

**Access and Quality of Preschool and Childcare Subgroup  
January 6, 2015 Meeting Agenda**

Tuesday January 6 at 2pm  
DSS Central Regional Office, Henrico Room  
1604 Santa Rosa Road; Richmond, VA 23229  
And via conference call 866-842-5779 and with pass code 4399398107

- I. Welcome and Introductions
  
- II. Overview of Child Care Access – Cost and Location  
*Sharon Veatch, Child Care Aware of Virginia*  
<http://va.childcareaware.org/virginia-child-care-programs/>
  
- III. Overview of Child Care Subsidies  
*Barb Newlin and MaryWard, Department of Social Services*
  
- IV. Discussion of Continuing Conversation and Priorities

*Upcoming Meetings:*

*January 15, 2015 in the Patrick Henry Building, 1111 East Broad Street Richmond, VA 23219*  
*2pm: Meeting of the School Readiness Workgroup (includes our subgroup, along with the Virginia  
Preschool Initiative Subgroup and the Early Elementary Subgroup)*  
*3pm: Meeting of the Full Council*

**New Report Finds Child Care Costs Continue to Rise**  
**Quality child care is becoming increasingly difficult to afford for working families**

Arlington, VA - According to a report released by Child Care Aware® of America, the cost of child care continues to increase while families struggle to afford quality care. Parents and the High Cost of Child Care: 2014 Report provides results from a survey of Child Care Resource and Referral (CCR&R) State Networks and local agencies, which asked for the average fees charged by child care programs in 2013.

The report provides the average cost of child care in 2013 for infants, 4-year-olds, and school-age children in centers and family child care homes nationwide. It shows that in 31 states (including the District of Columbia), the average annual cost for center-based care for an infant was higher than a year's in-state tuition and related fees at a four-year public college. In every state and the District of Columbia, center-based child care costs for two children (an infant and a 4-year-old) exceeded annual average rent payments.

In Virginia, the average annual cost of center-based infant care in 2013 was 10,028. The average annual cost of center-based care for a 4 year-old was about \$7,700. The average annual cost of infant care in a family child care home was \$8,272. The average annual cost of care for a 4-year-old in a family child care home was \$6,656.

"Families need child care in order to work," said Sharon Veatch, Executive Director of Child Care Aware of Virginia. "But, child care today is simply unaffordable for too many families. It's particularly tough for families with more than one young child."

According to the report, in 2013, the average annual cost of full-time child care for an infant in a center ranged from about \$5,496 in Mississippi to \$16,549 in Massachusetts. The average annual cost of full-time care for a 4-year-old child in a center ranged from \$4,515 in Tennessee to \$12,320 in Massachusetts. In New York, parents of school-age children paid \$11,352 a year for part-time before and after-school care in a center. "In Virginia, center-based infant care costs about \$338 less per year than the annual cost of college tuition and fees. That's roughly the same for any parent's checkbook," said Veatch.

"Last week a report was released about the low wages of child care workers," said Veatch. "On average, center-based child care workers earn about \$10.33 per hour. This means that those who work with young children earn barely above the poverty level, but combined with today's report about the prices parents pay, parents already struggle with the cost of child care. They can't pay more. Clearly, the system isn't working - for either those employed in the child care industry or parents who depend on child care to work."

"It is time to engage in a nationwide discussion about alternative financing mechanisms for high quality child care," said Veatch. "Child care affordability affects all families, it's not only a challenge for low income families. What we have is a system that is underfinanced which results in poor pay for the important work of caring for young children during their most formative years and costs that are a struggle for parents."

"Working parents depend on child care. Children depend on child care for a safe setting that promotes their healthy development. It is time for federal and state policymakers to look at alternative financing to support a system that works for all families. The current system does not," said Veatch.

###

To download a copy of Child Care Aware of America's report *Parents and the High Cost of Child Care: 2014 Report*, please visit <http://usa.childcareaware.org/costofcare>.

To download a copy of the Center for the Study of Child Care Employment's report, please visit <http://www.irl.berkeley.edu/csce/2014/report-worthy-work-still-unlivable-wages/>.

To view maps of child care facilities in Virginia, please visit <http://va.childcareaware.org/virginia-child-care-programs/>



Listen

## Child Care and Development Block Grant Act (CCDBG) of 2014: Plain Language Summary of Statutory Changes

Published: November 18, 2014

Types: Laws

### Health and Safety Requirements for Child Care Providers

- Requires States to establish health and safety requirements in 10 different topic areas (e.g., prevention of sudden infant death syndrome (SIDS), first-aid, and CPR).
- Child care providers serving children receiving assistance through the Child Care and Development Fund (CCDF) program must receive pre-service and ongoing training on such topics.
- Requires States to conduct criminal background checks for all child care staff members, including staff members who don't care directly for children but have unsupervised access to children, and specifies disqualifying crimes.
- Requires States to certify child care providers will comply with child abuse reporting requirements.
- Requires States to conduct pre-licensure and annual unannounced inspections of licensed CCDF providers and annual inspections of license-exempt CCDF providers.
- States must establish qualifications and training for licensing inspectors and appropriate inspector-to-provider ratios.
- Requires States to have standards for CCDF providers regarding group size limits and appropriate child-to-provider ratios based on the age of children in child care.
- Requires emergency preparedness planning and statewide disaster plans for child care.

