

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILD DEVELOPMENT
NORTH CAROLINA CHILD CARE COMMISSION
2007-08 FOURTH QUARTER MEETING MINUTES

September 11, 2008

Division of Child Development
319 Chapanoke Road, Suite 120
Raleigh, NC
Conference Room 300

Commission Members Present

Margaret Anne Biddle	Lorrie Looper	Deanne Smith
Magdalena Cruz	Lynn Policastro	Lois Stephenson
Penny Davis	Donna Rascoe	Claire Tate
Connie Harland	Mary Roberts	
Linda LaRue	Mary-Cassie Shaw	

Commission Members with an Excused Absence

Vickie Ansley

Division of Child Development (DCD) Staff Present

Janice Fain, Administration Section	Alexi Gruber, Division Attorney
Heather Laffler, Director's Office	Dedra Alston, Director's Office, APA Coordinator
Anna Carter, Regulatory Services Section	June Locklear, Regulatory Services Section
Lorie Pugh, Regulatory Services Section	Ron Byrd, Subsidy Services Section
Melynda Swindells, Child Care Workforce Standards Section	
Mary Lee Porterfield, Child Care Workforce Standards Section	
Tammy Barnes, Licensing Enforcement	
Nicole Wilson, Commission Administrative Support & Transcriber	

CALL TO ORDER

Chairperson Donna Rascoe issued a general welcome and called the first quarter NC Child Care Commission meeting to order at 9:12 a.m. Members of the audience wishing to address the Commission were asked to sign-up for public comment and, if interested, for the Commission mailing list. Chairperson Rascoe reminded members to complete the appropriate motion form when making motions. Ms. Rascoe asked if any members have any known conflicts of interest concerning today's agenda items. None were mentioned. Dedra Alston called the roll. Vickie Ansley, who was absent from this meeting, requested and received an excused absence. Deanne Smith and Connie Harland, both parent members, and Lorie Looper, a for-profit provider, were all introduced as new Commission members.

APPROVAL OF MEETING MINUTES – April 24th, 2008 draft minutes were reviewed by members. There were no comments or revisions.

Commission Action: *Mary Roberts moved that the meeting minutes be approved as presented. Lois Stephenson seconded. There being no further discussion, Chairperson Rascoe called for a vote. The motion carried unanimously.*

DIVISION DIRECTOR'S REPORT – HEATHER LAFFLER

Heather Laffler presented the quarterly Director's report on Cyndie Bennett's behalf, as Ms. Bennett was unable to attend today's meeting. Ms. Laffler shared DCD's welcome to the new members and offered them an opportunity to introduce themselves.

Budget and Legislative Update: As a result of the most recently completed legislative session, 4.9 million dollars was provided to help remove children from the child care waiting list. In addition, 4.1 million dollars was provided to replace previously non-recurring funds and support existing service levels. Each of those was provided out of federal TANF Block Grant funds. DCD received funding for three Criminal Record Check positions. One of these positions is dedicated to child care checks (TANF funded non-licensed centers) and two are for other DHHS programs. All of the DHHS record checks are completed here in DCD through the centralized DHHS CRC unit. The regulatory section added a program assistant position to support center pre-licensing workshops, a project that recently returned to the Division from a contractor.

In regards to partner agencies, Smart Start received \$500,000 and was given the authority to retain unspent state funds at the end of each fiscal year. T.E.A.C.H. received \$100,000 in recurring state funds. The More At Four Pre-Kindergarten program received \$30 million dollars. Also, this program was asked to provide a yearly review. The More At Four program is required to report by January 31st of each year to the Legislative Oversight Committee on Education. Deanne Smith asked if the program had not been reporting in the past, and Ms. Laffler said that the program has, but this will formalize their reporting process.

Subsidy Services Update: Counties have received official notifications of their subsidy funding allocations for the 08-09 SFY in conjunction with the legislature's approval of the State budget. That information was sent to local DSS offices and purchasing agencies and can also be found on the DCD website. In addition, field based and Raleigh subsidy staff is working with county and purchasing agency staff on their strategic fiscal management plans. It is crucial that counties do not over or under spend their allocations so that funds may be distributed most effectively.

