

*DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILD DEVELOPMENT
NORTH CAROLINA CHILD CARE COMMISSION
2009-10 FIRST QUARTER MEETING MINUTES
September 10, 2009
Division of Child Development
319 Chapanoke Road, Suite 120
Raleigh, NC
Conference Room 300*

Commission Members Present

Vickie Ansley	Julia Baker Jones	Lois Stephenson
Magdalena Cruz	Lorrie Looper	Jennifer Svenstrup
Angela Boyce Davis	Laurie Morin	Claire Tate
Penny Davis	Lynn Policastro	
Connie Harland	Deanne Smith	

Commission Members with an Excused Absence

Margaret Anne Biddle
Dr. Mary-Cassie Shaw

Division of Child Development (DCD) Staff Present

June Locklear, Regulatory Services	Melissa Stevenson, Regulatory Services
Kathy Shepherd, Workforce Standards	Mary Staak, Director's Office
Ron Byrd, Subsidy Services	Heather Laffler, Director's Office
Laura Hewitt, Regulatory Services	Tammy Barnes, Director's Office
Anna Carter, Regulatory Services	Kimberly Mallady, Director's Office
Mary Lee Porterfield, Workforces Standards	Dedra Alston, Director's Office
Nicole Wilson, Director's Office	

CALL TO ORDER

Vice-Chairperson Deanne Smith issued a general welcome and called the NC Child Care Commission meeting to order at 9:00 a.m. Members of the audience wishing to address the Commission were asked to sign-up for public comment and, if interested, on the Commission mailing list at the back table. Vice-Chairperson Smith also reminded members to complete the appropriate motion form when making motions. Ms. Smith asked if any members had known conflicts of interest concerning today's agenda items, and none were mentioned. Nicole Wilson called the roll. The Commission members who were absent from this meeting all requested and received excused absences. Linda LaRue's last meeting was in June. She will be receiving a certificate of appreciation for her time in the Commission. Each of the four new members were introduced.

Ms. Smith reminded the audience that there is time for public comment at 11:00 a.m., so those wishing to address the Commission should sign up at the back of the room. Ms. Smith reviewed the member notebooks and the handouts that were provided to the Commission members.

Ms. Smith directed the group to discuss the selection of a new Chairperson. It was suggested by members of the Commission that Claire Tate would be an appropriate choice.

Commission Action: Magdalena Cruz nominated Claire Tate for the position of Chairperson. Lorrie Looper seconded. There being no further discussion, Vice Chairperson Smith called for a vote. The motion carried unanimously.

Chairperson Tate directed the members of the Commission to the materials for today's meeting found in their notebook. Heather Laffler explained that some adjustments would need to be made in the agenda schedule due to a conflict with the Director's schedule. The members were informed that a more official orientation will take place along with the November quarterly meeting. Ms. Laffler reminded the members of their responsibility to complete and stay up to date with the State Board of Ethics regarding economic interest and conflict of interest forms. All of this correspondence is handled directly between the SBoE and members of the commission. Dedra Alston with the Division is the ethics liaison for the Commission, so she may be contacted with questions or when you have concerns.

Chairperson Tate asked the Commission members to discuss the meeting date selection for the third and fourth quarter full Commission meetings. After a brief discussion, the third quarter meeting will be scheduled for Thursday, February 4th and the fourth quarter meeting will be scheduled for April 29th. Ms. Tate reminded the group about the work of each of the three committees of the Commission and that while it is not a requirement, it is encouraged that each member of the Commission be a member of at least one of the committees. Ms. Smith shared that it's difficult for her to participate in the meetings over two days because of her job and the time it takes to travel. Connie Harland expressed the same concern, even though she lives in the area. Ms. Tate asked if it would be possible for the full quarterly meeting to be shorter and the committee meetings be held on the same day. Ms. Cruz suggested that the two main committees meet from 7:30-9:30 and that the quarterly meetings meet starting at 10 a.m. in order to keep things all in the same day. Lois Stephenson explained the importance for involving providers and giving them the opportunity for input during the committee meetings.