### Transparent Consumer and Provider Education Information

- States must make available by electronic means, easily accessible provider-specific information showing results of monitoring and inspection reports, as well as the number of deaths, serious injuries, and instances of substantiated child abuse that occur in child care settings each year.
- Requires States to have a website describing processes for licensing and monitoring child care providers, processes for conducting criminal background checks, and offenses that prevent individuals from being child care providers.
- Funds a national website to disseminate consumer education information that allows search by zip code and referral to local child care providers, as well as a national hotline for reporting child abuse and neglect.

### Family-Friendly Eligibility Policies

- Establishes a 12-month eligibility re-determination period for CCDF families, regardless of changes in income (as long as income does not exceed the federal threshold of 85% of State median income) or temporary changes in participation in work, training, or education activities.
- Allows States the option to terminate assistance prior to re-determination if a parent loses employment, however assistance must be continued for at least 3 months to allow for job search.
- Eligibility re-determination should not require parents to unduly disrupt their employment.
- Provides for a graduated phase-out of assistance for families whose income has increased at the time of re-determination, but remains below the federal threshold.
- Requires procedures for enrollment of homeless children pending completion of documentation, and training and outreach to promote access to services for homeless families.

### Activities to Improve the Quality of Child Care

- Phases-in increase in minimum quality set-aside from 4% to 9% over a 5-year period. In addition, requires States to spend minimum of 3% to improve the quality of care for infants and toddlers.
- Requires States to spend quality funds on at least 1 of 10 specified quality activities, which include developing tiered quality rating systems and supporting statewide resource and referral services.

- Requires establishment of professional development and training requirements with ongoing annual training and progression to improve knowledge and skills of CCDF providers.
- Requires States to implement Early Learning and Development Guidelines describing what children should know and be able to do, appropriate from birth to kindergarten entry.
- Includes provisions on social-emotional health of children, including providing consumer and provider education about policies regarding expulsions of children from early care and education programs and developmental screenings for children at risk of cognitive or developmental delays.

#### Tribes

- **Tribal set-aside:** Establishes a set-aside of not less than 2% (prior law said up to 2%) for Tribes.
- The law does not indicate the extent to which many of the new provisions apply to Tribes<sup>1</sup>.

#### Other Provisions

- **Equal Access:** Requires States to conduct a market rate survey, or use an alternative methodology, such as a cost estimation model, and describe how payment rates will be established based on results of the survey or alternative methodology, taking into account cost of providing higher quality services.
- **Supply-building:** States must develop strategies for increasing supply and quality of services for children in underserved areas, infants and toddlers, children with disabilities, and children in non-traditional hour care—which may include use of grants/contracts and alternative reimbursement.
- **Provider payment practices:** States must establish policies that reflect generally accepted payment practices for child care providers, including (to the extent practicable) paying for absence days, and timely reimbursement for child care services.
- **Technical assistance set-aside:** Establishes a set-aside of up to ½ of 1% for technical assistance on administering the CCDF program.
- **Research set-aside:** Establishes a set-aside of up to ½ of 1% to conduct research and demonstration activities, as well as periodic, external, independent evaluations of the CCDF program.
- **Plan period:** Changes CCDF Plan period from 2 to 3-year Plan cycle.
- **Waiver authority:** Allows HHS to waive provisions or penalties in the statute for up to 3 years (with the option of a 1 year extension) based on a request from a State identifying duplicative requirements preventing effective delivery of child care services, extraordinary circumstances, or an extended period of time for a State legislature to enact legislation to implement the statute.

<sup>1</sup> The Office of Child Care will issue policy guidance on how provisions apply to Tribes after consultation with Tribal Leaders and administrators.

#### DOWNLOAD

CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT (CCDBG) OF 2014: PLAIN LANGUAGE SUMMARY OF STATUTORY CHANGES (268.4 KB)



# **Child Care in Virginia: Access and Cost**



**By Sharon Veatch  
Child Care Aware of Virginia  
January 6, 2015**

# Meeting the Needs of Working Parents

Every week in Virginia:

Nearly 394,000 children under age 6 spend some time in child care

- 231,952 are in two parent families with working parents
- 118,442 live in single parent families led by a working mother
- 36,779 live in single parent families led by a working father

Another 489,000 children between the ages of 6 and 12 have working parents.



