other where Head Start is home-based. Title XX centers are open from 6 am to 6 pm, 5 days a week. No transportation is supplied.

There is not a lot of coordination between Head Start and Title XX. When center-based Head Start ends for the summer in the one county, about 25 Head Start children in need of full-day care go into Title XX. None leave Head Start to go to Title XX for the later afternoon hours. Even if parents go to work and the child needs full-day care, parents tend to leave the child in Head Start and find a relative to care for the child the additional hours. On the other hand, Head Start recruiters feel free to recommend Title XX to parents who seem to need its services. Title XX staff freely recommend Head Start to parents for whom it seems appropriate.

Title XX in Georgia is intended to assist parents who are actively looking for work. They have 90 days to find a job or the child is removed from day care. After they begin work, the child can stay in Title XX day care for 6 months. So, the Title XX services are not as long as Head Start's and there is tremendous turnover in Title XX children.

The call for services from Head Start and Title XX differs a great deal. A Head Start center may have a waiting list of 30 families where the local Title XX center has a waiting list of 2.

Head Start serves predominantly 3- and 4-year-olds. About 32 5-year-olds are in the program, generally children with a handicap who are not yet ready for kindergarten. Some of the counties have about 50% 3s and 50% 4s; other counties (generally with serious space limitations) have only 4s. The exception to the "only 4s" is 3-year-old children who are handicapped or recommended by CPS. If a child enters the program at the age of 3, he/she may stay for two years.

Title XX takes children from 6 months to 5 years of age. There have been instances where an older child in a family is in Head Start and a younger child is in Title XX care. There are many cases where multiple children in a family are in Title XX care.

There are tremendous differences between the services offered by Head Start and Title XX. XX is simply day care with USDA funds for nutrition. They do offer parent workshops once a month, but these are poorly attended. The only social services offered the families are those done by the state Dept. of Family and Child Services, which means that there are none. Head Start, on the other hand, offers comprehensive services. There have been some changes in these services over time with the changing clientele for Head Start. Parent meetings used to involve some homemaking skills like sewing or cooking. Now parents are younger and more often single, many have problems with drugs or alcohol; there is a lot more child abuse to respond to. So parent meetings are often self-help sessions aimed at parents' problems.

### **Families Served**

Head Start's criteria for selection of families is based upon income and other factors. All families must meet the income guidelines. The priorities go 1. Child professionally diagnosed as handicapped, 1 parent; 2. Child professionally diagnosed as handicapped, 2 parents; 3. Child suspected handicapped, 1 parent; 4. Child suspected handicapped, 2 parents; 5. Child in foster care or recommended by CPS; 6. Low income family, 1 parent; 7. Low income family, 2 parents.

The majority of Head Start families are receiving public assistance; about 46% are single parents. There is a growing number of younger parents s children having children.

As mentioned above, Title XX accepts parents who are actively looking for work and meet the low income guidelines. They must find employment within 90 days; children can stay in care only 6 months after employment is found. Employed parents must find private day care and pay for it (or use relatives). There are some family day care homes in the area that are cheaper than privately operated centers, but they are still expensive for a 1-parent family working at minimum wage.

### **Funding**

Title XX centers and Head Start are operated as separate entities. The administrative staffing has an Executive Director (Patsy) who is fully paid for by Head Start, though she does supervise the Title XX Director. This latter individual is fully paid for by Title XX, but also works with Head Start's home-based program. Patsy feels that the monies work out in the end. There is no co-location of programs, so space costs can be clearly assigned. Teachers operate on the same pay scale, and the agency has managed to keep salaries the same for Title XX and Head Start teachers.

Title XX costs per child are higher than Head Start's, generally because of the staffing ratio required for classrooms with infants and toddlers. It is personnel costs that constitute most of the cost per child.

The sliding fee scale of Title XX generally requires that parents pay \$3 per week for care. If a parent does not pay for 3 weeks, the child is terminated. Unfortunately, as many as 5 out of 40 children may be terminated in a week for nonpayment.

Title XX in Georgia does have a local share requirement. In each of the counties in which Patsy operates Title XX, the county gives the cash match. The agency used to operate Title XX in several other counties. Where the county does not supply the match, Title XX staff use fund raisers.

### **Advantages/Concerns**

There are no advantages that Patsy can see for her agency to jointly operate Title XX and Head Start. They originally operated Title XX for the 17 counties and have spun off most of the operations. No one wants it in the two counties where they still operate it. It costs the agency to run the program, but not quite enough to refuse to do it.

Title XX is a problem because the state keeps changing the rules. (Head Start only does that maybe once a year.) "No one seems to be in control" and no one is familiar with what is happening at the local level. It used to be that the Title XX agency did its own recruiting to fill slots. Now Family and Child Services (FCS) does it, and the process of filling slots is much slower. Of course, when a slot is empty, it is not paid for so the operating agency suffers. Also, many families are not comfortable going to FCS. If a Head Start family needs to see them, a social services staff member goes along. Now Georgia has an idea that private day care centers should bid for Title XX slots instead of having Title XX centers. But private centers don't want to participate because they receive such a small reimbursement and must manage a large amount of paperwork.

Basically there are no funds to help low income working parents. 9th District staff has thought about opening centers, but the cost of licensing is prohibitive. And who would pay the full costs of care?

### **Coordination with AFDC, Title XX**

Patsy believes they have a good relationship with FCS. Case workers come to Head Start to check on CPS children; they have coordination meetings to discuss multi-problem families with both agency's staff; FCS gives Head Start a list of eligible families each year that Head Start uses for its recruitment; Head Start will send families to FCS.

One woman at FCS does Title XX and some case work. Day care staff meet with her once a month to check out any problems and talk about specific families. The relationship here is very good, too.

## Expansion

Patsy has four ideas for expanding services:

- (1) Open an after-school program tied to Head Start. Problems: who will pay? Where are the staff wanting to work from 2 to 6:30 pm? Who will transport the children when the program is not in their school? The schools might, but only if the new building were right on a bus route. Non-school space is not available -- even to renovate.
- (2) Could expand Head Start for 3s and 4s with more dollars.
- (3) Families just over the poverty line need assistance. They use grandparents now or relatives, but they could use a program for the children.
- (4) Patsy and others once did training for 45 family day care providers, but they have not continued because of the turnover in such facilities and the expense of going through the process of licensing.

November 10, 1987

## FAMILY DAY CARE HOMES

### Description of Program

WSOS received an innovative grant from HDS running from 1985-87 to work with Head Start-eligible 4-year-old children placed in Title XX-funded family day care homes. WSOS recruited providers who were under contract with the local Dept. of Human Services. Some of these providers already had Head Start-eligible children in their homes, in other instances the regular Head Start recruitment process located working parents in need of longer hours of child care and placed the children in a participating home.

The grant gave the providers money for 4 hours of "Head Start" programming for their participating children. In addition, Head Start staff visited the home regularly with materials and provided assistance in developing lesson plans. They also supplied training for the providers in the form of videotapes. The providers essentially became Head Start teachers. If the grant had continued, WSOS would have taken these providers through CDA training.

Eight homes participated, supplying Head Start services for a total of 12 children. And they had trouble (especially the first year) in finding the total of 12 children. It seems that if one parent is working, the family is no longer eligible for Head Start in the state of Ohio. Fremont is a small mostly rural program with high unemployment.

In fact, given their preferences for activities, WSOS would have liked simply to be trainers for local family day care providers, rather than requiring that Head Start children be in the homes. Their staff is very concerned with the quality of care in local day care homes, and feel that they can significantly improve that care. They may try to operate a family day care home network for Title XX where they can train and monitor caregivers for the system. There are 60 Title XX homes in Sandusky County which might benefit from training, but Title XX has no training money.

In addition to this special program, WSOS operates center-based and home-based Head Start for a total of 471 children. The 255 center-based children come to class 3½ hours a day, 4 days a week with 3 home visits a year. There are 7 centers in 4 counties for these children. The home-based program is generally for younger children (216) who would have to travel a longer distance to get to a center. The family day care homes were proposed to be in one community, but they stretched the area to include two more small communities to be able to find 12 children.

The plan for the day care homes was to operate Head Start in them for all 12 months of the year. Unfortunately, Ohio ran out of Title XX funds in the summer

between the two years of this program and dropped most of the homes. The innovative grant could not afford to pay fully to support the homes, and so summer service was not provided.

Families in the experimental program received the same services as regular Head Start families. The hardest area was parent involvement. Each home was assigned to the nearest center and parents were invited to parent meetings, etc. Several parents did participate; one (who was in a training program and had flexible hours) was on the Policy Council. A second problem with services was the issue of home visits by the provider. Because the providers were already working long hours, they had difficulty finding the time to do the home visits.

### **Families Served**

Most of the parents with children in the family day care homes were single and working or in a training program. Those already working were not receiving AFDC. Freddie did not do the family histories herself and so is not sure just what the families were like.

The "Head Start" children in these homes were all 4-years-old; most of the children in the center- and home-based programs are also 4. This is strongly encouraged by the Regional Office. Children are selected for Head Start based on a point system which gives one point for each of the following: low income; on ADC; served by Head Start the year before; tried to enroll last year and could not be served; child is 4-years-old; child has special needs; family is high risk with regard to alcoholism, need for counseling, child abuse, etc.; family is referred from local health authorities, schools, or a human services agency.

One major drawing card of the day care homes was that parents could place younger children in the homes as well as the 4-year-old and these children received "higher quality" services, too, being with a trained caregiver. But there is not a lot of pressure to create more full-day slots. Most of the Head Start-eligible families are on ADC and non-working.

Caring for younger children is more of a priority. There is trouble in the community getting licenses to care for infants and toddlers in centers. Licensing for homes is not as hard and only needed if the home is to receive Title XX funds.

### **Funding**

The grant was for \$21,000 per year. This paid for the full salary of the person who monitored the homes and 10% of the salary of her supervisor. Title XX paid the caregivers \$1 an hour for the "Head Start" 4-year-olds; Head Start paid another \$1 for the 4 hours a day, 5 days a week that were considered Head Start time. The grant also included money for materials, training, and staff travel. The regular Head Start program absorbed the costs of administration of the program, coordination of health, social

services and parent involvement, and any staff costs of those people in these components who visited homes, etc. No money came to Head Start from Title XX or USDA; it went directly to the family day care home providers.

### **Coordinating with AFDC/Title XX**

There is no working relationship with AFDC or WIN, at least in the sense of a standard referral network. Head Start may get references from AFDC in special cases, but these do not come from WIN.

