

Report Recommendations (in order of publication)

Investing in Futures (published by MLICCI, 2003)

- Advocate for increased state funding for child care.
- Advocate for increased federal funding for child care.
- Improve the operation of the child care certificate program.

Mississippi Child Care Development Fund: Program Implementation Evaluation and Impact Analysis (commissioned by MLICCI from the MSU Stennis Institute, 2005)

- Maximize funding available from the federal government
- Increase use of slot-based system
- Enhance the economic development opportunities open to child care providers
- Ensure that contract management procedures allow for transparent delivery of services
- Continue implementation of technology tools
- Provide for external auditing

A Review of the Child Care and Development Fund (CCDF) Program in Mississippi, A report from the Performance Audit Division of the Office of the State Auditor, 2007 (This external audit was required by legislation passed in response to the momentum created by MLICCI and partners based upon the above listed 2005 Stennis report.)

- OSA recommends that OCY re-evaluate the contracts they have with the Designated Agents. They should consider adding relevant benchmarks, stronger controls, more detailed requirements and expectations, and make all requirements consistent with other State and federal policies and regulations in order to protect the State's interest.
- OSA recommends that MDHS review and compare their contracts from 1998 and current to verify that there have not been any such changes (*re: the 5% administrative cap in CCDF*). Should languages or services be changed now or in the future, OSA recommends the contracts be reviewed again by ACF to provide MDHS assurance that MS is still in compliance with limitations on administrative spending.
- OSA recommends that OCY establish policy that includes, but is not limited to, providing updated copies of all policies and procedures, deadlines for providing requested information from DAs to child care centers and vice-versa, payment ledgers, process and deadline for notification of certificate cancellation, co-payment verification, sign in /out sheet verification, child care center training, and mandatory record keeping (attendance logs, payment ledgers, etc.). In addition, OSA recommends that OCY review contract and policy compliance by DAs and provide reports to DAs concerning their compliance or non-compliance.
- OSA recommends that MDHA establish a policy for the DAs that provides for more detailed guidelines, rules, and regulations for child care provider oversight.
- OSA recommends that OCY add the Child Care Policy Manual (or a link to it) on their website and make it a part of their resource library.

- OSA recommends that OCY require each DA to hold at least one mandatory training seminar once a year to discuss all of the rules and regulations of the child care certificate program and address any concerns that the child care centers may have. Also, OCY should require (in contract) that DAs monitor all (CCDF) child care centers in their region at least once in a contract period. OSA recommends that OCY have staff in attendance at these mandatory meetings to ensure consistency in training, as well as serving as an additional information resource.
- OSA recommends that OCY find ways to make applications, information for parents (such as DA contact information), the uniform provider manual, and other similar information available through their website, either as links to DA websites or posting it directly on the OCY site.
- OSA recommends that OCY establish policy requiring DAs to return only incomplete documents or request in writing any missing information along with providing clear instructions that include contact information at the OCY DAs office. OCY DAs should strive to offer the best communication exchange possible when working with parents. In addition OCY DAs should maintain detailed records of communication with the applicant, including reasons for returning applications and denying eligibility. These files should maintain documentation of decisions about eligibility status.
- OSA recommends that OCY establish policy requiring DAs to keep updated documentation that they informed parents and providers about the expiration of child care certificates. OSA also recommends that OCY require DAs to keep detailed records as documentation that appropriate action was taken, especially in the case of termination or denial of eligibility.
- OSA recommends that OCY change current policy to require DAs to notify *both* providers and parents when a child care certificate is about to expire for any reason and if a child has been removed from the program. OCY should also require DAs to provide an explanation for the expired certificate, as well as keep documentation of the date a child is no longer eligible for the program and why eligibility ended.
- OSA recommends that OCY establish a policy requirement for all DAs to maintain detailed documentation of all contact (phone, email, letter, fax, etc.) with parents, as well as maintain documentation when eligibility changes.
- OSA recommends that OCY formalize their current waiting list reduction procedures in internal policy. OSA also recommends OCY re-evaluate any related policies and procedures to limit the amount of time each child spends on the waiting list where possible. Additional policies OCY should consider include a six-month assessment of each child on the waiting list to determine if the child remains in need of services, as well as to validate that a response was made by letter, by phone, or in person.
- OSA recommends that MDHS continue considering the benefits of utilizing an electronic payment processing and information control system, similar to the one they currently use for TANF and food stamp benefits.
- OSA recommends that MDHS continue considering the use of an electronic payment card system as an option to enhance the operating efficiency and effectiveness of the different programs administered by the agency.

Designing Subsidy Systems to Meet the Needs of Families: An Overview of Policy Research Findings (commissioned by MLICCI from the Urban Institute, 2008)