## Military families:

- 45,752 children under age 6
- 6,055 children under age 6 in the Guard and Reserve

# Child Care is Expensive

**Parents struggle with child care prices.**

**Over the past 5 years,**

- Center-based care prices have increased by 14% for infants and 15.6% for 4 year-olds.
- Family child care home prices have increased by 21.4% for infants and 17.4% for 4 year-olds.



# Child Care Fees



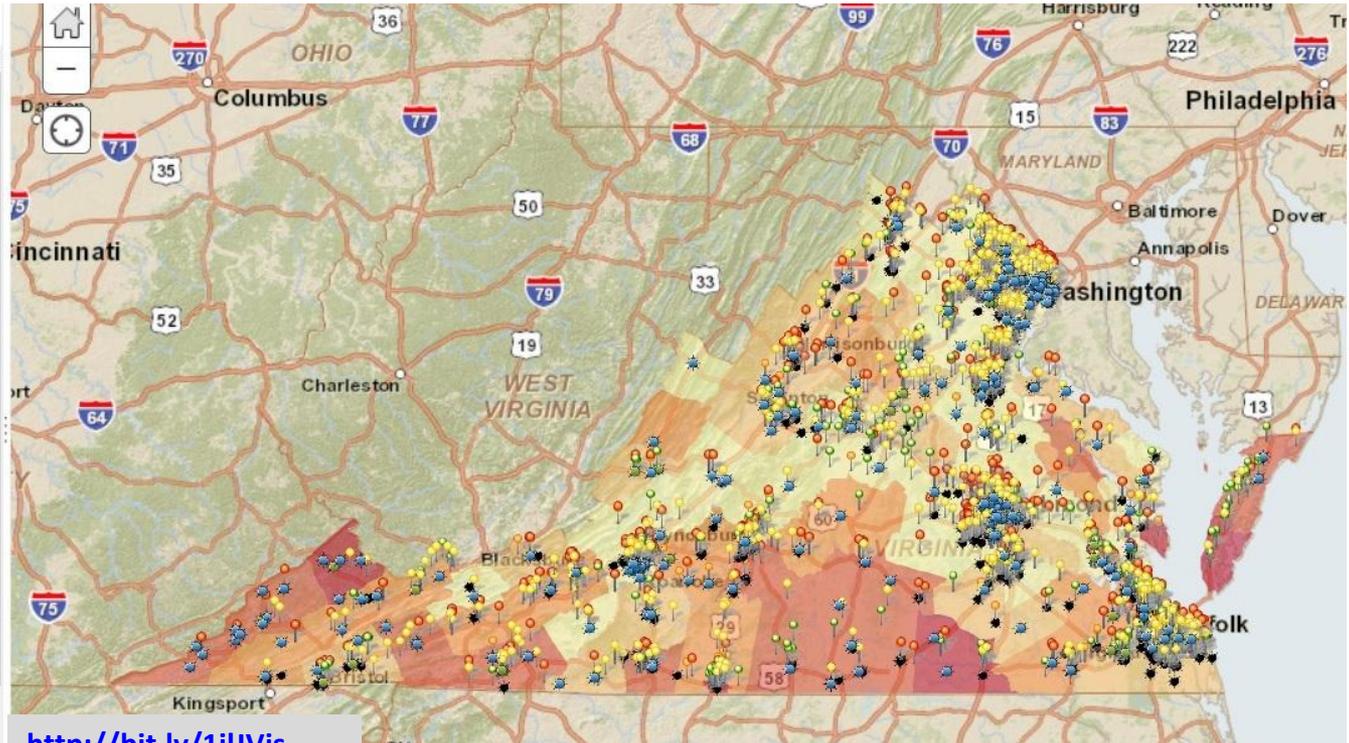
Data Year	Center-based Care		Family Child Care Homes	
	Infants	4 Year-Olds	Infants	4 Year-Olds
2013	\$10,028	\$7,696	\$8,272	\$6,656
2009	\$8,788	\$6,656	\$6,812	\$5,668
2013-2009	\$1,240	\$1,040	\$1,460	\$988
% Increase	14.11%	15.63%	21.43%	17.43%

The largest cost of providing child care is related to wages. Yet, child care wages remain low and providing child care is among the lowest paid professions.