Additional discussion and suggestions of scheduling took place. Ms. Laffler reminded that there is a requirement to give seven days public notice of any meeting changes. Julia Baker Jones asked the group to discuss the difficulties with holding the two committee meetings from 7:30-9:30 a.m., 9:30-11:30 a.m. before having lunch then moving into an afternoon full quarterly meeting. Ms. Laffler shared that there have been Rules Committee meetings held via conference call and the conversation can be hindered by participants not being able to hear well or participate effectively because of technology barriers. Ms. Tate asked that Division staff consider the discussion and bring a recommendation to have the Rules Committee meeting from 8-9:30 and the quarterly meeting begin at 10 a.m. The School-Age Committee would still meet the afternoon before from 4-6 p.m. There would be no Public Outreach Committee meeting unless via telephone call. Lorrie Looper asked for each of the members to express their interest in the three committees. Ms. Jones asked for a brief explanation of what the Public Outreach Committee does in its work. Ms. Laffler shared a short explanation of the work. Ms. Tate shared the idea that there be no Public Outreach meeting in November, but that each member would research their own communities and see what kind of information is available and where there are needs. Jim Wellons expressed that outreach is primarily the work of the Division, and this Commission has no budget or any authority to spend the Division's money. Any work that takes place is simply in recommending work to the Division.

Ms. Ansley suggested that the attendance for the April 23rd meeting be checked and that the minutes be adjusted to reflect her attendance.

APPROVAL OF MEETING MINUTES – June 23, 2009 draft minutes were reviewed by members with no comments or revisions.

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

DIVISION DIRECTOR'S REPORT – DEB CASSIDY

Dr. Cassidy welcomed each of the new members and thanked them for their participation on the Commission. She expressed congratulations to Claire Tate on her election as the new chairperson and Deanne Smith's election as the Vice Chair. Regarding the budget, Dr. Cassidy shared that DHHS took a 29% (1.6 Billion dollars) cut in our budget for this year and next year, a 25% (1.5 billion dollar) cut. The cuts to DCD's budget were primarily in Subsidy, taking a cut by 15 million, which has temporarily been offset by federal ARRA money. DCD did receive \$67.5 million and \$54 million of that will go to Subsidy. This money will allow us to deal with our waiting list. Right now, we have about 35,000 children on the waiting list and it is planned that we will be able to move 7,000-9,000 children off of the waiting list and into quality care. We are seeing an increase in the waiting list because families are becoming aware of the additional aid that will be available, so applications for subsidy are on the rise. Last month alone, the waiting list total went from around 29,000 to approximately 35,000 children when the news of the federal recovery dollars was released. \$11.5 million of the ARRA dollars from the Feds are to be used for quality initiatives. Staff have been working hard on the best use of those dollars. We have received some help from the legislature on how to spend this money. The T.E.A.C.H. program was moved from state dollars and placed in our budget, using our CCDF Federal dollars. This is something we will have to worry with in the future because of the continual reduction in funding. Centers have had an increase in licensure fees by 50% and there is a newly implemented fee for FCCH's. They will pay the same rate as small centers, which is \$52. Regarding partnership agencies, there is a recurring reduction for Smart Start of \$16 million. Regarding More At Four, they received a \$5 million dollar cut. Another piece of legislation that passed was the creation of the Consolidation Task Force, who will look at early childhood services and how they can be most efficiently delivered across the state. All of the members of this group have not been appointed yet, although we do know there will be 9 members. The duties as prescribed in special provision is to plan an efficient system of early care. By January 15th, the Division will need to have a transition plan in place and it is our hope that this team will consider continuity and consistency of quality care. Dr. Cassidy pointed out some specifics on the ambitious goals of this task force. DCD is not named specifically in the special provision language, but the task force will consider these agencies :

- a. The North Carolina Partnership for Children, Inc.
- b. The More at Four program.
- c. Title I Prekindergarten programs.
- d. Preschool Exceptional Children.
- e. Early Intervention programs.
- f. Head Start Collaboration.
- g. Child Care Regulatory and Subsidy.
- h. Licensing and Regulatory Functions.
- i. Workforce Professional Development and Recognition.
- j. Quality Initiatives.