This project enhanced the relationship of Head Start and Title XX staff. Freddie talked with the Title XX Directors in the two counties she felt would be most receptive to the idea, and got their approval to recruit providers. Their only concern about the new program was that service should be documented. So, Freddie designed a sort of attendance sheet so providers documented Head Start services before they were paid. No other issues arose as the program progressed over its two years.

### **Expanding the Program**

Given the funding, Freddie would like to work more with family day care home providers, supplying the same sort of services as occurred under the innovative grant, but working with a wider age span of children and including higher income families. She would consider some fee-paying arrangement. The priorities seem to be:

- (1) Training local day care home providers
- (2) Providing center/home care for more children, more hours
- (3) Running a network of family day care homes partly funded by Title XX, partly by parent fees, involving a referral system, monitoring of homes and a credentially process for caregivers

At the moment, the Head Start program is rearranging staff responsibilities to give Freddie more time to develop new ideas about services.



## **PROGRAM FOR TEEN PARENTS: PARENTS TOO SOON**

### **Description of Program**

This is a grantee for 700 Head Start children. All delegates offer double sessions, 3 hours a day, 4 days a week. There is no space in the facilities to expand the hours for any classrooms. Any expansion would therefore require purchasing additional space and changing the option offered. Ann is under the impression that not only does national Head Start not want its money spent on full-day services, but they also do not want any combination programs where they pay for part of the day and Title XX or another source pays for the remainder of the day.

The grantee does offer full-day care, however, through another of its programs: Parents Too Soon. This is a state-funded program for 2,500 to 3,000 teens to ensure that young women get good health care for themselves during their pregnancy and for their children during the first two years of the child's life, that the mothers stay in school or receive some job training, are trained in parenting skills, and provided with day care during school or training hours. Most of the services last until the child turns 2. This program lasts 12 months a year, though it drops off during the summer months.

The services are fairly comprehensive. Mother and child receive good health care; home visits help take care of immediate problems in the home and help the mother adjust to parenting. Then the program uses peer parenting groups under the MELD model (Minnesota Early Learning Design) adapted for teens. The child care hours are as needed by the family. Some may need full-day care. All of child care is contracted; some is center-based, some is in licensed day care homes. In some cases the mother's family takes care of the child, and the program has no responsibility for care.

The Ounce is looking for more ways of linking Parents Too Soon and Head Start. Most of the delegate agencies for Parents Too Soon are also operating Head Start. But there is an age gap between the graduating parent of a 2-year-old and the beginning 4-year-old in Head Start. The Ounce may be able to add a program concentrating on job training and parenting skills which could pick up parents of 3-year-olds, a program which could help teens move into adulthood. Parents Too Soon helps them move into parenthood. Another program, as a next step, could help them graduate further into adulthood.

### **Families Served**

Head Start and Parents Too Soon serve similar clientele. Head Start parents are much younger now than they were 10 years ago. About  $\frac{2}{3}$  are on welfare. Many are

single parents. In Head Start, however, most parents are not working or in school. If they are working, the parent tends to remove the child from part-day Head Start, or in some instances makes an arrangement for the child to be dropped off or picked up from the home where he or she is cared for while the mother works. Head Start is working for self-sufficiency of families, but cannot help those working parents with additional hours of care.

## **Funding**

Parents Too Soon is paid for by the Illinois Dept. of Children and Family Services.

## **Work/Welfare**

Illinois is not a welfare demonstration state, but does have a program called Project Chance to help welfare recipients receive training and find employment. The Ounce will participate soon by training 30 welfare recipients to become child care providers. The recipients will become Home Visitors in an early intervention program. During their training they will be paid a stipend, and receive an allowance for clothing (uniforms), child care and transportation.

Any expansion on the part of Head Start to provide child care for work/welfare recipients would be very hard and probably too costly. Title XX slots exist in the state. Perhaps they can expand.

## FULL-DAY HEAD START

### Description of Program

Gulf Coast offers 4 Head Start options to a total of 2,461 children. For 277 children in the rural areas around Houston, they offer a home-based program. For 16 children, the option is part-day, 4 hours a day, 5 days a week. This option was begun to accommodate those severely handicapped children who could not manage more than 4 hours a day in a center. About 60% of the class is handicapped. For 582 children the grantee has designed a variation in center attendance in which children come for 5½ hours a day, 4 days a week. On the fifth day of each week, the teacher does home visits for parent education. This option has some parents who work part-time or are in school hours which match Head Start's. The final option for 1,486 children is full day. Centers are open from 6:30 am to 6 pm, 5 days a week. This option serves families where there is no caregiver in the home. Most of its parents are single; many are in Head Start's adult literacy program or in college or another training program.

In addition to these Head Start options, the grantee operates a P.C.C. for 100 children. Infants from 0 to 17 months are in the in-home program (60 families), 40 toddlers from 17 months to 2 years are in the in-center program. Parents of the older group are encouraged to participate in the adult education class, to return to school, or to be placed in a job training program. The older toddlers are served from 8 am to 5 pm, 5 days a week in the center. Generally parents enter the program with infants and participate in the in-home activities and then graduate to the toddler in-center program.

The choice of such extensive service for families is based on a firm belief that the grantee is working toward economic self-sufficiency for its families. They are supplying a quality child care program as well as parent programs to help meet the goal of self-sufficiency. Last year the grantee had 125 parents in the GED program of which 121 now have a diploma. This year 179 parents are in the program.

Head Start operates 12 months a year, though not for all children. In the months of June and July they go from operating 32 centers to 15 or 16. Parents are polled to find out who will need service. If enough children in a center wish to remain through the summer, the center stays open. Children who need care, but whose center closes are moved to an open center. In general, new children are not accepted during these months. The exceptions are children where there is a crisis in the family.

All Head Start children receive the same services. Even in the full-day option all families receive 2 home visits per year at least. Parent involvement is encouraged by the fact that each month the grantee sends out a Parent Activity Guide which discusses the focus of the program for the month. It includes a listing of activities at the centers

and also activities for the parent to do at home with the child. Then in the monthly parent meetings, families can share ideas about the home activities. The grantee had 1900 parents involved in some activity in the month of October this year, a number representing a very high percentage of parents. The key, Ruth believes, is to make activities interesting to parents. The meetings often include make-it and take-it activities, so parents have something to take home with them. Babysitting is always provided. Often there is consumer information or resources information available. Parents can check out puzzles and books.

## **Families Served**

Most families have single female heads; most are on some form of public assistance. The grantee does get referrals from Child Protective Services for both children remaining in their families and those placed in foster care. They try to accommodate these families in their home-based program.

Two levels of selection are defined for entering Head Start. First, all families must meet the income guidelines, and the child must be at least 3 years of age. The only exceptions to the income criteria are handicapped children who cannot get services elsewhere. Then the grantee takes into consideration the family situation to decide which of the options the child will enter. They want to make a difference for the family; they want to be sure the child is ready for school. There is no preference for one age over another; Ruth says you must look at the needs of the child.

Houston offers an optional kindergarten program, part-day, for 5-year-olds. However, since families can get full-day care through Head Start, they sometimes prefer Head Start for these children. Perhaps about 300 Head Start children are 5. The remaining children are split about half and half between 3- and 4-year-olds. The public schools offer an optional program for 4-year-olds in 23 districts of the city, but enrollment is limited. Many families opt for Head Start.

Most of the Head Start families with younger siblings are in the home-based option. Families often wait until the youngest child is 3 to enter Head Start and use it as their transition to employment. It is probably for this reasons that there is some pressure from parents for more full-day slots. When vacancies occur, they tend to be in the variations in center attendance option because parents have moved children to full-day. It is sometimes hard to fill the VICA slots within the required 30 days.

## **Funding**

All funding for the program is through Head Start. It may be that there are other funds for the adult literacy program -- I am not clear on that. The Regional Office seems pleased with the program; there is no pressure to reduce the number of full-day slots.

## **Advantages**

Head Start used to be 100% full-day. Having four different options seems better because there are parents who do not need full-day services. It seems to punish 2-parent families where 1 parent is at home to have to have children away all day, and this is certainly not the intent of Head Start. It used to be that some families would not participate because of the long hours, e.g., some Spanish-speaking households, and now they can.

On the other hand, there are usually vacancies in the VICA option and they are hard to fill. It may be that the number of children in that option is too high and more classrooms need to revert to full-day services.

## **Coordination with AFDC, Title XX**

Ruth feels there is a good relationship with AFDC staff. Each year some Head Start staff make a visit for a “dog-and-pony show” about Head Start to the Texas Dept. of Human Services Office for staff in AFDC, CPS and several training programs (especially those with government grants like JTPA). If these staff see a child who could benefit from Head Start, they give the family a flyer. They do refer families.

The one difficulty Head Start faces is that it cannot always accommodate referrals. By November or December its slots are full so referral families must go on the waiting list.

There are currently about 10 centers in the Houston area which operate under Title XX funds. The slots seem to be disappearing. None of the centers are operating at capacity and they do not seem to be getting referrals from WIN staff. One Director called Head Start to get referrals now that Head Start slots are full. Another center has just recently changed into a Senior Citizen’s Center because it could not find 70 children in need of service. Head Start and Title XX staff used to meet to discuss joint issues, but they don’t any longer since the Title XX people are simply trying to survive.

The only other child care operation in the city for which Ruth has respect is the Neighborhood Centers program. They operate programs for infants and Ruth is comfortable referring Head Start parents with younger siblings to this group for care. Unfortunately, neither Head Start nor the Neighborhood Centers group offers transportation, so parents must live near a center to find it useful (or have their own car).

## **Expansion**

“A smart government would give [work/welfare child care] dollars to national Head Start.” You need to provide these families with all Head Start type services. “I can see the results and want to ensure them for all children.” Ruth would exchange slots in VICA for full-day slots. She has an expansion application in to open centers in new

areas of the county where they can only offer home-based services at the moment. She argues that we do not need a new entity to provide services when we have Head Start.

One argument for Head Start services for work/welfare families deals with health care. Families need health care coverage for at least a year after they begin to work. People at minimum wage cannot afford health costs, yet they may not be eligible for Medicaid. They need the sense of security that comes from knowing their children's health care will be paid for.

If additional dollars come for care, Ruth would meet with the state office to work out how to operate centers that they would finance.