# Child Care Locations



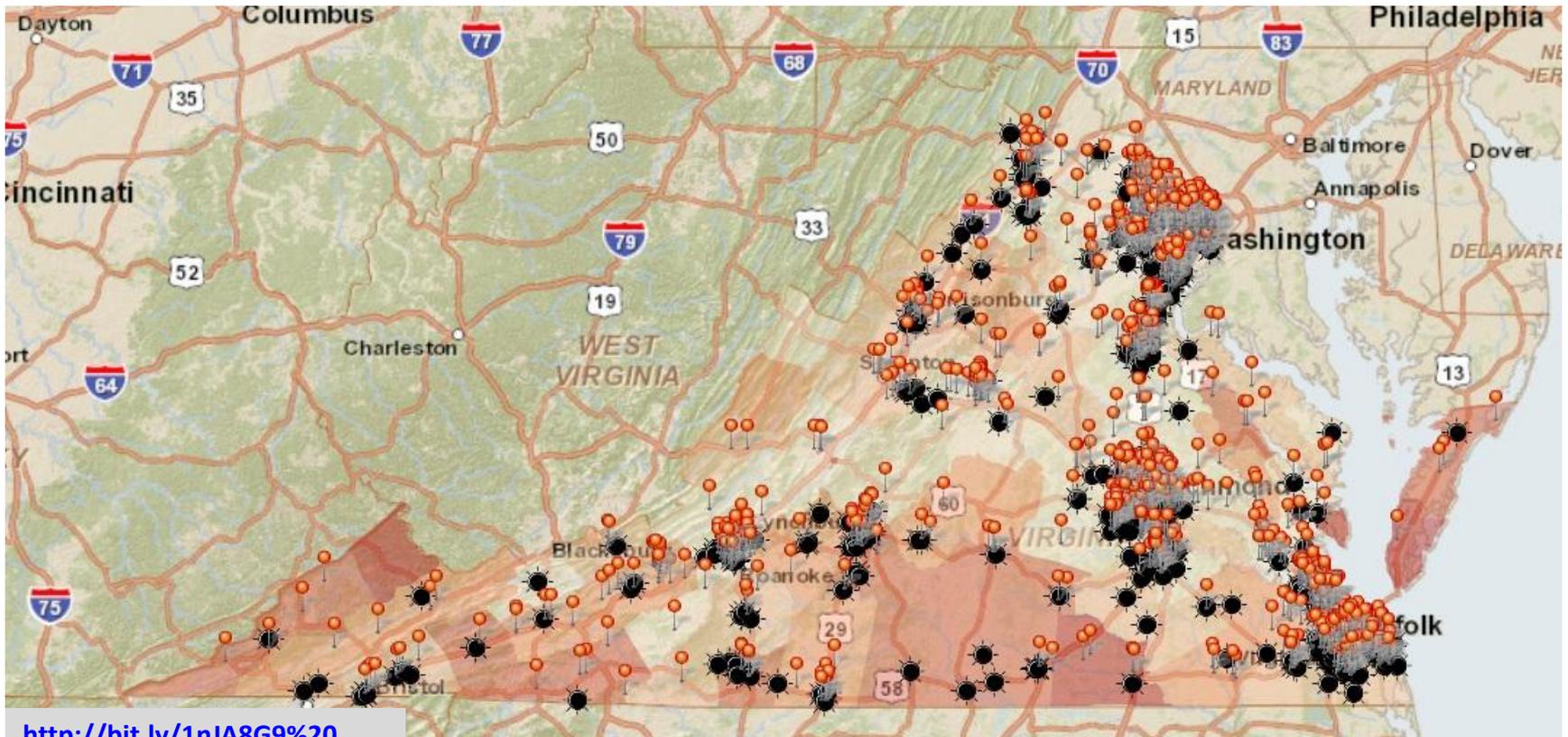
- Legend
- Head Start Programs
  - Early Head Start Programs
  - Licensed Family Child Care Homes
  - Voluntarily Registered Family Child Care Homes
  - Licensed Child Care Centers
  - Religious License Exempt Centers
  - Star Rated Programs



This is an overall map of child care throughout VA. Poverty is represented in increasing shades of red with the deepest poverty in dark red (46%).