Eight counties have been identified and have been asked to pilot a new more in-depth allocation management program. Ms. Rascoe asked about how the counties were picked. Ron Byrd, Subsidy Section Chief, shared that all counties were offered a chance to volunteer. DCD selected two counties for each region, including rural and urban counties. Counties are included who are doing well at spending as well as those that have more difficulty. The fiscal management plan this year, more than counties have had to do in the past, started with formal training, and counties have responded well so far. The pilot project will allow counties to go back and review spending over the last three years and gives very specific details about each of the spending categories. This background helps develop a projection tool so that counties can better plan for the future. Claire Tate asked if there were issues with some counties not having adequate technology to do this well, and if so, is there funding to help correct this. Mr. Byrd shared that for the most part, DCD offers technical assistance at whatever technological level the county can participate, but it is the county's responsibility to fund administrative equipment.

Ms. Laffler shared that as of August, 36,046 children were waiting for child care services. This number is nearing our all-time high number from about two years ago, of around 39,000. Ms. Rascoe asked about the drastic change in Work First reporting on the most recent statistical report. Ms. Laffler shared that Division staff would research this difference on the statistical report and would get back with the Commission later during the meeting.

The 2008-2009 child care market rate survey is about to be sent to providers. DCD and its contractor are hoping to send the survey out to all licensed providers during October, and hope to have responses back and completed by early 2009. DCD will contract with NCSU – the Center for Urban Affairs and Community Services (CUACS). The contractor was able to get 98% of the facilities to respond the last time the survey

was completed, and the hope is that every provider will fill this out and respond this year. Ms. Laffler shared a little about what is on the survey. This year's survey will ask for some more detailed information, including information to help More At Four with establishing a tiered rate system, and information regarding care for children with special needs.

Regulatory Services Update: Ms. Laffler reported that the license transition has for the most part been completed. In regards to centers, 80% maintained or increased their star rating through the transition from a three to a two-component license. With family child care homes (FCCH), 58% maintained or increased their star rating. In many cases, homes that decreased in stars were homes that went from a 3 star to a 2 star license because they chose not to have environment rating scale assessments completed. In several counties, resource and referral and other agencies are working with FCCHs and centers to increase their stars and increase quality. Some of these agencies even have enhancement grants and community college staff to help with professional development and early childhood coursework. As of this month, there were less than 75 programs that still have three-component licenses. Most of these are involved in an administrative action process or are waiting on environment rating scales. The pre-licensing workshops are going well. The training content is the same, but is now provided by DCD staff instead of through a contractor. Commission members have been provided today with a current workshop schedule.

The methodology for calculating compliance history is being analyzed by the DHHS Division of Information Resource Management (DIRM). DIRM is providing a prototype method to see if it is something we can use and provides appropriate information. Ms. Rascoe asked if the issue was a math problem, and Ms. Laffler shared that it is, in fact, a statistical math concern that is the major problem.

The preschool curriculum review process has been completed and the group has forwarded their suggested selections to the State Board of Education for their approval, also (for More At Four classes). 36 curricula were submitted for approval. Following the State Board of Education meeting, letters will be mailed to publishers to identify the outcome of the review. The same information will be disseminated to DCD field staff, partners and on our website. More At Four will begin requiring the use of the approved curriculum with the 2009-10 school year. DCD will begin recognizing facilities' use of these curricula for their possible quality point immediately. Ms. Tate shared that the review and selection of curricula for school age care will be looked at differently at a later meeting of the School Age Care committee.

Child Care Workforce Standards Update: Ms. Laffler provided 2007-08 year end statistics. Almost 41,000 background checks were completed for child care workers; 30,000 were initial or subsequent (worked less than 1 year in a program, then moved to a new program) checks. 10,642 checks were three-year rechecks for previously reviewed applicants. From January 1st through July 1, 2008, the unit has already processed 12,000 rechecks. The average turn around time for a criminal record check is one week for fingerprints and 1 day for 3-year rechecks. In our workforce education evaluation unit, 23,500 staff evaluations were processed. The unit revised and uploaded a systems link with Regulatory to share real-time data on evaluations with providers and field staff.