## **FAMILY DAY CARE HOMES**

### **Description of Program**

This Head Start program offers three different schedules for children: a traditional home-based program for 80 children in a 3-county area; a center-based program where 200 children come either 6 hours a day, 5 days a week or 3½ hours, 5 days a week in double sessions; and a family day care home program which involves 56 children in 16 homes. In this latter full-day option, a Head Start teacher works with the day care provider and the children in her home; each teacher has a case load of 14 children. She visits each home once a week, taking in lesson plans and materials. Children may have "center days", perhaps once a month, involving health screenings and services, and field trips. She also holds workshops for staff and may help them receive licensing. Most of the children served in all of these schedules are 4-year-olds. The home-based and center-based options operate 10 months a year; the family day care homes are open 12 months.

The family day care homes are a part of the brokerage system operated by the grantee. In all, about 300 children are placed in family day care homes each year; many of them are CPS children. The agency certifies homes and monitors them; state staff come in periodically to check the homes as well.

The two problems which have arisen with the family day care model are turnover in homes and parent involvement. A few homes have closed, about one or two a year. The grantee must then find new homes and help them get licensed. Though the parent meetings are held at night, it is hard to get this component working well. The parents are tired and have not seen their children all day; they find it hard to attend meetings in the evenings.

Nell is beginning to expand the grantees services by working with the military installations in the area and with local corporations, helping them to set up centers. These groups need staff training, at the least.

### **Families served**

About 87% of Head Start families are headed by single parents. Lately, more young parents have become involved. Children are selected for the program on the basis of three criteria: income (the poorest come first); handicapping condition; and family needs. Families with the greatest need are selected first.

## **Funding**

Head Start funds the home-based activities of the locally designed option. Title XX funds the hours in care. The Title XX funding is managed by the providers and DSS, not through the Head Start grantee.

## **Advantages and Disadvantages**

This family day care program has several advantages. It is meeting the needs of families for longer hours of care than Head Start provides, and it is not simply babysitting. Children receive the full complement of Head Start services. For those parents who cannot afford health care for their children, Head Start sees to it that the care is provided. The option also supports the local community of family day care providers. They get good training. It is workable for the Head Start teacher/home visitors, too, because one home may have 3 or 4 Head Start children of the case load of 14. The teachers have a manageable group.

One difficulty has been with transportation for the teachers. It would be useful to be able to provide them with cars.

## **Coordination with AFDC/Title XX**

There is little coordination now.

## **Expansion under work/welfare**

There are several possibilities for expansion of services. The agency could expand its current option of satellite day care homes. Head Start parents could open day care homes, receiving support from agency staff. Staff could serve as parent trainers, helping parents with interviewing techniques, job skills, how to dress on the job, communication skills, sales skills, etc. It is even possible that they could expand center care. All of the classrooms are in schools and there is some space available, in need of renovation.



## HEAD START/TITLE XX

### Description of Program

The grantee operates Head Start in a multi-county area. In one city, Iowa City, they operate a full-day program (from 7 to 5:30) for 56 children. The plan was that 36 would be Head Start children, 20 Title XX. Unfortunately, only 12 Title XX children are in the program. While the other slots can be filled with Head Start children, the program will not receive additional money for the additional children. And Title XX pays for children only when the slot is filled by a Title XX child.

The problem with filling the Title XX slots appears to be that in this college town there are many places where child care slots are available, approved by Title XX. The Head Start program only operates for 3- to 5-year-olds; several other programs also operate for younger siblings. The Title XX office provides eligible parents with a list of all available slots and lets the parent choose which location would be best. Parents do not choose to use Head Start for one child and another program for a second child; they want their children together. Also, the Head Start center is not located very close to the college, so students choose other options. People do not want to have to drive any distance (if they even have cars).

In Iowa City Title XX and Head Start children are together in the same classrooms and are provided the same services. The program lasts 12 months a year for all children. The staff at the grantee (e.g., nurse, social worker) is reduced during the summer months when part-day Head Start is not in session, so the services provided all of the full-day children are different in the summer and winter months.

In five counties, Head Start operates center-based and home-based programs for a funded enrollment of 331 children. (There are actually 360 children enrolled at this time.) Local donations supplement Head Start dollars to support these part-day children. The home-based Head Start option serves 72 children; one part-day schedule operates 4 hours a day, 5 days a week for 95 children; a second part-day schedule operates the same hours, but with double sessions, for 128 children.

### Families Served

Of the 56 slots in Iowa City, 25-40% are children of single mothers who are often on AFDC. Another 20% are students. To select the families for this program, there is a point system based on five criteria: primary caregiver is in school/training/employed; family income; handicapping condition; prior year in program; minority. Kids can switch into full day if they are able to get to the Iowa City program. No transportation is

provided. There are arrangements with AFDC and CPS for referrals; at the moment 4 children are in the program by such referral.

Head Start serves just 3- to 5-year-olds, with a priority given to 4s. About 20% of the children are 3s; a few are 5s who were not eligible for school this year. Mothers must find other forms of care for the younger and older siblings of these children. Head Start tries to refer families to other child care agencies, but does not provide any further services.

## **Funding Sources**

Funding is provided by Head Start, Title XX, United Way, County Board of Supervisors and Iowa City. When the arrangement with Title XX was organized (before the time of this Director), the group decided that 54% of each salary line item in the Iowa City budget would be charged to Head Start. She believes that the percentage reflected the notion that 54% of the children at that center would be Head Start children (in addition to the 56 day care slots at that center, there is one part-day Head Start class and some home-based). Costs based on hours of occupancy are charged using a percentage of hours for the full-day children.

The problems with funding are two-fold. First, when the Director cannot get sufficient Title XX children and fills the slots with Head Start children, she does not get additional Head Start dollars to pay for the program. On the other hand, if she does not fill the extra slots with Head Start children and has empty slots, she must still meet Head Start's regulations on staff/child ratio. So, if the classroom has 12 children, she must still pay two staff members. If she combines classrooms and reduces the number of staff, her group size may be too big and her staff are not pleased to be released. (She does have trouble keeping qualified staff in this agency.)

The major "marginal costs" of operating full day are in staff salaries. Part-day programs have part-time staff, part year. The full-day program has full-time staff full-year. Occupancy costs are higher because they get space free, but must reimburse the locations for utilities. 12-month operation means 12 months reimbursement for utilities. Additional costs also occur for insurance, telephone, food, supplies and recruitment. For full day, they recruit staff and children all year long. For Head Start, recruitment is more circumscribed.

## **Advantages/Disadvantages**

The reason for operating in this manner is historical. Iowa City has always operated "day care". If this Director (Virginia) were given her choice, she would not operate full day, though she recognizes that she may have to. It has created too many problems with staffing. Getting and keeping qualified people is hard when they are paid as low salaries as they are and are released when there are insufficient children.

The Regional Office seems supportive of the full-day program. Title XX is also. But the center is limited in its facility and cannot be adapted for infant and toddler care. They are giving the best service they can and are the only provider in the area without a fee.

Within the CAP agency that is the Head Start grantee, there is a program to develop family day care homes. Head Start parents are encouraged to become providers and are trained for this role, as well as other members of the community. About 175 homes are now in the system; about 25 Head Start parents are involved. In some locations it is possible for a part-day Head Start child to go to a home after Head Start. And the Head Start mothers are working toward self-sufficiency.

### **Coordination with AFDC, Title XX**

There is no real coordination with AFDC or WIN. Head Start is trying to develop some working agreements.

With Title XX there is a written agreement for XX to provide referrals. It's just that parents don't choose the Head Start program because of its location and because they often need transportation to get there.

### **Expansion**

It might be possible to expand full-day services in other locations. Some of the part-time staff in other places would like to be full-time; others would not. In general, the facilities in other counties are not used the rest of the day and could be used for day care. However, serving working parents through brokering full-day services seems a much more positive move to Virginia than expanding the hours of care their centers offer.

## FULL-DAY HEAD START IN CENTERS AND HOMES

### Description of Program

Human Development Corp. operates three different Head Start options. For 1,911 children, they offer a part-day option where children come to a center for 3½ hours a day, either in the morning or the afternoon, 4 days a week. Transportation is provided for some of these children. For 180 children, they offer a full-day option where children come to a center from 7:30 am to 5:30 pm, 5 days a week. This option is offered in 9 centers, one classroom per center to take care of children of parents who are working or in training. No transportation is provided. The third option for 134 children is full-day service in one of 15 family day care homes. They, too, are open from 7:30 am to 5:30 pm. No transportation is provided.

Once a family is accepted for full-day services, the parent can decide whether the child enters center or home care. Some parents feel that their child will receive more attention in a home or they like the atmosphere of a home better. There are fewer children in a home (9 or 10), but there are more staff in a center. Lois feels that all children receive personalized attention. But a parent knows her child best and can choose which option she prefers.

Basically, the Head Start curriculum is the same in the home and the center. Full-day children take naps in the afternoon and have more hours for free play. Homes have the same equipment as the centers in the sense of having areas for reading, for cooking, etc. A counselor works with the day care providers to ensure that the curriculum is carried out well in each home. Other coordinators oversee the health, social services and parent involvement components. Home visits are provided by the counselor in the evenings because the provider works such long hours during the day. Parent involvement meetings for all Head Start parents are once a month. Most parents of full-day children set aside that one night a month and come to the meetings.

Head Start staff have recruited mothers to be family day care home providers for Head Start. They check out the homes, place the appropriate equipment in the home, and help get the home licensed. At this time some of the homes are not licensed and Head Start is phasing them out. Staff check on the experience of the potential provider, and supply extensive training generally on Saturdays. There is some turnover in homes. Perhaps one or two each year leave Head Start, usually to open their homes to fee-paying children. Some teachers have moved from Head Start centers into their own homes. Head Start parents do not often become providers.

Head Start serves both 3- and 4-year-olds, though preference is given to children who will attend the public school next year. If a child enters the program at the age of 3,

he or she may remain for a second year. If the child is in a family day care home for the first year, he or she may change to a center for the second year. It depends on the wishes of the parent and available slots.

Part-day Head Start lasts for 9 months, full-day center care for 10 months, and full-day home care for 12 months. Children from the full-day center option who need care during the summer months are generally cared for by their school-aged siblings at home during the summer.

### **Families Served**

All of the families served by Head Start meet the income guidelines; most of the families are receiving AFDC. Just about all are single parents. Those who are working are generally earning the minimum wage. There have not been changes in the population over time in that most families have always been on AFDC.