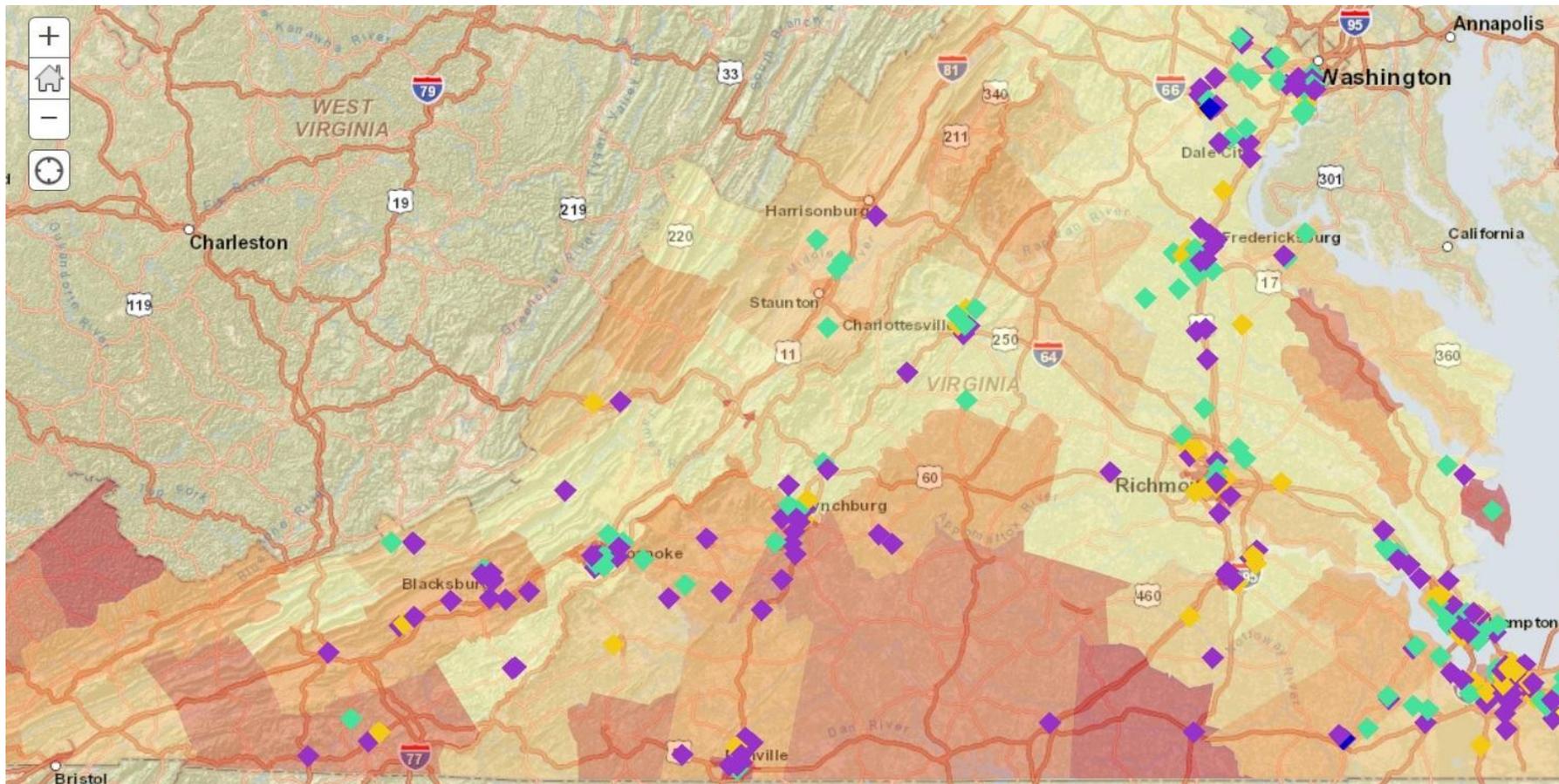
# Child Care Centers



<http://bit.ly/1nJA8G9%20>

The distribution of centers varies greatly. Red are licensed centers. Black are religiously exempt centers.

# Star Rated Programs



<http://bit.ly/1nJERrh>

Some programs participate in the VSQI. Yellow= 1 star; Gold=2 stars; Purple=3 stars; Green=4 stars; and Blue=5 stars.



# Access to Child Care

**Affordability is one challenge for parents.**

**Finding licensed care is another.**

**Licensing is the base on the path of quality care.**

- In some areas of the state, it is difficult to find licensed care
- In many areas of the state, licensed care may be full. There are waiting lists.
- Some types of child care are harder to find (ie, infant care, nontraditional hour care, care for children with special needs, etc.).
- 14 areas of license-exempt care make choosing care confusing for parents
- High poverty areas have fewer options for licensed care

# 1989 JLARC Study



**25 years ago, the Joint Legislative Audit and Review Commission (JLARC) was charged by the Legislature to conduct a study on child care**

- Except for the dates, you would think that study could have been written today
- The review is thorough, the recommendations are sound

## **Little has changed except:**

- The number of working mothers is greater today (ie, more children need child care)
- We have data from the Washington Post and Richmond Times Dispatch about the number of deaths in child care over the past decade

## **Biggest finding?**

- “Children in unregulated care situations are at greater risk.”

# JLARC Recommendations

- The state should begin to count all related children when determining the total number of children in care within a family day care home

**Child care services should be defined as any care of one or more children which meets the following criteria:**

- Care is provided by one or more individuals who are not the parents or guardians of all children in care;
- Care is provided on a part-day basis (not 24 hour care)
- There is a contractual agreement with the parents of the children in care
- The provider is expected to be responsible for the whereabouts and well-being of the children while in his or her care; and
- Care is available on an ongoing, regular basis. (page 60)

JLARC estimated that 337,000 children in VA under 13 were in some type of child care. Today, there are 883,000 children under age 13 with working parents.