DCD is, however, labeled by function, instead of by the title of our agency. Some of the ad hoc committee member names have been released, and DHHS is represented by our secretary, Lanier Cansler. DCD does not currently have direct representation. Ms. Tate asked how the Division might obtain representation. Stephanie Fanjul is a voting member as well as John Pruet and Dr. Olsen Huff. A few of the non-voting ad hoc members are Linda Piper, Khari Garvin, and Lanier Cansler.

Dr. Cassidy shared briefly about some of the laws that passed during this year's legislative session that were of specific interest to the Division:

- HB 1315 which amended the NC SIDS Law/Medical Waiver to specify who can sign such a waiver,
- HB 1046 which moves responsibility for rules relating to Developmental Day child care programs *from* the Division of Mental Health *to* the Division of Child Development. This bill requires rulemaking activity, and potential rule language to accommodate this change will be before you today, and was discussed at the Rules Committee meeting yesterday.
- HB 1031 makes changes to allow that public schools seeking voluntary child care facility licensure may use the same building standards for pre-kindergarten classrooms as for kindergarten classrooms, meeting certain standards dealing with toilet and sink facilities, overhead lighting, and floors, walls and ceilings.

DCD is satisfied with the content of each of these law changes and how they will affect child care facilities.

- HB 659 directs the Joint Legislative Program Evaluation Oversight Committee to study existing programs relating to children and youth in NC, as recommended by the Joint Legislative Study Commission on Children and Youth. This study commission has not yet been named, and depending on the wide breadth of its area and which members are appointed, may or may not look closely at DCD activities and areas of concern.
- SB 1030 which received its complete final approved since the last Commission meeting acts to "establish and implement a policy that defines any building which is currently approved for school occupancy and which houses a public or private elementary school *to include the playgrounds and athletic fields as part of the school building when that building is used to serve school-age children in after-school child care programs. Playgrounds and athletic fields referenced in this section that do not meet licensure standards promulgated by the North Carolina Child Care Commission shall be noted on the program's licensure and rating information.*" In common terms, despite the fact that a public school's playground area, where an afterschool program is located, does not meet DCD child care licensing requirements, that area would be exempted from evaluation by DCD consultants under this bill. We have been able to have added to the bill that if this is the case, a notation will be made on the license, so parents can know that a playground of this type does not meet child care safety standards, and of course, the option is available to the school or program to resolve any outstanding issues, or to continue to restrict children from using specific areas or equipment.

Subsidy Update: There have been some changes in terms of subsidy policies regarding the extension to the time that a parent can search for employment. DCD is currently working on an electronic attendance and payment system, as approved by DHHS Secretary Cansler. This is something that DCD has been talking about for some time. The system would use swipe cards, one issued out per family, and programs would be issued a machine so that families would just use their card when the children are dropped off and picked up each day. This would record attendance so that the reimbursement process would be a little quicker. For now, the Division is planning to be able to roll the dollars that are saved from this implementation back into the waiting list. The RFP process is underway, and there are only about 4 companies in the country that have the ability to do something like this. Ms. Stephenson asked what would change so that there is a significant savings. Dr. Cassidy explained that this would help with fraud issues and result in greater accuracy. The other savings would be in the administrative processing at the DSS level. Oklahoma saved about \$20 million dollars a year when they switched to this program. Laurie Morin asked if the cost of the machines would be passed on to the providers. Dr. Cassidy said that the cost would not be passed on because this one time cost would be paid for with ARRA dollars and that the on-going cost for upkeep is minimal. Deanne Smith shared a concern about subsidy families having to stand out because

they use the card. Dr. Cassidy shared that some ideas are being tossed around about giving this attendance card to all families in licensed programs, and Ms. Tate said that this would help with the progression in rule-making toward collecting attendance for all children. Ron Byrd said that there is a plan for training in communities so that providers can understand the transition. 10 counties would participate in the first round of the transition. Various Commission members raised concerns about the difficulties for parents since there would only be one card per family.