If a parent is working or in training and has younger siblings to be cared for, usually those children are in the homes of relatives. There is a Child Day Care Association in St. Louis that has family day care homes for younger children, but these cost money and most families cannot afford the cost.

There is some pressure to expand the number of full-day slots, but the program needs extra dollars to do so.

### **Funding**

All funding is through Head Start, supplemented by USDA monies for food. Lois says that they have trouble keeping up with all of the families they are serving now and so have not considered expanding into Title XX day care. There are some Title XX centers in the area; they are a separate entity, a separate enterprise.

Lois estimates that it costs Head Start about \$2,000 per child for a part-day child and about \$2,500 to \$2,600 for a full-day child. The family day care home children have been more costly when Head Start paid for their food (the home was unlicensed and could not receive USDA). Now that the grantee is phasing out unlicensed homes, Lois believes that center and home care should be at a comparable cost.

### **Coordinating with AFDC, Title XX**

There are no regular meetings between AFDC/WIN staff and Head Start staff. However, AFDC staff send out information about Head Start to all of their eligible clients. If Head Start receives a child recommended by AFDC staff, Head Start staff will call AFDC to discuss the progress of the child. There are no open issues between Head Start and AFDC; communication seems to work well.

From time to time Lois has discussed common concerns with Title XX providers in the area, but they do not meet regularly.

## PART-DAY HEAD START, TITLE XX

### Description of Program

The grantee operates Head Start for 4-year-olds in a part-day option where children come to the program 4 hours a day, 4 days a week. (They used to operate 5 hours a day, 3 days a week because transportation is so costly, but the Regional Office made them convert to 4 days.) They are funded to serve 60 children in a rural area where the bus travels 175 miles a day to pick up and deliver the children. At times, no parent comes to meet the bus, so the driver returns the child to the center to await the parent. It used to be that the teachers had to stay and care for these children. However, in 1979 they began to operate Title XX and Head Start children can now enter the Title XX class if they need extra hours of care.

Title XX is licensed for 60 children as well, though there are only about 25 children at any one time. The children range in age from 2½ to 13 (a retarded child) since they have a before-school/after-school program as well as a pre-K program. This option is open from 6 am to 6 pm. It came about because there was clear community need for day care. It has just recently started to operate in the black and its financial problems have caused the in-town bookkeeper and the auditor to argue that the operation should close down: they do not feel it makes fiscal sense. Ruby is a stalwart enthusiast and is arguing to keep it. However, since she is uncomfortable forcing people to pay, there is some trouble with keeping the program in the black. At times they take fee-paying children as well as Title XX.

The Social Services Department is very supportive of the program. They refer a number of CPS children and children from homes in turmoil. The SS/PI Coordinator is on the crisis team for CPS so can help coordinate services for the family. She also runs EPSDT for the area, so finds many potential Head Start families. In addition, she operates an Exploring Parenting Class for 16 young women in the state penitentiary. This involvement in so many county activities makes for wonderful coordination of services for families.

The day care option is open 12 months a year; Head Start for 8 months. If a Head Start child needs care during the summer, he or she may enter the day care class. The agency would like to be able to offer Head Start for a second year and through the summer to have greater effects on families, but would need the funding to do so.

Staff try to extend comprehensive services to all of the families they are serving, whether they are in day care or Head Start. The SS/PI Coordinator does family needs assessments on most day care families; screenings and immunization sessions are for

all children. Two day care parents serve on the Head Start Policy Council; Head Start parents help fund the day care effort with fund raisers, etc.

### **Families Served**

About two-thirds of the Head Start families have only one parent in the home; about 75% are on public assistance. The day care families tend to be more affluent, though about one-third are receiving welfare. About one-third are single parent families.

When choosing families for Head Start, the agency has three criteria: 1. Income; 2. Age of child -- that the child will enter school the next year; and 3. Family need -- the SS/PI Coordinator visits each eligible home and presents a case for family need. Those with the greatest need are admitted.

### **Funding**

Head Start, Title XX (\$7.50 per child per day) and parent fees all support the grantee's child care operation. To determine how to bill each source, the grantee conducted a time study of staff. Most staff are split across more than one funding source. Teachers are an exception, but there are identical personnel policies and pay scales for all teachers. Billing for space is divided according to hours per week in the facility. And they have an agreed-upon split for administrative offices and meeting rooms.

There seem to be two issues with regard to funding. The first is the difficulty caused by the fact that the Department of Social Services reimburses after the fact. This creates some cash flow problems. The second is that the bookkeeper and the auditor are not in favor of the day care operation. The Regional Office responded to one report by the auditor that \$2400 of Head Start money was really spent on day care by asking the grantee to return the \$2400. There has been a good deal of correspondence on this issue as Ruby feels the auditor is wrong.

### **Coordination with Title XX, AFDC**

Interaction with the local DSS is excellent. DSS writes a contract with the agency for each child, and continues to work closely with the grantee on each case. Grantee staff and DSS case managers meet at least twice each month to discuss cases.

There have been a couple of problems in coordination. Once Ruby admitted a child before the contract was signed for services and the grantee was never paid by DSS or the parent. But for the \$58.50 she was owed, she decided not to make an issue of the failure to pay. She simply ensures that each child is with her under contract before any services are offered. Second, DSS has said that it would give more than \$7.50 per day to pay for additional services, and this money has not come. Still, the Department is very supportive and complementary of Ruby's operation.



## **Expansion**

The facilities and the support staff are in place for an expansion to occur. They could hire more teachers and admit more children.

## **PART-DAY HEAD START, MIGRANT HEAD START, WELFARE DIVERSION CARE**

### **Description of Program**

This grantee operates three child care programs: part-day Head Start from September to May for 300 4-year-olds; full-day Head Start from May to October for up to 250 Migrant children; and welfare diversion child care for 8 to 10 infants, up to 15 sick children, and "transition" children whose mothers are just entering the welfare diversion program and need some care before a permanent assignment is made. Also, if a regular Head Start child's mother is a part of the welfare diversion effort and that child needs additional hours of care, the child may stay in day care for the remainder of the day.

During the winter months, regular Head Start operates 3½ hours a day, 4 days a week in double sessions. All children are transported in this rural area. During the Migrant season, Head Start operates from 7 am to 4 pm, 5 days a week. These children are also transported to the program. In the months when the regular and Migrant Head Start groups overlap, the program rents extra space for at least three classrooms of 4-year-olds (it's easier to get licensed space for this group than for younger children). Also, on a given day there may be as many as 18 to 20 Migrant children who are sick and still come to the center. The program has arranged space to be able to handle these children, even if they have contagious diseases.

Weld County Head Start operates as a part of the county government. It is this government whose offices manage the welfare diversion program, including the child care component. In order to plan for child care, the county organized a Child Care Network, calling in all providers who were interested in caring for children of mothers in the program and working through issues of referral and cost. The county staff said that they could not pay the cost of private child care. Care providers said certain pieces of their program were just fixed costs and they couldn't afford to take welfare diversion children at the fixed rate offered. The staff discussed their expenses; transportation was a major item for providers. So, the county agreed to transport welfare diversion children and lower the expenses of providers. With this arrangement, many local providers agreed to take welfare diversion children; there is no problem now finding slots for these children. Head Start just keeps its own children whose parents have decided they do not want the child moved to another location for the remainder of the day, infants, and sick children. In essence, Head Start is filling in the gaps around private day care providers.

As a part of welfare diversion program, the local Community College and Head Start are offering a child care training program for mothers who are a part of the welfare

diversion program and for staff in day care centers in the area. This is the beginning of progress toward a CDA. And mothers are paid while they are in this program. It may be that Head Start can open the whole CDA program to welfare mothers and other local day care staff. Also, to enter the CDA program a mother needs a GED. This can be achieved through another arm of the welfare diversion program.

The child care program lasts 12 months a year. DSS will pay for child care for a mother for up to two years. This allows her to complete a GED, go through some form of a training program, be placed in a job where 1 day per week is allowed for a permanent job search, and then find a permanent job. Unfortunately, much of the work that these women find is at minimum wage and they cannot afford child care. This transition is difficult and it is good that they are supported as long as they are. Juanita says they need training so they can really get out of welfare.

Basically, the same services are offered to all of the families who come to Head Start. There are lots of community resources for health services, and these are recommended for all families. Even day care families can generally talk with social services staff, especially if there is a crisis in the family or problems with abuse. In some instances DSS will call on Head Start and ask them to coordinate help for the family. In many cases, even if a child is not involved in Head Start at the moment, a child in the family has graduated from Head Start. These welfare families thus know the Head Start staff and are comfortable talking with them. The Executive Director believes that the whole department is working with all of the families on welfare, that they can really help the families if all groups work together to do so.

The hard part of service provision is parent involvement for families where parents are working. They have evening and Saturday meetings to allow these parents to participate. For home visits, staff set up evening appointments for working Head Start parents. For day care only families, no home visits are done routinely. However, if there is a crisis in the family, Head Start staff will talk with other "technicians" in other departments and be sure the family is helped. The Governor's wife is emphasizing just such a network approach to helping families. Juanita feels they can be as successful as they are working with welfare families because so many people are working together.

## **Families Served**

The Head Start and welfare diversion families are the same group. Many are single parents; many on AFDC. Head Start does its own recruiting and sometimes gets families entering welfare diversion. If a family has applied for welfare and the youngest child is 1-year-old, they must participate. First they are given a ½ day orientation to welfare diversion which includes information on child care options, including Head Start. They choose the option they would prefer and visit that program. If it is Head Start, they go through the same review procedure as other applicants.

The first criteria for acceptance is age of the child. The Policy Council decided that it had to give preference to 4-year-olds who will be ready for school one year later.

It was a hard decision. The second criteria is income. Families with the lowest income are given preference. The third item considered is "family situation". This includes items such as the employment status of the parents, the number of children, and any special needs of the child. An acceptance committee reviews each application. Special needs children receive priority. Sometimes hardship situations are given priority.

## **Funding**

Head Start and DSS provide funding for the program. DSS pays a flat rate of \$8 per day per child. It is the same for all providers who take welfare diversion children; it is the same regardless of the number of hours the children are in care. So, if a child is in Head Start for 3½ hours and is in day care for 4 additional hours, DSS pays \$8 for that child as well as for one in care for 8 or 9 hours a day. For infants, the reimbursement is \$13 per day. Sick children are reimbursed to the same degree as healthy children.