# Protecting Children

The JLARC report noted, *“the Commonwealth has historically regulated industries and professions when there is a demonstrated need to protect the public interest.”*

**Where is the public interest greater than to protect our children?**

Link to full 1989 JLARC report.

<http://jlarc.virginia.gov/reports/Rpt108.pdf>



# Policy Recommendations



Child Care Aware of Virginia recommends:

- Fingerprint-based background checks for child care providers;
- Requiring a child care license as soon as providers are paid to care for one unrelated child (regularly, as a business);
- Training and technical assistance to support a quality early childhood workforce; and
- Tough penalties against those providers who circumvent the law.



VIRGINIA DEPARTMENT OF  
SOCIAL SERVICES

# Child Care Subsidy Program

Presentation to the CCCS Subgroup on Access and Quality  
January 6, 2015

Barbara Newlin, Director  
Division of Child Care and Early Childhood Development

# Child Care Subsidy

- ▶ Provides low-income families with the financial resources to find and afford quality child care for their children
- ▶ Administered by VDSS in partnership with the local departments of social services

# Child Care Subsidy

- VDSS administers Child Care and Development Fund (CCDF), holds hearings and develops state CCDF Plan, establishes program parameters and coordinates the provision of services, operates automated subsidy systems, executes agreements with participating child care providers, pays providers, reports to funders
- 120 LDSS process applications, determine eligibility, manage cases, investigate fraud, coordinate client care with providers

# Subsidy Snapshot – FY 14

- ▶ Unduplicated number served
  - Children – 43,823
  - Families – 26,081
- ▶ Average number served/month
  - Children – 24,680
  - Families – 14,034
- ▶ Average cost/month
  - Child – \$382
  - Family – \$649
- ▶ Percent of children (November 2014)
  - Level 2 – 83%
  - Level 1 – 17%

# Subsidy Snapshot – FY 14

- ▶ Percent of care
  - In family day homes – 19%
  - In child care centers – 81%
- ▶ Subsidy Payments
  - Child care subsidy payments – \$111 million
- ▶ Waiting List
  - Numbers fluctuate
  - Approximately 7,800 (5/31/14)
  - 9,115 (1/5/15)
  - Priorities: special needs, homelessness, CPS, Foster Care Prevention, teen parent 18 or younger and in high school, case previously discontinued due to lack of funds

# Subsidy Snapshot – FY 14

- ▶ Participating Providers – 3,985

- ▶ Types

◦ Licensed Child Care Centers	1,453
◦ Local Ordinance Approved	739
◦ Licensed Family Day Homes	562
◦ Unregulated Family Day Homes	451
◦ Voluntarily Registered Family Day Homes	399
◦ Religious Exempt Centers	319
◦ Department of Education	25
◦ Department of Defense/Other	20
◦ Local Government Approved Recreation Programs	12
◦ Licensed Family Day System Approved	5

# Child Care Subsidy Program

## ▶ **MANDATED SERVICES**

- **TANF Child Care** - Subsidies for TANF recipients to seek and obtain employment
- **Transitional Child Care** - Subsidies to employed, income-eligible former TANF recipients for up to 12 months to support employment
- **Head Start Wrap-Around Child Care** - Subsidies for eligible Head Start families for care beyond core Head Start hours
- **SNAP Employment and Training Program** - Subsidies to families in the SNAP Employment and Training Program

## ▶ **NON-MANDATED SERVICES**

- **Fee Child Care** – Subsidies to income eligible non-TANF families to the extent of available funding
- **Children in Homeless Shelters** – Funding set aside to provide subsidies to income eligible families in homeless shelters
- **Children of Migrant Workers** – Funding set aside to provide child care to children of migrant workers on Eastern Shore

# How the Program Works

- ▶ Family applies through LDSS or on line (CommonHelp)
- ▶ LDSS determines eligibility
- ▶ If eligible and funds available
  - Amount of care needed and copayment amount (if applicable) determined
  - Provider selected
  - Family service plan completed to move family toward self sufficiency
- ▶ If provider not currently participating, vendor packet including signed agreement must be submitted
- ▶ Parent uses a swipe card when dropping off and picking up the child each day
- ▶ Provider is paid twice/month via direct deposit for services

# Provider Payment and Approval

- Providers/vendors paid through a reimbursement system
- Reimbursable rates set for each locality based on Market Rate Survey. Level 2 providers paid at 50th percentile of most recent market survey
- Different rates established for Child Day Centers/Family Day Homes and Level designation
- Rates based on locality where provider is located
- Any legally operating vendor that meets program requirements can currently be used
- Some NOVA local departments regulate small family day homes

