Employment and Human Services Department
Contra Costa County

TO: Family and Human Services Committee
Supervisor Federal Glover, Chairperson
Supervisor Gayle B. Uilkema, Vice Chairperson

FROM: Joe Valentine, Director, Employment and Human Services Department
Rhonda Smith, FACT Staff

RE: FY 2009-2010 Child Care Affordability Funding Recommendation

DATE: May 18, 2009

RECOMMENDATION(S)

The Director of the Employment and Human Services Department recommends that the Family and Human Services Committee accepts this report of the current status of the Child Care Affordability Fund from the Family and Children's Trust Committee (FACT) and direct FACT to negotiate a contract for the period July 1, 2009 through June 30, 2010 with the Contra Costa Child Care Council in the amount of $250,000.

The Director further recommends that this Committee direct FACT to undertake a thorough needs assessment process, beginning in October 2009, in preparation for the development of the FY 2010-2011 Child Care Affordability RFP, to be released in March, 2010.

BACKGROUND

In 1991, the Board of Supervisors earmarked $250,000 of Transient Occupancy Tax (TOT) from the Embassy Suites Hotel to support/expand county-wide child care for low-income families. In 1997, the Board approved a recommendation from the Family and Human Services Committee that the Family and Children's Trust Committee (FACT) be responsible for establishing priorities for use of the Child are Affordability funds, developing and managing the competitive process for awarding these monies, and monitoring the resulting programs for contract compliance and achievement of outcomes. In 2002, the Board approved a two-year funding cycle for disbursement of the funds.

In August, 2007, staff to the FACT Committee met with FHS to outline a process for determining the priorities for the forthcoming 2007-2008 RFP, and managing the competitive process. These were approved and forwarded to the Board.

Effective July 1, 2008 the 2008-2009 County budget modified the funding stream such that Childcare Affordability funds would no longer be generated from the revenue of the Transient Occupancy Tax but, instead, is funded by the Employee's Childcare Residual account. The $250,000 appropriation for Child Care Affordability is now transferred to EHSD each year from the Childcare Residual account, to support the Childcare Affordability contracts.

The resulting change in the funding stream has created an unanticipated situation. By the end of FY2008-2009, the total revenue will be approximately $942,000. It should be noted that at the current expenditure rate of $250,000 per year, we will have just under fours years of future funding available.

On January 3, 2009, the FACT committee agreed that considering the current economic crisis our county and nation finds itself in, it is more advantageous to the children and families that benefit from the services that funds support to continue funding levels at its current rate.

The following report details the activities of the FACT Committee since its last presentation to FHS.

NEEDS ASSESSMENT

The FACT Committee reviewed the data from "Keeping Children Safe" survey supported by EHSD related to county-wide child care needs. This survey was administered to over 1,890 community residents in the low income zip codes in west and Central County as well as Pittsburg and Antioch. In addition, an analysis of the recently-completed "Contra Costa County Child Care Needs Assessment and Status of Children and Families 2006 through 2015" report was undertaken.

Following these reviews, stakeholders in the child care system were invited to meet with the FACT Committee to discuss current, pressing child care needs, gaps and challenges that could best be met with Child Care Affordability funding. Representatives from EHSD, including staff from CFS and Community Services, First 5 Contra Costa, and the Child Care Council each detailed the changing landscape of child care during the past year, and provided insights into possible targets for the Child Care affordability funds.

Taken as a whole, there is remarkable consistency among both families/community members and the "professionals" regarding the needs for child care. Community members focused on low income families and families "at-risk" and were clear that subsidy support needed to be "parent-choice" (with respect to type of child care) while staff were more specific in noting an emerging emphasis on the need for child care for homeless families with young children and children "at-risk" of being removed from their home due to abuse/neglect/trauma or children already in placement.