The Director is paid for wholly by Head Start, even though she has responsibility for the day care operation as well. Welfare diversion only pays for teachers and aides in the classrooms. There are the same personnel policies and salary scales for all teachers and aides, regardless of the classroom in which they work. This scale can be maintained because the agency trains parents to become aides, paying them minimum wage, gets them through the CDA program, promotes them to teachers, requires that they continue training, and eventually many find jobs in other centers. This keeps the cost of teachers and aides relatively low.

The Head Start and day care programs are in different buildings, so there is not a shared space cost. Day care is in a county building which was donated by the local community college (it is a mobile building). It used to be offices, but the county trained a group of welfare women in construction and used the building as their training space. They converted it to classroom space. They then became members of the carpenters union and found other jobs as carpenters.

No other budget items are split across programs.

## **Advantages and Disadvantages**

Juanita feels that welfare diversion families all need comprehensive services if we are to succeed in getting them off welfare. You don't need teachers with B.A. degrees; you need staff who will work for the good of the family. Everyone in their coalition helps. Networking is the key to success.

Her advice is that every community should use Head Start as the center of its welfare diversion effort. Head Start knows how to work well with families and make a difference. Her fear is that we will try to reinvent the wheel with a "new" child care program. But there isn't much money. "This Head Start model should be taken advantage of. Don't fight in the community over money and power. There isn't enough

money to give services and fight or create a whole new program or duplicate services."  
We need to network and coordinate.

## FULL-DAY HEAD START

### Description of Program

Child Start operates three Head Start program schedules: full-day (7:30 to 5:30, 4 days a week) for 35 children; part-day (3 or 3½ hours a day, 4 days a week) for 119 children; and home-based for 78 children. Many of the part-day children need full-day care so the Head Start program transports them to or from another center or a family day care home. Families with children in the full-day program must find alternate sources of child care for Mondays when Head Start does not operate; most use relatives, neighbors, or family day care homes. Working parents with children in the part-day option must find wrap-around care for the part-day hours. Of the 7 part-day classes, 4 are double sessions meeting either 3 hours in the morning or the afternoon. The other 3 classes run for 3½ hours: one is a morning session, one a mid-day session, one an afternoon session. The Head Start bus drivers work 8 hours just transporting these part-day children, picking them up at their homes or at their alternative child care arrangement and dropping them off where they need to go after Head Start.

In addition to the differences in hours of care, the full-day and part-day programs differ in the provision of transportation and in parent involvement. All part-day children are transported; all full-day children are dropped off by their parents. For the full-day children, this means that the parents have two contacts a day with Head Start staff and can talk about issues with their children. Staff members encourage the parents to come to parent education meetings, and there doesn't seem to be a great difference in level of participation in these meetings between parents in the part-day and full-day programs. The part-day parents are involved more in classroom activities in that they volunteer throughout the week. Scott thinks that parent involvement is harder with full-day families, but that it works (in its different way) for both part- and full-day parents.

Until 2 years ago the full-day program operated through the summer. But the program regularly had only about 50% participation. Keeping it open just didn't seem to make fiscal sense. Scott assumes that the families in need of full-year care have found family day care homes or relatives for that time.

Child Start would like to increase its full-day program, but this is not a priority for the Regional Office, and the grantee would need to supplement its funding from another source. Title XX in the state of Montana is primarily used for developmental disabilities and aging programs, while 4A is spent on child care, and the state has no special fund for child care. Either donations or parent fees seem the only possibilities.

## **Families Served**

All children in Head Start are selected according to the required income guidelines. The full-day program has one extra criteria: if there are two parents, both parents must be working full time or in a training program full time; if there is one parent, she must be working or in training full time. (More than half of the parents are single parents.) The program is strict about having parents notify them at once if there is a change in their work or training hours. If a parent is at home part of the day, the child moves to part-day Head Start.

If a child is recommended by Child Protective Services (and about 10% of the children are), the grantee prefers to have the child in the part-day program where the mother comes to Head Start and works with staff and the children on her parenting skills and knowledge of child development.

All of the children in the part-day and home-based programs are 4-years-old. The full-day option has a classroom of 3-year-olds and one of 4-year-olds. If a 3-year-old is in need of a second year of care, that child can remain in Head Start. There is a different curriculum for the two age groups.

The full-day option used to take children from 2- to 6-years-old. But there is so much demand for such care that the grantee decided to limit the age range to that which is more traditionally and centrally the Head Start ages. Head Start is the only free child care in Missoula, so it is always in great demand. The grantee does work to help parents find care for the additional hours needed for part-day children and for younger siblings.

## **Funding Sources**

The only funds received by the agency are from Head Start and USDA. Until 2 years ago, the Head Start funds were supplemented by Title 4A funds from the WIN program and Child Protective Services. That is, the children of mothers in the WIN program (or those where child abuse was suspected) were partially subsidized by 4A. Head Start received \$10/child/day as a third party payment from WIN. Two years ago the rules for 4A changed so that it now reimburses parents for child care expenses. The parent must present a receipt showing that she has paid for child care, and is then reimbursed for the care. Since Head Start doesn't charge for care, the parent can show no receipt and WIN does not pay.

About 2 years ago Scott estimated the costs of the various program options. He believes the findings were that the home-based program costs about \$1900 to \$2000 per child, the part-day program from \$2300 to \$2400, and the full-day program from \$3900 to \$4000. So he needs to find about \$1600 per child to fund more full-day children.

In their study of cost-efficiency (2 years ago), there were several suggestions for changes in the full-day program which have been adopted. In addition to limiting the ages of children in the program and eliminating the summer months (discussed above), the grantee shortened the hours of the day from 11 to 10 to ease the burden on staff. With 11 hours they were pulling in student aides and community volunteers to cover the ends of the day with 2 staff per class. Now they have rotating shifts for the 5 full-day staff (one coordinator, 2 teachers and 2 aides). Staff come to work at staggered half-hours from 7 to 9:30 and leave 8 hours later.

### **Coordination with AFDC**

Scott feels there is a good working relationship with the county Human Services Department that is their welfare agency. They do not have regular meetings, but do schedule periodic meetings in order to let staff know about Head Start practices with regard to enrollment and eligibility, etc. and in order to discuss particular CPS cases with case workers.

### **Expansion**

The new work/welfare proposals will increase the demand for full-day care. Scott is working with a group of members of the Missoula day care community on day care issues. They are seeing an expansion in the supply of care in town and Scott believes that a number of good people are coming in. His worry is that the new jobs for work/welfare people will be in service occupations where the hours are not necessarily 9 to 5. And Missoula does not have much evening and weekend care (as well as not having infant care).

He would like to expand Head Start to help meet the need, but would have trouble doing that. His staff is now stretched thin; he does not see an obvious source for money; he does not have the space to expand. Two years ago they tried to consolidate their classrooms by moving into an old school. But they have met with great difficulties with local authorities because the school does not meet current codes for use with children. There was a grandfather clause in operation as long as it was an elementary school, saying it did not have to meet these codes. Now as Head Start, it must. The cost is about \$130,000 to install the necessary sprinkling system, fire escapes and fire doors. Only 2 classrooms in the building can now be used, so the children are currently in church basements that are only somewhat satisfactory. He could expand, in theory, but is having sufficient trouble with the present facility to be reluctant to think about working with yet another one.



## **FULL-DAY HEAD START, STATE-FUNDED CENTER CARE AND DAY CARE HOMES, "PARENT SELECT OPTION"**

### **Description of Program**

This grantee offers five Head Start options, 3 state-funded options, and provides extensive CCR&R services. Within Head Start, they offer two options which they call "part-day" for 283 children: one is home-based services; the other is center-based where children come to the center 4 hours a day, 5 days a week, 10 months a year. Another "part-day" possibility for 6 children is a Head Start home preschool where a teacher operates Head Start in her home for 4 hours a day, 5 days a week. The full-day options include one within regular Head Start (operating 12 months a year) for 320 children who come to the center for 10 to 12 hours a day, 5 days a week. The second is for Migrant children, operating from March to November, again for 10 to 12 hours a day, 5 days a week. All regular Head Start programs serve 3 to 5-year-olds; the Migrant program serves all ages of preschoolers.

The three state-funded programs include: the part-day center program listed above where an additional 240 state-funded children are comingled with Head Start children; a full-day program where children first attend Head Start/state preschool ½ day classes and then can stay for another 6 hours; and sponsorship of 20 family day care homes for 129 full-day children where agency staff get the homes licensed, provide training and insurance, and monitor them.

The resource and referral programs include:

- A contract with JTPA using a "parent select" option. A parent involved in a JTPA training program can choose the kind of care they want for their children -- in a licensed day care home, a preschool or with a relative. The agency then subcontracts with the provider for child care. If the proposed provider is a relative, that provider can only care for this one family's children in addition to her own, but she does not have to be licensed. This service is provided for about 80 children a year.
- A contract with the state under an "alternative payment" arrangement which works like the parent select option. Contracts are drawn up for care for about 100 children a year under this option.
- A contract for assisting the state in finding respite care for about 12 children, referred by a doctor, mental health, child abuse agency, etc. Each will be placed in a center or home for a short period of time.

Children in the state and CCR&R programs range in age from infants to 14-year-olds.

Tulare County tries to provide comprehensive services to all of the Head Start and state preschool children in their centers. Where they contract for services, only the required services are provided. Since the state does not fund comprehensive services, they sometimes do not get such services to all children. In their turn, parents do seem to become involved with the program. They live fairly close to the centers and do come to evening meetings; home visits are also conducted in the evenings at parent's convenience.

### **Families Served**

The top priority in the county for service is working parents. The agency does give priority to children recommended by CPS and to handicapped children, but then they, too, select children of working parents. The next criteria is then income, taking the poorest first.

### **Funding**

Other than the CCR&R, funding is from state preschool and Head Start. The California Department of Education and the Head Start Regional Office set an agreement for colocated programs where all monies would be prorated by the amount from each funding source. In the case of Tulare County, all line items are charged 54% to Head Start. The remaining 46% is split appropriately between the state preschool money for part-day services and the state general child care money for the extended hours of service.

Senaida believes that her salary (and that of the Director of Fiscal Operations and the Assistant Project Manager) are split across programs according to the time spent in each. I am not clear about whether this works out to the 54/46 split or not.

The agency does collect some parent fees, generally from families who have been with the program for years and are now slightly over income guidelines. This is a minimal money source.

The marginal costs for the full-day options include a second pair of classroom staff, since each class needs two people for opening and closing hours; an extra snack in the afternoon; increased salaries for the additional hours of the cooks and custodians; and increased utilities. The grantee provides no transportation. In general, the cost of the full-day program is about double that of the half-day, about \$4,000 instead of \$2,200.