One thing that DCD is looking to do is some regional Professional Development Planning. Resource and Referral Agencies have been asked to take the lead on this as well as the certification process. Dr. Cassidy briefly explained the idea behind certification. This certification would include all care providers including school-age providers, Early Intervention, More At Four teachers, even DCD staff.

On September 30th an advisory group will be meeting to discuss what needs to be learned about the current QRIS Rated License system. Currently, 52% of programs are at 4 and 5 star level. There are about 1,300 of 5,000 programs who are at 1 and 2 star level. This is evidence that progress is being made, and the Commission has a big role in that, but this group will be discussing how we can keep that ball rolling.

PUBLIC COMMENT

Linda Piper from the NC Licensed Provider's Association provided packets to the Commission members with some comments from the group she represents, stating that they desire "better rules, not more rules." She stated that they would like to see if there are a small number of providers that are doing something wrong, and to be sure that when rules are written, the centers who are doing it right aren't affected. Specifically, there has been talk about separate rule books for school-age care. Whether you have a program that has them or not, it would be easier if these rules to providers were simplified. She feels that there are so many definitions and it can be very confusing. For example, "weather permitting" wasn't discussed during the committee meetings yesterday. The rating scales have one definition, so it is hard to know what is appropriate, and providers have to deal with parent interpretation as well. Another rule that wasn't discussed was concerning if a program has an administrative action or a substantiation against them. Currently, there is no time frame given for them to alert parents. The rule suggestion is 30 days. However, if you have a center that is in the midst of a situation, that is not the time to have individual conversations with all of your parents. The rule is unclear. Since the intent of the rule is to protect children, then other aspects need to be considered such as the families and children at the next center this teacher may go to before any record is made of substantiation. Ms. Piper shared that she is on the ad hoc group for the Consolidation Task force and is excited about the opportunity. Regarding the certification, Ms. Piper said that it would no longer be valid after a few years unless you are still taking courses. Ms. Ansley said it wouldn't be college classes, but CEUs that would help a teacher keep their certification.

Lorian Gilliland from Wilmington, NC shared that one thing they deal with in her center consistently is the limited amount of time provided to replace qualified teachers if they choose to terminate an employee. Recently, she wanted to terminate someone because of the center's policy regarding tardiness, however she does not have time to replace this teacher with someone as qualified in time for their assessment coming up. She would like a loosening of the rules allowing centers to find new staff and train them without being punished. Deanne Smith asked about this issue since it had been discussed in the past, and Ms. Gilliland said that if a program loses a staff member, there is a fear of losing points and stars. It is high stakes. Anna Carter said programs are given 90 days to make an adjustment in their staffing.

Kristin Newberry, owner of 2 smaller centers in Wilmington and Carolina Beach, shared about financial difficulties she is having. She stated that she has not imposed an increase in fees to her parents in over 2 years. With the tremendous amount of drop-in care facilities opening up, she said she feels that DCD Consultants' time is taken up by complaint calls for these unlicensed facilities. She feels that the Division needs to find a way to help regulated care compete with the unregulated care. She said that there is a need

to clearly define some of the drop-in and non-profit facilities who are caring for afterschoolers, all which are unregulated care programs. Anna Carter explained the law for drop-in care. These facilities have to register with us that they are providing unregulated care.

Rebecca Little, a parent, spoke about a situation her family is in with a previous care provider. Over time, they felt comfortable with their child's teacher and hired her for private babysitting for an evening. The provider allegedly stole personal checks from their checkbook and used them to steal large amounts of money. When they went to prosecute, they found that the teacher did have a criminal record, but because the checks for providers is every three years, no one was aware of this person's history, since she had gotten into trouble after her initial criminal record check. She and her husband are requesting that the record check to be required every year instead of every three years. After feeling such personal violation, and fearing retaliation, she wants to fight for the safety of children and parents.