# Eligibility

- ▶ Families must demonstrate a need for child care
  - Support employment
  - Support approved education/training, or
  - Families receiving Child Protective Services
- ▶ Children must be under 13 years of age
  - Up to 18 if physically or mentally incapable of caring for themselves
- ▶ Child must be legal resident, but not required for parent
- ▶ MSA grouping and family size determine income cap for eligibility
- ▶ Eligibility redetermined annually
- ▶ Recent amendments to Subsidy Program regulations will limit a family to a total of 6 years of child care subsidy and participating families will be required to cooperate with the Child Support Enforcement Program

# Income Eligibility Scale

Family Size	100% of Federal Poverty Guidelines	GROUP I 150% of Poverty	GROUP II 160% of Poverty	GROUP III 185% of Poverty	*250% of Poverty
1	\$958	\$1,437	\$1,532	\$1,772	\$2,394
2	\$1,293	\$1,939	\$2,068	\$2,392	\$3,232
3	\$1,628	\$2,442	\$2,604	\$3,011	\$4,069
4	\$1,963	\$2,944	\$3,140	\$3,631	\$4,907
5	\$2,298	\$3,447	\$3,676	\$4,251	\$5,744
6	\$2,633	\$3,949	\$4,212	\$4,871	\$6,582
7	\$2,968	\$4,452	\$4,748	\$5,490	\$7,419
8	\$3,303	\$4,954	\$5,284	\$6,110	\$8,257
9	\$3,638	\$5,457	\$5,820	\$6,730	\$9,000
10	\$3,973	\$5,959	\$6,356	\$7,350	\$9,191

# Automated Child Care System

- ▶ American Recovery and Reinvestment Act (ARRA) funds used to develop automated case management system
- ▶ Three components
  - Case Management System (eligibility and case management)
  - Electronic Child Care (time and attendance, swipe cards)
  - Third Party Reconciliation (enables vendors to be paid)



# Automated Child Care System

- ▶ Implemented in 2011 and 2012 in waves
- ▶ Greater accuracy, efficiency and consistency, and to enable state to better understand what is being accomplished with program dollars
- ▶ Prior to implementation, data re: participants, vendors, payments and other elements resided in each of the 120 LDSS and their respective data systems
- ▶ Medicaid, TANF, SNAP, LIHEAP are coming into VaCMS



# Recent Important Changes

## ▶ **Provider Reimbursement Rates**

- Increased reimbursement rates for Level 2 child care providers participating in Subsidy Program in September 2014
- 50<sup>th</sup> percentile of most recent market survey
- Level 2 providers - licensed providers, local-ordinance-approved providers, licensed family day system-approved family day homes, DOE-approved child care programs and DOD providers
- Level 1 providers – VR family day homes, religious exempt child day centers, local government approved recreation programs, certified preschools, unregulated child care providers

# Recent Important Changes

## ▶ **Family Copayment Scale**

- Moved from flat 10% of countable income to a sliding 5 – 10% based on family income and size
- Reduced copayment amounts for many families / increased provider reimbursement through program
- Implemented September 2014
- Some types of care do not require a copayment
  - No copayment: TANF, Head Start wrap-around if family income below FPL, SNAP employment and training
  - Copayment: Transitional child care, Fee child care

# Market Rate Survey

- ▶ Federal government requires states to develop/conduct a statistically valid and reliable survey of market rates for child care services in the State, or utilize an alternative methodology
- ▶ Not earlier than 2 years before submission of the State Plan
- ▶ Center for Survey Research at Virginia Tech - survey providers in every locality
- ▶ Typically over 4,000 respondents
- ▶ Rate data: full day/full week, transportation, meals, snack
- ▶ Data used to assess rates/potential increases
- ▶ Next survey February – May 2015, Formal report posted on web
- ▶ Input, future meeting?

# Upcoming Important Activities

- Ensuring conformance with requirements of new Child Care and Development Block Grant Act of 2014
  - Signed by President 11/19/14
  - Variable timeframes for implementation
  - Forming advisory group to provide input on state actions
- Market Rate Survey (Feb – May 2015)
- Development of Draft State CCDF Plan (Draft prior to hearings, Due to U. S. Office of Child Care Jun 2015)
- Hearings on State Plan (Apr 2015)

# Resource Documents

- ▶ Federal Child Care and Development Block Grant Act of 2014  
[https://www.acf.hhs.gov/sites/default/files/occ/child\\_care\\_and\\_development\\_block\\_grant\\_markup.pdf](https://www.acf.hhs.gov/sites/default/files/occ/child_care_and_development_block_grant_markup.pdf)
- ▶ Virginia CCDF Plan  
[http://www.dss.virginia.gov/files/division/cc/state\\_plans/state\\_plan\\_final\\_11-4-13.pdf](http://www.dss.virginia.gov/files/division/cc/state_plans/state_plan_final_11-4-13.pdf)
- ▶ Virginia Child Care Subsidy Program Guidance Document  
[http://www.dss.virginia.gov/files/division/cc/assistance/parents\\_guardians/guidance\\_procedures/manual.pdf](http://www.dss.virginia.gov/files/division/cc/assistance/parents_guardians/guidance_procedures/manual.pdf)
- ▶ Child Care Subsidy Program Regulations  
<http://leg1.state.va.us/000/lst/h2638092.HTM>