## **Advantages and Disadvantages**

This potpourri of options means that there is something for everyone. Parents have a choice. In addition, they are known and recognized in the community for what they do, and were invited from the beginning to plan for the implementation of GAIN.

## **Coordination with Work/Welfare**

Agency staff have a productive ongoing relationship with welfare staff. When there is a referral to Head Start, they collect all information on the client. Head Start then reports back to welfare on progress. They have written agreements in place for dealing with CPS, welfare, etc. on such referrals and the feedback procedure.

Tulare County staff began to work last March on a committee to plan the implementation of GAIN. The committee had representatives from local colleges, training programs, programs for the developmentally disabled, and from child care agencies. They wrote the county's proposal. This advisory board now meets monthly to coordinate the implementation of GAIN. They have dealt with such issues as: (1) Where are most of the programs going to be located? Since the programs for training are at the welfare offices, the support services for clients should also be there. So, the child care staff will be located there, and they are recruiting providers near these offices. When the training programs are in schools, they would like to find child care space in the same buildings. (2) How will clients get to the programs? The county will provide transportation. (3) How will clients be matched with child care? Tulare staff will increase by 24 people and offer a "parent select" option where a parent will select the kind of care (and the provider, if they wish) and the staff will contract with the provider. They expect to serve an additional 4,900 children each year. (4) How will child care be monitored? The staff will include a large number of intake workers who will talk with each client, visit potential child care sites, train providers, and monitor homes.

The planning process has been lengthy and very profitable. Everyone concerned knows the time lines and what everyone else is doing. Senaida feels that it is critical to plan for work/welfare with the welfare department. One CA county did not, never got the children they were supposed to and ended up having to close a center. Also, it is important to plan for the impact of this new program on all of your offices and departments.

Her idea about her purpose is that it is to serve all of the children in the county with quality care. She is now looking at child care for fee-paying children. She would like to supply all families with care of the quality of Head Start, so uses that philosophy in all her endeavors.

## **Coordination with State Preschool**

The coordination with the Dept. of Education is on a less frequent basis. The state puts out RFPs; the agency applies. There are two meetings scheduled each year

where staff go to Sacramento to hear about any changes in the program. And the agency has a state representative whom they may call with any issues, just as in Head Start. And there is a state reporting system that requires some paperwork.

Senaida does have some concerns about the newer state programs. One is that the "parent select" option allows children to be in unlicensed care. However, there is a statement in the legislation that allows parents to ask that providers be checked out (fingerprinted, etc.) by the Sheriff's Department. Tulare County staff always check the home before placing a child there to insure that health and safety standards are met. Senaida says she takes the state's legislation and works through the problems until she is sure that reasonable child care is available to all children.

## FULL-DAY HEAD START

### Description of Program

The grantee offers child care to 1,153 Head Start children and 359 state preschool children, all 3- to 5-years-old. 20 Head Start children are in a full-day program 10 hours a day, 5 days a week; all of the remaining children are in part-day options running 3½ to 4 hours a day, 4 or 5 days a week. Until this year the grantee had full-day options for 120 children, but they have proved too expensive so 5 classrooms became part-day this year. All classes operate for 10 months a year. The full-day used to be 12 months, but attendance was so low during the summer that parents voted to close for 2 months. There appear to be other care options in the community during the summer; children often stay with siblings or are off visiting relatives. The services offered are the same for all children, though the full-day families differ in the kind of parent involvement realized. These parents just attend evening and weekend activities and do not volunteer in the classroom.

The agency also offers JTPA employment and training programs and coordinates child care needs for participants. That is, they try to link parents with care providers (either private or subsidized) , and JTPA pays for the care. This program generally serves about 50 parents a year.

For the GAIN program, beginning in September, 1988, SETA will have the job training part, but child care will be the responsibility of the county. The county has not involved any of the child care community in planning for the program, but will issue an RFP for whom will provide care. Since GAIN only requires participation of families with the youngest child aged 6 or above, the notion is that the requirements for care will mostly be before-school and after-school for elementary school-aged children. SETA may bid to create such programs in its school system delegates where the older children can be in Head Start classrooms after the end of the Head Start day.

SETA has not yet decided on how to cost out care. They may split administrative costs and space costs according to the percentage of dollars received from each source as is done with state preschool monies, or they may use percentage of space used by each group. GAIN has a lot of money for child care, more than Head Start. They will wait to see the RFP to decide what to do about bidding.

### Families Served

About 95% of the Head Start families are receiving AFDC; about 85% are single parents. "Single" simply means that they are unmarried; many have a mate of some kind, at least someone who is in the house with them some hours of the day. In the full-

day class, about 30% are working -- marginally employed -- and about 70% are in school or training.

Children are selected for Head Start based on these priorities: handicapping condition; referral from another social services agency; lowest income. To enter the full-day option, judgement is made on the basis of need for the extended hours of service. Older preschoolers, about to enter school are taken first.

## **Funding**

Head Start and state preschool funds are used for the child care program. All items in the budget are split according to the percentage of dollars coming from these two sources. This decision was arrived at through discussions involving the AFYF Regional Office and the California Department of Education. It would be difficult to use another formula because the number of Head Start and state preschool children in any given classroom changes over the year. When an opening appears, it may be filled by a child on either waiting list.

## **Coordination with AFDC/State Preschool**

There is no ongoing coordination of services between AFDC and SETA, though there is considerable coordination with state preschool. For example, there has been an intensive joint training for state preschool and Head Start staff at upper levels. This generated a network of people who now monitor state programs. Also, the state has an administrative review instrument like the SAVI. Staff have worked together to create a combined instrument. There are, of course, differences between the Head Start and state preschool programs. The income guidelines for state preschool are higher than Head Start's. State standards and services are not quite as high. The state is more concerned with the education and safety of children, not comprehensive services. So, not all instruments, etc. can be combined.

## **Comments on GAIN**

- (1) There are no standards set for child care; relatives are fine. GAIN will give money for care to the client. Clients must show receipts for care, but they can pay anyone.
- (2) There are insufficient slots available for children. The county GAIN staff seems to feel that everyone will go to work in a couple of months and child care will not be a problem. This is naive.
- (3) It would help if there were money for school systems or for Head Start to provide the care. This would help encourage people who have the space and understand child care to open their centers for care.

## FULL-DAY HEAD START

### Description of Program

Albina Ministerial Alliance operates full-day Head Start for 200 children. Centers are open from 7:00 am to 5:30 pm 5 days a week. The grantee serves parents who are working, in training or an education program, or are actively seeking employment. The Portland Public Schools also offer Head Start. All of their schedules are part-day. If a parent is working and asks the public schools about Head Start, the schools will refer the parent to A.M.A. And if a non-working parent approaches A.M.A., they will refer her to the Public Schools. Once slots are full in the full-day program, however, there is little opportunity for movement between the programs. A.M.A. has its own waiting list and fills slots first from this list.

A.M.A. as an agency (not under Ron) also operates a program called family day and night care. They identify potential family day care homes, help the homes register for USDA, give TA to providers, and operate a referral service connecting parents and providers. These services are paid for by local grants or foundations; new monies need to be found each year. There is little interaction between this service and Head Start as they tend to service somewhat different families.

Most of the Head Start families are receiving public assistance. About 60% are headed by single parents. Head Start serves 3- and 4-year-olds, about 50% in each age group. Children who begin at the age of 3 can remain in the program for 2 years. Children are accepted on a first-come, first-served basis, though children with handicapping conditions may be given priority. There is no distinction of children by age in terms of priorities for service.

Head Start used to operate for 12 months a year, but now operates only for 9 months. When financial increases from Head Start stopped a couple of years ago, the program was faced with reducing the number of children or the months of service and chose months of service. Now parents tend to find a friend or relative to care for their children during the summer months. Siblings of the Head Start children are also generally cared for at home or in the friend or relative's home.

Head Start services are the same for all children and meet the Performance Standards. Home visits are made at the parent's convenience; sometimes they become parent/teacher conferences at the center. There is one parent meeting per month. Attendance is high when they schedule a pot-luck dinner; it is about 25-35% otherwise.

Recently the school system conducted a follow-up study of Head Start children now in the third grade. They found that Ron's children scored at the mean for Portland

children. Since the school district is 75% white (Head Start children are more frequently black) and the Head Start children are in the worst schools (where mean scores are lower than average), this finding was surprising and rewarding.

There is pressure for increasing slots, and Ron feels the agency could handle more children. Finding the children would be the easiest part; his parents would tell their friends. Finding space would not be as easy. They used to be in churches, but had to pay for the space. Now they are frequently located in Housing Authority Community Centers which they can use if they promise that ½ of the slots will go to people living in the housing units. They also have one facility supplied by Public Parks and have recently been invited into a school. He thinks expansion could be through the schools since school staff should understand that Head Start is an investment in the students they will be receiving. The study has shown that children improve when they have Head Start; they don't need Special Education as often. So, having the school offer some space is having them invest in a better less costly future for their students.

## **Funding**

Only Head Start and USDA fund the program. Local grants and foundations fund the family day care piece operated by the agency.

## **Coordination with Other Agencies**

There is not really coordination between AFDC/WIN and A.M.A. There is some joint work with the Family Day and Night program, however. They have a contract to counsel pregnant teenagers. And there is an informal arrangement for Head Start to give priority to the children of these teenagers for full-day child care services.

Ron does not know the Title XX people and has not thought about offering that service. He thinks Oregon does use Title XX for child care.

## **Expansion**

Ron feels that Head Start is in a difficult position if it now wishes to support full-day care. "Head Start is trying to get rid of full-day slots." He has had pressure placed on him to reduce the hours of his program to 4 hours a day. With the mixed models of Head Start now offered, where there are an increased number of home visits, but children only come to the center perhaps two days a week, it is not possible to talk about child care. Head Start has "maneuvered itself off the field."

If we do want to offer more full-day care, some extra dollars could be directed toward it for programs who might expand. In his area, he thinks that 4-hour-a-day Head Start costs about \$2,300 per child and it costs him about \$3,000 per child to offer full-day services. Adding more dollars at this rate to Head Start may well allow many programs to increase their hours of service.