Annette Gentry with Creative Day School spoke concerning the teacher certification. Since this would not be renewed for a teacher unless they are going to pursue an Associate's degree, she has concerns about her teachers who are older and nurturing, yet do not wish to continue their education. She did push them to get their NC Early Childhood Credentials and some of them even completed the next 12 credit hours, but as far as committing to courses to pursue a degree, they are not interested. Also, regarding the EBT card with the subsidy system, she disagrees with the fact that subsidies are only paid for a child in attendance and not for their slot, regardless of attendance. Private paying parents are having to pay for their slot, but these subsidy families do not, and she feels that this greatly affects centers financially.

Presentation – Karen Ferguson – on the Workforce Standards Education unit

The Commission members took a break in their agenda for lunch from 1:00 p.m. – 1:45 p.m.

Upon reconvening, the Commission members discussed some schedule changes for the Second Quarter meeting in November in order to help include as many Commission members as possible in the work of the committees. For this meeting in November, the School-Age Committee will meet in the morning from 8-9, Rules Committee will meet from 9-10:30, and the regular Commission meeting will begin at 11. There was discussion about holding a Rules Committee meeting via conference call in October to discuss rules regarding Developmental Day schools.

Committee Reports:

Ms. Cruz was asked to give a brief overview of the Outreach Committee. She shared that the Division website is going to have links to Commission agendas and minutes for the public's easy access. Connie Harland asked if there was a list serve for providers so that they could be easily notified of this change, and staff explained that there is not. When there is a new item on the website, there is mention made on the "What's New" page, and this is updated often.

Ms. Cruz then shared that the "Choosing Quality Child Care" brochure was updated. Ms. Tate suggested that on the next revision, the ages of 0-12 be added to clear up any misconception that it only covers children ages 0-4. Ms. Ansley asked that a black and white version be created because photocopying the color version makes it not very easy to read.

Ms. Tate shared about the School-Age committee. This group was created because the Commission felt it was time to pay specific attention to rules governing school-age programs. She shared that this is a combination of reviewing new information as well as scrutinizing what is in our current rules about school-age care. Division staff have also been doing work on what other states are doing. In general, this group is working on what the basic, minimum standards should be for school-age care. This has culminated into some rules which are in Commission members' packets for today. While the group has not looked at

provider education in this area, this will be discussed some at the November committee meeting. After that, the committee would plan to present some rules to the commission for consideration.

Regarding the Rules Committee, Ms. Tate shared that because of legislation, Developmental Day programs have been moved to DCD's oversight. Anna Carter suggested a conference call in October for the committee to be given time to come up to speed on these programs and how they work. Ms. Tate asked that DCD staff explore some options for having that call take places via webinar or conference call. Jim Wellons, Commission attorney, said that this call would constitute a public meeting, so DCD would need to provide a place for members of the public to participate.

RULE MAKING UPDATE AND ACTION

Dedra Alston provided a copy of rules to be discussed, including changes that were made during the Rules Committee meeting yesterday. She explained that there are a variety of actions that can take place today. The Commission may decide to adopt these rules today and hold a public hearing in November, or they can choose not to adopt today and go back for more revisions. Also, minor revisions can be made during this discussion today and still move forward with adopting the rules.

Discussion of draft rule changes:

Page 1, in the definitions, a change was made to BSAC, adding that an equivalent training may be approved if the Division determines that the content of the training offered is substantially equivalent to the BSAC training.

Page 1, regarding the "Early Childhood Environmental Rating Scale – Revised Edition," as well as other places within the rule text, a change in the publishing date was made

Page 2, number 12, newly added definition for a first aid kit

Page 2, number 14, definition added for health care professional, as well as other places within the rule text, including terminology changes throughout the text from "health care provider" to "health care professional"

Page 3, number 17, removal of "NC Healthy Start Foundation" for the ITS-SIDS Training.

Page 3, numbers 18-20, item numbers adjusted and clarification of the term "owner."