Others Issues of Note:

On June 27th, Child Care Services Association and the NC Institute for Early Childhood Professional Development recognized the educational achievements of 5 centers and 3 homes with the 2008 Child Care Professional Development Awards. Cyndie Bennett and Kathy Shepherd presented awards to these winners. 50 teachers in 8 programs were recognized.

Ms. Laffler shared that the Division will be holding its 2008 Full Staff Meeting on September 22-23 at the North Raleigh Hilton. Commission members are welcome to attend.

Infant-Toddler Foundations, the North Carolina early learning guidelines document for infants and toddlers, is on its way to the printer, and Commission members will each receive a copy. Training for trainers on the guidelines will begin in October.

DCD received two grants this summer to help with serving children in the area of social emotional development as well as providers working with children with special needs. One is through The Center for Social Emotional Foundation for Early Learning (CSEFEL) through Vanderbilt University and the other is from the National Professional Development Center on Inclusion (NPDCI). DCD expects that both of these projects will help provide increased access and inclusion in quality child care for all children.

Ms. Lois Stephenson asked about workforce and transcript evaluations. She has received concerns about the length of time it takes to get submitted evaluations returned to providers and facilities, and providers are becoming distressed about this time table. The evaluation delay often causes a financial impact, and Ms. Stephenson asked if a solution to this problem is coming? Kathy Shepherd, the Child Care Workforce Standards Section Chief, shared that yes, the education assessment unit is behind in its return of assessments. Ms. Shepherd said that if you consider the more than 50,000 individuals statewide working with children, including those preparing to join the industry, who are constantly having their transcripts and education levels evaluated, you will understand the overwhelming work for the education evaluation unit staff. Ms. Shepherd said that the preferred way for provider qualifications to be assessed is for an individual to send in updated education information to the education assessment unit in the Workforce Standards Section and be assessed whenever coursework is increased. Another way that evaluations are completed is that Regulatory field consultants submit information related to child care staff at licensing visits. There are daily reassessments taking place in the education evaluation unit about prioritizing evaluations. The unit's goal is a four to six week turnaround for assessments. However, there is an approximately four month backlog in some components of the assessment process right now, intensified because of the transition process for all facilities to the two component license. Prior to the license transition, there has been a much smaller backlog since April of 2005. Ms. Shepherd offered that if Commission members hear of a particular program that is in distress, to please let us know so that we can prioritize that facility's evaluation(s). Ms. Stephenson feels that requests for evaluation are only going to increase, as providers continue to increase their education, so what does the Workforce section need to meet this growing demand? Ms. Shepherd shared that the section would need for the electronic link between the Workforce and Regulatory databases to be fully operational thru DIRM, and that we need the queue (of individual evaluations submitted and waiting) to be resolved. Also, we simply need more staff focused on the assessment process only. Currently, the Division has three evaluators, six support staff and three temporary employees, plus the supervisors and manager of the unit. The unit has a goal of being closer to the four to six week routine turnaround time by January 2009. One way the Commission can help is offering their support of our expansion budget items if they are approved by the Department, and that may help us get funding for the positions we need. Ms. Linda LaRue asked about the rate of staff turnover in child care facilities. Statewide, the aggregate turnover of staff is 24%.

Claire Tate asked about a report recently released by the National Association of Child Care Resource and Referral Agencies (NACCRRA) called "We Can Do Better," which was a review of all the states' child care regulatory policies. In that, NC was listed as 22nd of the 50 states plus the Department of Defense, who was number 1. Since NC is often considered a model, Ms. Tate was concerned about why NC is 22nd. DCD is concerned about the methodology that NACCRRA used to come up with this list. The basic minimum requirements for child care programs do put NC at 22nd, but the majority of our programs (over 70% of children) are in higher than one star quality care. DCD has expressed our concern that this data is not accurately displayed, but as of yet, NACCRRA has not been willing to change their methodology. Ms. Tate noted that in the "oversight" section, NC ranks 6th. Anna Carter also noted that some states may have higher standards, but their regulatory systems do not ensure that providers are actually meeting those higher standards, due to limited enforcement.