Accordingly, the FACT Committee had little trouble identifying the following priorities for the 2008-2009 RFP:

- **The provision of parent-choice child care subsidies for low-income, at-risk families involved in the child welfare system. The primary targets within this priority are families with an open CFS case whose children currently reside at home and are at-risk, and/or children who are currently in a relative-caregiver placement.**

- **The provision of parent-choice child care subsidies for families with children who are homeless.**

Families who have open child abuse/neglect cases and families who are homeless constitute a significantly underserved population with regard to subsidized child care. Within the child welfare system, high-risk families whose children remain at home are in need of child care due to instability of the family situation, requirements for court-ordered service attendance, and the need to gain or maintain employment. Without child care, many of these children may require costly out-of-home placement.

Relative-caregivers, family members (often grandparents) who have assumed legal responsibility for the child(ren) of a relative, may be ill-prepared for the demands of parenting very young, active children, especially if they are employed or have health issues themselves. For these families, subsidized child care is often the only way to maintain the preferred relative placement.

Finally, children who are homeless, whether totally without a home or residing in a shelter, are in particular need of the routine and stability, child development activities, and peer socialization opportunities that quality child care can afford. Knowing their children are well-cared for during the day allows homeless parents to attend to appointments, job seeking activities and housing searches that could stabilize their current situation.

In each of these situations, the complexity of the family circumstances requires flexible care-giving placements. Successful applicants must ensure that a range of child care options, including licensed and exempt child care settings and center-based care, are available so that parents may choose the care that best suits their needs and will provide their children with the highest quality care.

In addition to these specific priorities, FACT has established guiding principles that are required of all programs supported by FACT funds. All programs will strive to:

1. Strengthen families and their ability to nurture, support and care for their children;

2. Recognize and value the diversity of families and promote access to services for all families;
3. Support implementation of programs that use the best that research and experience have to offer;

4. Support and encourage collaboration that leverages resources, enhances services, and links systems, and

5. Encourage community and consumer participation in program development, implementation, and assessment.

RFP PROCESS, 2007

Using the above priorities and principles, the FACT Committee and the Contracts Unit of EHSD developed RFP #1101, which was approved by County Counsel and the Board for release in March, 2008.

The RFP was released on March 21, 2008 via all local newspapers, email announcements to a list of current child care agencies/programs, and was also posted on the EHSD web.-site. A mandatory Bidders Conference was held on March 31st and proposals were due April 21st, 2008.

There was one respondent to the RFP, the Contra Costa Child Care Council. The FACT Committee undertook a rigorous evaluation and scoring process of the proposal and the Fiscal Department of EHSD reviewed and scored the financial information.

The proposal was scored very highly by all FACT members as well as the Fiscal Department. At the open Rating and Review meeting held on May 5th, FACT Committee members voted unanimously to recommend the Contra Costa Child Care Council for funding ($250,000) for FY 2008-2009.

The FACT Committee followed an extensive, equitable and open process in the conduct of the needs assessment, RFP development, and the rating and review of the submitted proposal. Following completion of these processes, this Committee and the Board approved the recommendations of the FACT Committee and a contract was awarded to Contra Costa Child Care Council for one year with the possibility of renewal pending the availability of funds, satisfactory contract compliance, and achievement of outcomes.

FACT MONITORING PROCESS

Over the years, FACT Committee members and staff have developed a thorough and consistent monitoring process for contractors that focus on financial accountability, collection and analysis of performance and outcome data and assessments of direct project "operations" and program quality via comprehensive site-visits by teams of Committee members. The monitoring process includes the following:

- *Financial Monitoring*

Project expenditures are tracked by FACT staff and the Contracts Unit of EHSD on a monthly basis to ensure contactors are adhering to all budgetary requirements. Back-up documentation of line-item expenditures is reviewed before payments are authorized. Any significant variation in a line item from the approved budget must be resolved and changes approved in writing before payment will be authorized. This close monitoring assists in the detection of any possible over/under-spending and allows mid-contract adjustments to be made rather than end-of-the-year adjustments that often have implications for the following fiscal year.

❖ *Performance and Outcome Assessment*

Contractors must complete an assessment questionnaire specifically developed to document their progress toward meeting both the service delivery and outcome objectives of the project as stated in their proposals. These include descriptions of program philosophy, outreach, intake, service provision, termination and follow-up procedures, in addition to the quantitative indicators of contract compliance (i.e. numbers of families served, demographic information, etc.).