Page 4 and throughout the text, spelling change for school age to "school-age"

Page 4, number 26, the price of the environmental rating scale was updated

Page 4, number 32, added the definition "track-out program"

Page 4, rule .0302, this used to be under Title 10, Sub-chapter 3U, but now it is under Title 10A

Page 5, line 35, addition of item 4, that daily records or attendance are required

Page 8, line 4, item f, statement added that centers shall maintain accurate records of building inspections and compliance visits on site and be readily available for Division staff for review

Page 8, added .0501, Staff/Child Interactions

Page 8, rule .0508, added phrasing for children two and older regarding schedules.

Page 9, line 9, added phrasing "teacher-directed activities"

Page 10, rule .0509, redefined learning environments to include indoor and outdoor

Page 10, rule .0510, minor technical changes ("three" to "3"); included phrasing "both indoors and outdoors"

Page 11, rule .0510, added section g, regarding screen time for children ages 2 and older

Page 13, rule .0606, removed the references to G.S. 58-60-61 (a)(8) as this is no longer valid.

Page 16, rule .0701, added that staff medical information should be updates at least annually

Page 19, rule .0901, added paragraph h, "The center shall provide seating an an electrical outlet, if needed, for mothers while they are breastfeeding or expressing milk."

Page 21, rule .1403, added paragraph k, "Children shall wear an age or size appropriate life jacket whenever they participate in boating, rafting, or canoeing activities.

Page 21, repeal of rule .1505 – no longer necessary

Page 22, added breastfeeding rule for family child care homes

Page 24, added new rule, .1703, regarding caregiver interactions

Page 25, section 7, added paragraph about developmentally appropriate equipment and materials, as well as provision for daily occurrence, of outdoor play
Page 26, added detailed information about outdoor play
Page 30-31, rule .2201, added that parents should be notified within 30 days of an issuance of administrative action or the substantiation of any abuse or neglect complaint, and that written documentation be kept that all families enrolled have received the information
Page 31, rule .2502, added line about track-out programs
Page 33, added "summer" to line 4 referring to day camps
Page 33, added link about food preparation at summer programs
Page 33, line 27, deleted "firearms and ammunition"
Page 34, line 14, moved rule about life jackets to the section on aquatic activities; added line about helmets when riding a bicycle
Page 35, deleted the individual list of suggested activities, grouping them for conciseness
Page 35, deleted lines 30-32 regarding materials being provided to children when they are off the premises for more than 75% of the day
Page 35, added section about screen time
Page 37, rule .2510, deleted paragraph h, regarding staff not having to take BSAC if they have completed 7 hours of the school-age program training

Jim Wellons said that an exemption should be created on page 11 because of children with special needs regarding free choice activity on line 3 based on comments from Julia Baker Jones.

Lois Stephenson asked about the new members and their feelings about these rule changes and the review from today's meeting. Jennifer Svenstrup said that she appreciates the work that has gone into it, and asked for clarification on when changes might be able to be made in regards to public input.

Commission Action: Vickie Ansley moved to adopt the rules as reviewed and edited today. Laurie Morin seconded the motion. There being no further discussion, Chairperson Tate called for a vote, and the motion carried.

Dedra Alston also handed out the rules on three-component rules to be repealed.

Commission Action: Lois Stephenson moved to publish these rules as reviewed during the meeting in the NC Register. Vickie Ansley seconded the motion. There being no further discussion, Chairperson Tate called for a vote, and the motion carried.

NEW BUSINESS:

Scheduling for the second quarter meeting and committee meetings discussed further. DCD staff will firm up the agenda for these meetings and send a public notice. A conference call will be scheduled in October for Developmental Day rules discussion.

Commission Action: Claire Tate moved to adjourn the meeting. Julia Baker Jones seconded the motion. There being no further discussion, Vice Chairperson Smith called for a vote, and the motion carried.

There being no further business, the meeting adjourned at 2:55 p.m.

The next meeting of the North Carolina Child Care Commission is scheduled for Thursday, November 5, 2009.