Break from 10:41 a.m. until 10:47 a.m.

Presentation

Margaret Mobley from Child Care Resources, Inc. provided information on the CSEFEL grant and the work of this group to promote healthy social emotional development training for child care providers.

PUBLIC COMMENT

Chairperson Rascoe called the meeting into a time of public comment.

Mr. LaVaughn Nesmith spoke on behalf of the North Carolina Association of County Departments of Social Services (NCACDSS). Mr. Nesmith is the DSS Director for New Hanover County, and came to share goals that the Association has for this year. Currently, 7% of children receiving child care subsidies do not have established paternity, and the Association would like to have counties pursue child support for these children when they come seeking child care subsidy services. NCACDSS also desires to work with DCD Subsidy staff on the child care fraud work group. There are policy requirements for counties to complete quarterly reviews of client eligibility, but some counties are not completing these. Appropriate reviews help ensure that families being served are truly the most needy. New Hanover County is doing this review monthly. The third thing the Association would like to do is ask that the state take over direct payment to providers. NCACDSS believes that the administrative funding costs that counties receive is not enough, and direct payment through DCD would help with overpayment issues and reduce administrative costs.

Ms. Debra Townsend, a for-profit 5-star center owner in Robeson County shared some concerns she has about the DCD website. She shared that numerous providers in her area have concerns about the DCD facility information/search section. Ms. Townsend shared that because complaints may be made by parents, competitors, etc., she believes that keeping unsubstantiated complaints on the webpage for the center is not fair. She asked that DCD at least provide information on how a decision is made to help parents and customers understand the meaning of unsubstantiation. Ms. Townsend shared that some customers believe that "unsubstantiated" just means that the investigators could not find any way to prove the allegation, but that it may have happened. Ms. Townsend offered suggestions for the Commission, based on other states' websites listing similar information about child care programs. Chairperson Rascoe asked that the Commission outreach committee discuss this issue at a future meeting.

Mr. Edward Patterson from Lee County came to speak on behalf of his wife, a provider at New Beginnings Child Care. Currently the educational requirements for 2nd and 3rd shift providers as well as weekends are the same as 1st shift care, and the Pattersons believe these requirements should be less. Mr. Patterson shared that the Lee County licensing consultant has been complained against many times and the supervisor has been notified as well. To his knowledge, no action is being taken. Because he feels that Lee County providers have not been adequately served in these issues, he would like to know if there is an advocacy group who can help them. Ms. Rascoe shared that the Commission's role is rulemaking, and that it does not have authority over issues like child care subsidy and Division staff. Ms. Rascoe encouraged Mr. Patterson to continue working through the consultant's supervisor.

Roz Savitt, lobbyist for the NC Child Care Coalition, came to share information about the legislative session. Ms. Savitt commented on the \$100,000 appropriated for T.E.A.C.H., which will help this program. Regarding Smart Start, Ms. Savitt explained that every Partnership is working well with their funds. Currently, no other non-profit agency which receives state funds is required to revert their unexpended funds at the end of each year. Ms. Savitt also shared about More At Four and their special provision assignment to come up with differentiated rates and research market rates around the state. The legislative

oversight committee on children and youth commission met yesterday. They have scheduled two public hearings to allow citizens to speak related to issues for children and families. These hearings are September 24th at Vance Granville Community College and October 2nd, with the location to be announced.

Vernon Mason from Wilson County spoke on behalf of the for-profit centers he owns and his concerns related to staff education evaluation. Mr. Mason stated that one of his facilities has struggled with education achievement and has suffered financial loss because they cannot earn a 3-star license and receive that reimbursement level. A lead teacher at one of his sites has been disqualified to work because she was convicted of a DUI. When he got the letter in the mail, it said to release her immediately. He has issues with how fast a center can get in trouble, yet when they are trying to get help or evaluations; it takes months to a year. He does not feel that the Division is helping, but only hindering him.