# HEAD START COST EXAMPLES

## AN EXAMPLE OF COSTS PER CHILD USING THE VARIOUS COST PRINCIPLES

In this exercise, we examine the effects of using each cost principle to separate costs for a grantee financed by Head Start and another source. For this exercise, we selected an actual operating Head Start program, the Community Action Committee of Danbury, Connecticut, which currently has only a part-day option, and expanded its services to full-day. Then we used different cost principles to determine the cost of full-day services for Head Start and the second funding source. We defined six different scenarios.

1. The basic Head Start program as currently financed.
2. Part-day Head Start (as currently operated) with 2 new full-day classes funded by another source. All services are separated; funding is separated.
3. Part-day Head Start (as currently operated) for all but two classes which are extended to full-day. The additional hours are paid for by another source.
4. Part-day Head Start (as currently operated) with two new full-day classes funded by another source (as in Scenario 2). Services for the new classes are upgraded to include comprehensive Head Start services, where the upgrade is financed by Head Start.
5. Begin with Scenario 2. Divide all costs across funding sources according to the **percentage of funding** from each source.
6. Begin with Scenario 2. Divide all costs across funding sources according to the **percentage of children** funded by each source.

### A. THE SAMPLE GRANTEE

Danbury, Connecticut was chosen for this exercise because it is an "average" Head Start grantee by several criteria. Its cost per child of \$2,096 is somewhat lower than but close to the average for Head Start of about \$2,400 per child. Its enrollment of 179 makes it a middle-sized grantee, though this number is somewhat lower than the mean enrollment (341) for the 1247 grantees in the Head Start Cost System. Its schedule of operation (3½ hours a day, 5 days a week, 9 months a year) is a fairly typical part-day Head Start program and allows for extension of the day to 10 hours since the staff and space are "available", at least in the sense that the grantee does not run double sessions.

It is important to note that the Head Start cost per child (\$2,096) is on a par with the average cost per child that Title XX authorizes in many states (\$8 per child per day or \$2,080 per year). While the costs look similar, the services paid for by these two sources are very different. The Danbury Head Start grantee supports many fewer hours for children in a classroom per year (606) than Title XX (2,600), but adds a selection of services for children and families not available in Title XX programs. Head Start offers children transportation to the program and health services and offers families social services and parent activities. In addition, there is a training budget in Head Start so that classroom staff can improve their skills and credentials. Title XX and Head Start's budget line items look very different. The total required federal funding just happens to be about the same.

## **B. THE COST SCENARIOS**

Exhibit 1 summarizes the program schedules and federal/state costs of extending the services of this grantee. It shows three columns of cost and service information. In the first, labeled "Head Start Cost", the numbers represent the enrollment which could be counted by Head Start, the federal Head Start funding, the calculated Head Start cost per child, the hours of service per day that are paid for by Head Start, and the days per year. The second column shows the same information about the second funding source. The third column shows totals for the grantee, pooling the funding sources, the total number of preschool children served, the total amount of money used to serve all children, and a cost per child calculated as total funding divided by total enrollment. In some scenarios (3 and 4), there is an additional line labeled "Total Cost/Full-Day Child." This cost is the sum of expenditures from Head Start and the second funding source, both of which are required to fund the services for full-day children. In other scenarios (5 and 6), separate line items for costs and enrollment are created for "unadjusted" and "adjusted" figures. The "unadjusted" describe the program before the cost principle is applied; "adjusted" figures describe the program using the named cost principle.

We have chosen to limit the presentation to a discussion of these federal and state costs, even though both Head Start and Title XX require additional local matching funds. We recognize that local matching funds are critical to the successful operation of the child care programs, but the scope of this paper is directed to the federal perspective.

### **1. Scenario 1: Current Operation of the Grantee**

The first scenario on Exhibit 1 presents the current operation of the grantee: it serves 179 Head Start children, receiving federal funding of \$375,164 (FY 87) for a cost per child of \$2,096. Its classrooms are open for children 3.5 hours a day, 5 days a week, 173 days a year. Children are distributed across nine classrooms, at an average class size of 19.9.

## 2. Scenario 2: Adding Two Full-Day Classrooms

The first way in which this grantee might serve work-welfare mothers is to open additional classrooms paid for by Title XX or work-welfare. In the second scenario we suppose that the grantee chooses to open two such classrooms. The major advantage of this is that 40 children could receive full-day care (10 hours a day, 5 days a week) for a full 12 months a year (260) days. The major disadvantage is that the families of these children would not be involved in Head Start and would not receive the comprehensive services of that program.

The amount of funding for the Title XX classrooms was taken as \$8 per child per day or \$2,080 per child, per year. This is the average amount quoted by grantees that receive Title XX funding for 4-year olds and are in the main sample for this study. Title XX funding varies across states and is somewhat higher for infants and toddlers, but we assumed that a grantee that works with older preschoolers would continue to do so with these new classrooms and that the use of the average cost for this age would provide good information.

To assess that the funding allotted would be sufficient to pay for services for two classrooms, we created a line-item budget. At the level of salaries and fringe benefits now paid by the grantee, this budget covered two teachers, four aides, an increase in the salary of the fiscal staff since they would be required to work 12 months instead of 9, and the necessary costs of space, food, supplies, and the audit. No transportation could be supplied to Title XX children during the summer months; the Director and Secretary, who were already employed 12 months a year could not receive any salary increases.

Thus, the Title XX or work-welfare payment for two classrooms does appear to be sufficient for this grantee -- if the assumption is correct that there is space available for two new classrooms. An additional 40 children can be cared for during the hours their mothers are involved in training, education programs or employment. The Head Start program would continue to operate as it has in the past. Head Start and Title XX costs would be separate, with the exception of the costs of the Director and Secretary where Head Start would continue to pay full salaries, though these individuals have responsibility for Title XX children as well as Head Start children. This scenario would be similar to the first group of grantees in the sample where Title XX and Head Start are operated as independent programs under the aegis of the same grantee.

## 3. Scenario 3: Extending the Head Start Day for Two Existing Classrooms

In the third scenario, all children served by the grantee are Head Start children for part of the day, but 40 children (2 groups) remain in their classrooms for an additional 6.5 hours a day as "work-welfare" children. This is the sort of arrangement negotiated in Wanaque, NJ. There are two principal advantages to this arrangement: all families remain a part of the Head Start program and so receive the full range of

services; and the cost per child of the extended hours may be less than that authorized for full-day care by Title XX or work-welfare.

We calculated that the added costs for extending hours of service would include the following line items for Danbury, Connecticut:

- extending the hours of work for the current teachers and aides from 32.5 and 30 (respectively) to 40 hours per week, and the months of employment from 9 to 12;
- adding an additional aide in each classroom;
- extending the work year of the bus driver and the operating cost for the bus;
- adding to the costs of space for the two extended year classrooms;
- adding classroom supplies; and
- increasing the months of employment (from 9 to 12) and therefore the salary of the fiscal officer and also the cost of the audit.

The work-welfare part of the budget costs out at \$1,430 per child, an amount lower than the full amount allotted by Title XX per child per day (\$2,080), because some staff and services are already paid for by Head Start and could continue to be. In particular, the Director and Secretary can remain as fully Head Start employees; they are currently employed for 12 months a year. One teacher and aide in each classroom can continue to be paid partially by Head Start. Space, transportation, food and supplies are probably ample for 9 months a year, but need to be supplemented for the summer months. Thus, in this scenario, work-welfare would pay less than what we might assume to be their daily rate to assure full-day services for 40 children. However, together the federal and state governments would subsidize each full-day child at a rate of \$3,526 per child, adding the total cost for Head Start and work-welfare for a full-day child.

Several problems may arise with this scenario. First, Head Start may not wish to absorb the same expenses it does now for its single-purpose part-day Head Start program. Head Start staff may feel that the salaries for teachers in a part-day program ensure that planning is sufficient, and that there is time for training, home visits, and recordkeeping. They may believe that increasing the teachers' hours with children is not appropriate. Budget analysts may figure that if the teachers are in "Head Start" classrooms for part of the day and "work-welfare" classrooms for part of the day, their salaries should be prorated accordingly.

Second, both Head Start and work-welfare will be counting the same 40 children as enrolled in their programs. People who are trying to estimate how much child care is funded by the federal government may be confused by this double counting. It may not seem appropriate, even though these children are receiving services paid for by both sources.

Third, federal staff may see a problem in this concentration of resources on one group of children. The federal and state budgets have limited child care resources. When work-welfare can support a child at a cost of \$2,080, why should it chose to pay \$3,526?

#### 4. Scenario 4: Providing Comprehensive Services to Two New Full-Day Classrooms

The fourth scenario involves an upgrade of Title XX/work-welfare services for the two classrooms of full-day children so that they, too, receive Head Start's comprehensive program. This is akin to the expansion of Head Start conducted in White Plains, NY and Schuylkill Haven, PA. The total number of children served by the grantee, 219, would now be counted as "Head Start" children, and 40 of them would still be Title XX or work-welfare children. The costs of the work-welfare child care hours would remain the same at \$2,080 per child, but the children would now receive supplementary services. At a cost to Head Start of \$325 per child, the following line items would change:

- the Head Start staff who coordinate health, social services, and parent involvement would extend services to all families. As these staff are full-time employees now, their salaries would not have to be increased, even though their responsibilities would;
- a half-time Family Aide would be hired to deal with social service needs;
- children would receive health screenings and medical/dental services as needed;
- parents would be involved in parent activities; and
- classroom staff would receive training.

Head Start would now fund the grantee for an increased amount of money, \$388,005 instead of \$375,164. But the cost per child for all Head Start children would now be lowered to \$1,772.

Some grantees and budget analysts may argue that the increased responsibilities of the administrative staff and coordinators mean that their salaries should be increased. For example, if they are employed for 35 hours a week in the current part-day program, the grantee may choose to raise their work hours to 40 per week to allow time for working with the Title XX/work-welfare families. If Head Start agreed, the additional cost per child for each Title XX child would be \$800 (rather than \$325), so that the total cost for comprehensive services to each of these 40 children would be \$2,880.

Whether one elects to add to the salaries of administrators and coordinators or not, there are three advantages of this option: the 40 work-welfare families would receive a comprehensive package of services to support their efforts to become more economically self-sufficient; Head Start would increase its enrollment by 40 families; and the overall average cost per child of the Head Start grantee would decrease.

This scenario appears at first to be a win-win situation. Families are receiving extensive services; Head Start and the other funding source are paying no more money per child than they would have in independent programs, and Head Start is able to pay less per child. But there are potential problems in this fourth scenario as there were in the third:

- 40 children are double counted;
- these 40 families are receiving total services costing \$2,405 (or \$2,880) per child when they could be served just by work-welfare dollars for \$2,080 or by Head Start dollars for \$2,096; and
- Head Start is able to count all children as "Head Start" enrollees, yet it only pays for ancillary services for 40 children, and one might argue it should split the costs for operating the classrooms.