❖ *Project Site-Visits*

Teams of FACT members/staff conduct site-visits to each project. The site-visits provide an opportunity to follow-up on any issues or questions that surfaced when reviewing the data forms and allow team members to see and understand the programs' operations in more depth than can be captured through the submitted data alone. In particular, team members conduct facility assessments and have the opportunity to interact with both the administrative and line staff of the programs to discuss the successes and challenges facing the programs. Having staff members "walk" them through a typical day provides invaluable information about the breadth of services available.

FACT has always viewed these site-visits as a monitoring tool, but equally importantly, a mechanism for providing technical assistance to the project staff when issues of concern have been observed, or when staff articulate problems with which they have been grappling. Over time, FACT Committee members have worked with many contractors that have encountered most of the same service delivery problems and can share solutions that have proved successful elsewhere. Developing cooperative relationships with the contractors to jointly focus on improved service delivery has been a hallmark of FACT's approach to program oversight.

CURRENT CONTRACTOR REPORTS

Contra Costa Child Care Council provides parent-choice subsidies for families based on the priorities developed from the 2008 FACT Needs Assessment which determined that the highest priority for services was "the provision of parent-choice child care subsidies for families with open child welfare system cases and for homeless families with children

where the provision of child care could prevent out-of-home placement, maintain a stable relative-caregiver placement, or improve the development of homeless children.

Contra Costa Child Care Council has partnered with two well known homeless shelters in the county, Shelter, Inc. and Richmond Rescue Mission and has collaborated with EHSD to develop a referral protocol that assists eligible families to select child care that best meets their unique child care needs (full or part-time, location, type of care). In addition to administering the subsidy program, families receiving child care affordability funding are also offered other supported and educational programs operated by the Council, including the Child Care Food program, and numerous workshops, classes and conferences on parenting education, child development, and child health.

During the FY08-09, over 30 children or 20 families have received much needed supportive childcare assistance from the Council. The average age for children receiving childcare services is 3.7 years, with the youngest child being 10 months old and the oldest being ten years. The vast majority of the care providers are Licensed Child Care Centers at 53%, while 37% are Family Childcare Homes and 10% of the children are cared for by an approved relative. The Council provides services to families throughout the county however East and Central county each serve 45% of the families while West serves 10%.

Based on data collection about services being provided and site-visits to Contra Costa Child Care Council, it is apparent that the funded project is progressing extremely well toward meeting their goals and objectives and, we believe, will continue to fully meet or exceed their contract obligations should they be recommended for continued funding in FY 2009-2010.

The FACT Committee strongly endorses continuation of this project and hopes the Family and Human Services Committee agrees to forward this recommendation to the full Board for approval.

PROJECTED RFP 2009 TIMELINE

The FACT Committee proposes to begin a new RFP process for the Child Care Affordability Funds in September 2009. The following comprises the timetable for this process.

September: Develop an on-line survey for both community members and child care professionals to elicit information about the current needs and gaps in care that could best be addressed with these funds. In particular, the Committee will focus on identifying specific family/child situations that are most problematic, areas of the county with the fewest child care resources, and the types of child care that can best address the specific problems of the families/children identified.

October: Review existing data, reports, existing child care resources and other current information to supplement the findings from the above survey.

November: Develop the specific priorities and other requirements for the RFP and discuss these with EHSD administration and contracts unit.

December: Begin development of the RFP document; compile a comprehensive list of non-profit child care agencies/programs qualified to submit a bid.

January: Continue RFP development.

February: Release the RFP to the public; convene the Bidder's Conference.

March: Bidders prepare their responses and submit to ESHD.

April: Review and rate proposals; develop recommendations for the contract(s) to be supported for 2010-2011.

May: Meet with FHS Committee to discuss recommendations and receive approval to forward recommendations to the full Board.

June: Complete contracting process for all contracts to meet the July 1st start date.