Ms. Linda Piper, Director of the North Carolina Licensed Child Care Providers' Association, spoke related to the Association's focus on private child care providers and role as a liaison in the field. Since 2005, the Association has seen tremendous growth. Ms. Piper believes that there is an information vacuum between the Division and providers, but over the last couple of years, the line of communication has opened up very well. At the Association's conference in October, Anna Carter and Donna Roscoe are coming to speak, and Karen Ferguson and Jeanne Barnes are coming to share about education evaluation. Lia Rucker will be coming to talk about the scales.

Concerning DCD's website and the comments that Debra Townsend shared, that is an issue LCCPA brought to DCD also. The LCCPA recommendation has been that the complaint type be changed to something like "other" so there is still evidence of a visit, but it takes the word "complaint" out of the picture. Also, concerning the process for giving feedback on licensing consultants, there is a process in Georgia where a facility can complete an evaluation after a licensing consultant visit. The Association is considering this through its website. Ms. Piper said that the State of Virginia has created an area for public comment period on their website when they are evaluating rules so that providers have an opportunity to give feedback on regulatory issues. Concerning transcript delays, Ms. Piper stated her belief that education assessments should be applied retroactively so there is no financial burden on a center.

Brenda Patterson, the owner of New Beginnings Daycare in Lee County came forward to speak; her husband came forward already. Ms. Patterson hired a director for her center while she was in school to increase her own education, however, after 5 years, that director was disqualified because of issues related to subsidy attendance sheets. Now, this person's name is on her license as not being allowed to be present at the facility, but they need to be there because they have a child at the center.

Break for lunch at 12:13 p.m. , reconvened at 1:27 p.m.

COMMITTEE REPORTS – Claire Tate shared an update on the School Age Care Committee. Ms. Tate said that the Commission does not usually have written reports from committees, but as it may be of benefit, she and Laura Hewitt are going to be providing those from the SAC Committee. Currently, the committee is evaluating the rules for school age care. Also, the committee has moved their November meeting from the afternoon of the 12th to the morning of the 14th from 9-11 a.m. Mary Lee Porterfield reported to the committee on the school age care specialists and their work with BSAC training to bring it up to date. Ms. Tate asked if there was a time for public comment on the BSAC revisions, and Mary Lee shared that Regulatory staff is working with the specialists to validate all changes. Lori Jones, the statewide SAC project SAC manager's contact information will be passed along to the Commission to receive any additional comments. One of the things that will be discussed at November's SAC meeting is research done by Harvard University on SAC environments. Ms. Tate shared the plan of action the committee will undertake in reviewing the rules about school age care. The committee will be looking at what should the basic requirements for quality school age care be, and what would need to be revised.

The consumer outreach committee also met this morning, and reviewed information Dedra Alston provided about a possible radio public announcement. Lois Stephenson asked about the website and asked if the web info could be changed to reflect an 18 month compliance history instead of 3 years to mirror licensing requirements. Ms. Stephenson believes this listing should be consistent.

Claire Tate asked about having all Commission documents on the DCD website, and staff responded that work continues related to this issue.

RULEMAKING ACTIONS – Dedra Alston

No rulemaking actions at this time.

NEW BUSINESS:

The Commission discussed the meeting schedule through the 2008-2009 appointment year. The third quarter meeting will be held on February 12th, 2009 and the fourth quarter meeting will be held on April 23rd, 2009.

*Commission Action: Claire Tate moved to adjourn the meeting. Deanne Smith seconded.
There being no further discussion, Chairperson Rascoe called for a vote.
The motion carried.*

<i>There being no further business, the meeting adjourned at 1:55 p.m.</i>
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Adjournment of the official meeting was followed by an optional information and orientation session open to new and existing Commission members and members of the public.

**The next quarterly meeting of the North Carolina Child Care Commission is
scheduled for Thursday, November 13, 2008**