**Barbara Newlin, Director**  
**Division of Child Care and Early Childhood**  
**Development**  
**Virginia Department of Social Services**  
**(804) 726-7398**  
**[barbara.newlin@dss.virginia.gov](mailto:barbara.newlin@dss.virginia.gov)**

## **Access and Quality of Preschool and Childcare Subgroup** *January 6 Meeting Notes*

### **Welcome**

The following workgroup members were in attendance:

Selena Mayo, Total Action for Progress (Head Start and Early Head Start provider)  
Bill Ermatinger, Huntington Ingalls/ Chamber of Commerce  
Barb Newlin, Division of Childcare and Early Childhood, Dept of Social Services  
Toni Cacace-Beshears, VA Association for Early Childhood Education  
Josie Webster, VA Council for Private Education  
Sharon Veatch, Child Care Aware  
Karen Lange, Regional Military Child Care Liaison, Child Care Aware  
Teresa Harris, JMU  
Sue Gellar, Wingspan

The following workgroup members were on the phone:

Karen Gallagher, Child Development Center for Learning and Research, Virginia Tech  
Phyllis Mondak, Special Education, Dept of Education  
Cheryl Thompson-Stacy, Lord Fairfax Community College  
Bob Pianta, UVA  
September Jonas, Knowledge Universe

### **Child Care Aware Presentation:**

Sharon Veatch, of ChildCare Aware, provided an overview of issues related to access and affordability of child care in Virginia. Her power point presentation covers the particulars of that conversation, which also included the maps that are available online here:

<http://va.childcareaware.org/virginia-child-care-programs/>

\*Do note, these maps don't include any unregulated providers. Local ordinances also affect the maps. For example, some localities don't allow any family home care providers to operate; while others like Arlington, Alexandria and Fairfax have set up dual licensing systems where providers must have a local and a state license (which have different requirements).

She also noted the 1988 JLARC study which still has relevant recommendations for this group. That study can be found online here: <http://jlarc.virginia.gov/reports/Rpt108.pdf>

Questions were raised about why these changes haven't been implemented. Suggested answers included: philosophical debates about the state's role in regulating the industry; ability to ignore the issue until tragedy occurs and pressure is created to make changes; and the amount of research that has been done on brain development since the 80's which now better informs policy makers about the importance of the quality of care in early childhood settings.

Sharon also spoke to the experience Kansas recently had in lowering the threshold for licensing from 6 to 1 children in 2010. Though some providers did close as a result of the increased regulation, the system as a whole still has the capacity for the same number of children and access was not greatly decreased, nor did costs drastically increase, with the additional regulation.

## **VA Child Care Subsidy Program**

Barb Newlin, from the Department of Social Services, provided the group with a comprehensive overview of how the administers its child care subsidy program. Mary Ward, the Subsidy Program Administrator was also in attendance and helped answer questions. Their power point is quite detailed and provides an in-depth overview of the program.

Committee members who are service providers also shared their experiences with the program, and challenges around the swipe cards, attendance based reimbursements; and success with new management and reimbursement data systems.

Barb then briefly reviewed the Office of Child Care's summary of the new statutory changes for the CCDBG funds (which pay for the subsidies). Barb explained that although these changes have been signed in to law, the timeline for implementation spans 2 years and includes various waivers that states can apply for as they work through the implementation process. This legislation reflects the quantity vs. quality tension that the workgroup members discussed throughout the meeting, but overall, the direction the feds seem to be moving is towards quality. Barb noted some of the highlights from the summary document, explaining that some requirements VA is already meeting or close to meeting (posting inspection reports publicly, for example) while other requirements will need focused attention from the state (like posting instances of substantiated child abuse).

The law requires background checks on all staff of those providers receiving subsidies, along with enhanced health and safety requirements. Virginia does not currently require subsidy recipients to be formally licensed (nor does the federal government) but given these enhanced standards, Barb explained that it does seem prudent to streamline the system to the extent possible by requiring all subsidy receivers to become licensed so that VDSS is not administering multiple sets of standards to different providers.

It was also noted that VA doesn't qualify for any tribal set-aside funding because we don't have any federally recognized tribes; and that one of the major changes is that the CCDF state plan cycle has been extended from 2 to 3 years (her power point includes details and timeline for VA's next state plan).