A comparison of the third and fourth scenarios seems worthwhile because they each require the enhancement of one program with services of the other. In the third scenario, work-welfare "borrows" from Head Start and is required to pay less than its full daily rate for child care. In the fourth scenario, Head Start "borrows" from work-welfare.

In such a comparison, the third scenario is much more expensive on the basis of cost per full-day child than is the fourth (\$3,526 versus \$2,405). It might seem as though full-day children in the two scenarios are receiving equivalent services and that, therefore, the costs should be equivalent. However, a review of the line items which need to be added under each scenario demonstrates why upgrading Title XX is so much less expensive than upgrading Head Start. To upgrade a part-day Head Start program requires considerable money for staff salaries. The existing classroom teacher and aide must be hired for a longer work week and work year; a new aide must be hired for each classroom. The salaries of these six individuals constitute the majority of the cost of upgrading Head Start.

On the other hand, the costs of upgrading Title XX are mostly the costs of adding services such as health screenings, parent activities, and staff training. The only staff member to be hired is a half-time social services aide. These costs are simply much less than the costs of all of the classroom staff needed by a part-day Head Start program wanting to offer full-day services.

5. Scenario 5: Dividing Costs According to Percentage of Funding From Each Source

In the fifth and sixth scenarios, we have presumed that Head Start and Title XX are separate programs operated by the same grantee, each program offering its required services. The issue is to decide the cost principle to be used by the grantee to separate expenses to be billed to Head Start and the work-welfare or Title XX program. In the fifth scenario we divide costs across funding sources according to the funding levels supplied by each source. This is the method used in the state of California for all grantees receiving Head Start and state preschool dollars. Each line item in the budget is charged a certain percentage to each source. The percentage reflects the percent of funding from that source.

In the example grantee, using Head Start as it exists now and two additional Title XX/work-welfare classrooms, the total funding would be \$458,364. Head Start's budget

represents 80.8 percent of that funding, so each line item should be charged that amount to Head Start. In essence, this cost principle equalizes the cost per child for Head Start and Title XX and allows the number of slots charged to each program to vary. For the example, where the cost per child of Head Start and Title XX are very close, there are no changes in costs or number of slots for the two programs. This cost principle would simply make the fiscal officer's job simpler.

However, if the costs per child of Head Start and Title XX/ work-welfare did differ substantially, this cost principle would result in some "unfair" distributions of costs. Where Head Start's unadjusted cost per child is \$2,700 and work-welfare's is \$2,080, applying this cost principle means that adjustments are made in both the costs per child and the number of slots attributed to each program. As shown on Exhibit 1, Head Start's adjusted cost per child is lowered to \$2,584 and the work-welfare cost is raised to \$2,600. Head Start may count 187 children; work-welfare may only count 32. Head Start appears to reap advantages in that the new cost per child is lower than the old and more children seem to be served by the program. But the second funding source is at a disadvantage: this grantee has a much higher cost per child than is authorized and/or is serving fewer children.

On the other hand, if Head Start's unadjusted cost per child is lower than the other source's (for example, \$1,700 as opposed to \$2,080), this cost principle results in adjusted costs per child that make Head Start look more costly (\$1,769 instead of \$1,700) and look like it serves fewer children (172 instead of 179). The work-welfare dollars look "very wisely spent", as their cost per child is reduced (from \$2,080 to \$1,770) and they are shown as serving more children (47 instead of 40).

The application of this cost principle to each line item of a grantee's budget is mechanically simpler than trying to decipher just how much of each line item should be charged to each program. However, in addition to results that suggest varying costs per child and funded slots, this principle ignores the variations in services offered to different children. Presumably, in this scenario, Head Start children are offered part-day classes for part of the year and work-welfare children have full-day classes for the full year. Head Start families receive comprehensive services and work-welfare families are provided with child care. Applying one cost principle across all line items may well raise as many questions as it tries to resolve. Is everyone receiving the services they are due? Shouldn't the costs reflect this?

6. Scenario 6: Dividing Costs According to Percentage of Children Funded by Each Source

The final scenario uses a different cost principle: that costs should be divided according to the slots funded by each program. Since Head Start funds 179 slots or 81.7 percent of the grantee's slots, 81.7 percent of each line item should be charged to Head Start. As shown on Exhibit 1, this equalizes the costs per child of the two funding sources to \$2,093 and readjusts their required funding levels. Head Start will be asked

to pay slightly less in total, \$374,645 instead of \$375,164. Similarly, work-welfare will be asked to pay more, \$83,719 instead of \$83,200.

Though these adjustments in cost are slight, this principle can result in large adjustments, if the unadjusted costs per child for the two funding sources are very different from each other. If Head Start's cost per child is \$2,700, for example, the adjusted total funding from Head Start would decrease from \$483,300 to \$463,030, so that the adjusted cost per child becomes \$2,587. The adjusted funding level for work-welfare would increase from \$83,200 to \$103,470 and its cost per child from \$2,080 to \$2,587. Just the reverse sort of effect occurs if Head Start's cost per child is lower than work-welfare's.

In both scenarios five and six, where a single cost principle is used across all line items, the problems seem almost to overwhelm the benefits. Fiscal staff at the grantee can be pleased with the ease of their job; fiscal staff at the granting agency are similarly relieved of intricate divisions of individual line items across funding sources. But, there are still difficulties with the acceptability of the "bottom lines" for funding sources and with the clarity of match of costs and services:

- Head Start may not wish to see its adjusted total funding for a grantee increase over the unadjusted funding or to see its adjusted enrollment decrease from the unadjusted figure;
- Title XX or work-welfare staff may simply not allow total funding', cost per child or number of funded slots to deviate from the amount they have set as the cost for all grantees; and
- fiscal and program staff may want assurances that appropriate services are being supplied to children, as specified in their performance standards, when the budget does not reflect such differences.

## 7. Summary

These sample scenarios suggest that adding one program to an existing program can have significant advantages for children and families and lower the budget for the "new" program. This procedure, however, does not divide shared line items across the programs. The final scenarios suggest that cost principles are sometimes useful, but they, too, do not accurately represent the differences in costs of the two programs.

The most complicated option -- looking at each line item and dividing it across programs the way it is used -- is the one that should result in the most accurate rendering of costs to funding sources. However, to follow this procedure, grantees would have to do time studies of staff whose responsibilities cross programs, studies of space usage over time, of the use of utilities by the different groups and so on. This is no small matter in terms of the requirements for their time and for the cost. Now, each Head Start grantee which receives funding from other agencies is treated by its



Regional Office as a unique situation. While this action results in very different kinds of approved budgets, it does work to recognize the differences in programs across grantees. Modifications to current practice need to mesh the practical realities of line item division of budgets with the need for accurate information on costs.

<b>EXHIBIT 1: The Costs of Full-Day Care Using Different Cost Principles</b>			
	<b>Head Start Cost</b>	<b>Other's Cost</b>	<b>Total</b>
<b>1. THE BASIC HEAD START PROGRAM:</b>			
Number of Children	179		179
Federal/State Funding	\$375,164		\$375,164
Average Cost/Child	2,096		2,096
Hours/Day	3.5		
Days/Year	173		
<b>2. ADDING A TITLE XX/STATE-FUNDED PROGRAM:</b>			
Number of Children	179	40	219
Federal/State Funding	\$375,164	\$83,200	\$458,364
Average Cost/Child	2,096	2,080	2,093
Hours/Day	3.5		
Days/Year	173		
<b>3. EXTENDING THE HEAD START DAY FOR 40 CHILDREN:</b>			
Number of Children	179	40	179
Federal/State Funding	\$375,164	\$57,208	\$432,372
Average Cost/Child	2,096	1,430	2,415
Total Cost/Full-Day Child			3,526
<b>4. UPGRADING TITLE XX/STATE SERVICES TO BE HEAD START:</b>			
Number of Children	219	40	219
Federal/State Funding	\$388,005	\$83,200	\$471,205
Average Cost/Child	1,772	2,080	2,152
Total Cost/Full-Day Child			2,405
<b>5. COSTS FOR SERVICES ARE DIVIDED ACROSS SOURCES ACCORDING TO FUNDING LEVELS:</b>			
Unadjusted Number Children	179	40	219
Adjusted Number Children	179	40	219
Federal/State Funding	\$375,164	\$83,200	\$458,364
Average Cost/Child	2,096	2,080	2,093
<b>HEAD START COST PER CHILD OF \$2,700:</b>			
Unadjusted Number Children	179	40	219
Adjusted Number Children	187	32	219
Federal/State Funding	\$483,300	\$83,200	\$566,500
Unadjusted Cost/Child	2,700	2,080	2,587
Adjusted Cost/Child	2,584	2,600	2,587
<b>HEAD START COST PER CHILD OF \$1,700:</b>			
Unadjusted Number Children	179	40	219
Adjusted Number Children	172	47	219
Federal/State Funding	\$304,300	\$83,200	\$387,500
Unadjusted Cost/Child	1,700	2,080	1,769
Adjusted Cost/Child	1,769	1,770	1,769
<b>6. COSTS FOR SERVICES ARE DIVIDED ACROSS SOURCES ACCORDING TO FUNDED SLOTS:</b>			
Number Children	179	40	219
Unadjusted Funding	\$375,164	\$83,200	\$458,364
Adjusted Funding	374,645	83,719	458,364
Cost/Child	2,093	2,093	2,093

<b>EXHIBIT 1 (continued)</b>			
	<b>Head Start Cost</b>	<b>Other's Cost</b>	<b>Total</b>
<b>HEAD START COST PER CHILD OF \$2,700:</b>			
Number Children	179	40	219
Unadjusted Funding	\$483,300	\$83,200	\$566,500
Adjusted Funding	463,030	103,470	566,500
Unadjusted Cost/Child	2,700	2,080	2,587
Adjusted Cost/Child	2,587	2,587	2,587
<b>HEAD START COST PER CHILD OF \$1,700:</b>			
Number Children	179	40	219
Unadjusted Funding	\$304,300	\$83,200	\$387,500
Adjusted Funding	316,588	70,912	387,500
Unadjusted Cost/Child	1,700	2,080	1,769
Adjusted Cost/Child	1,769	1,773	1,769