- Link child care subsidies to other social service programs
 - Take a comprehensive approach to aligning systems
 - Link computer systems
 - Combine worker responsibilities
 - Link programs at particular stages in the subsidy process
- Improve customer service practices
 - Make subsidy policies and practices more understandable to customers
 - Require local agencies to have customer service plans
 - Ensure that language and literacy levels are not a barrier
 - Conduct customer service surveys
 - Eliminate or reduce in-person visit requirements
 - Make it easier to get information to subsidy agency or to contact subsidy staff
 - Improve computer systems and other technological infrastructure
- Simplify the application process
 - Make applications easier to access
 - Make applications easier to complete and submit
 - Address the timeliness of eligibility processing
- Simplify the re-determination process
 - Lengthen the authorization period
 - Make it easier for parents to remember to recertify
 - Make it easier for parents to get information to the agency
 - Simplify what information parents have to report for recertification
 - Give parents an extra chance before termination
- Simplify requirements for reporting changes before re-certification
 - Simplify what needs to be reported
 - Make it easier for families to report
 - Identify other ways to get information
 - Only adjust subsidies with some changes
- Minimize inadvertent termination of child care subsidies from temporary changes in circumstances
 - Providing subsidies through gaps in employment
 - Short-term increases in income
 - Assist parents with fluctuating or nontraditional work schedules
 - Suspend subsidy payments during predictable periods of ineligibility
 - Simplify the process of retaining subsidies when changing eligibility categories
 - Delay or suspend co-payments
 - Address the unique needs of migrant families
- Key Steps Subsidy Agencies Can Take to Improve Subsidy Access and Retention:
 1. Assess how well the system works in helping families access and retain subsidies.

2. Identify problems from (1) and then work backwards to identify the basic cause(s) of the problem.
3. Think about the problem in the big picture and identify creative solutions.
4. Implement the solutions and assess the results.

Broadening the Base: Strengthening Mississippi's Working Families, Businesses, and Economy Through Strong Child Care Systems (commissioned by MLICCI from the MS Economic Policy Center, 2008)

- Identify low-income child care as a priority funding area in the Consolidated Plan for Community Development Block Grant (CDBG) funding for Mississippi and its Entitlement cities.
- Explore options to maximize the potential of TANF dollars through transfers to the Child Care and Development Fund (CCDF) and direct expenditures to increase child care options for children not currently being served by the child care subsidy program but living in families with incomes below the program's eligibility limits.
- Engage in a marketing campaign to connect child care workers to Workforce Investment Act funding to upgrade skills. The campaign to upgrade skills could focus on MS Child Care Quality Step System (MCCQSS) pilot areas to ensure that workforce training upgrades correspond with increases in reimbursement funds to connect workers to higher wages in exchange for higher education.
- Pursue Child Care Access Means Parents in School (CCAMPIS) funding for every university, community and junior college in the state. Funding through CCAMPIS could expand access to child care in multiple low-income communities throughout the state. Simultaneously, low-income working families could upgrade their skills to earn higher wages.
- Increase state reimbursement rate to the federally recommended 75% of the market rate to maximize incentive for quality improvements through MCCQSS.
- Create or identify a pool of funds to facilitate the improvement and stability of low-income child care centers through MCCQSS.

Mississippi Child Care Quality Impact Study: Evaluation Report (commissioned by MLICCI from Professional Associates, 2008)

1. The Cost of Quality Improvements –
 Background: Directors were forthcoming in sharing the financial strain related to the daily operation of their centers. Both the STEP participants and non-participants believed that the ultimate solution to improving the quality of child care in Mississippi is the prerequisite of funding for center enhancements.
 A major flaw in the design of STEP is its inextricable link to the childcare certificate program. The financial incentive for STEP quality enhancement is in the rate of reimbursement for certificate children enrolled in a childcare center. First, as documented in this study, many of the centers have a low subsidy density (small number of certificate children), which limits the return on their investment in quality enhancement. Further, the subsidy eligibility period is six months which further limits the return on the investment in quality, particularly given the sometimes lengthy recertification period. Secondly, the quality incentive comes after the fact as

a reimbursement; which means the centers must handle the “upfront” cost. Many childcare centers simply do not have the funds to cover such costs which are often capital expenditures. Thirdly, the enhancement costs are often of such a magnitude that they are not offset by the reimbursement rate. Lastly, all of these factors are compounded by significant administrative challenges in the administration of the childcare subsidy program. The clear implication here is that despite the inherent value of STEP, it lacks strong incentives for childcare centers to participate. The lack of new funds and the linkage to the childcare subsidy program are critical design flaws which limit the potential positive impact of this quality improvement program.

Recommendation: The program would be significantly enhanced through the provision of funding for major center quality enhancements and a financial incentive structure de-linked from the childcare subsidy program.

2. Professional Development –

Background: One of the central quality enhancement criteria is professional development. Once staff receives additional training and credentials, there is a corresponding expectation that there will be an increase in their wages. Since STEP does not include support to sustain an increase in wages, many centers suffer from a countervailing effect which is an increase in staff attrition.

Recommendation: Given this reality, it is recommended that funds for professional development and corresponding wage increases be a part of the quality enhancement funding structure.

3. STEP Aspirations –

Background: The fact that a majority of childcare directors participating in STEP indicated that Level 3 was the highest level they felt they could attain, suggests a need to re-examine the progression structure and its requirements. If Level 5 is considered the pinnacle of childcare quality, it should also be a realistic goal within the reach of all centers.

Recommendation: It is recommended that there be a re-examination and re-design of program criteria at levels four and five which currently hinder the majority of childcare centers serving poor children from being able to attain the highest quality level.

4. Further Study – It is recommended that a financial study of the uncompensated services provided by low-income childcare providers be conducted.

Head Start and Child Care Partnerships Policy Brief, (commissioned by MLICCI from the Center on Budget and Policy Priorities, 2009)

To improve partnerships among early childhood programs, states can:

Provide state leadership to promote collaboration.

In their leadership roles, state officials have multiple opportunities to promote collaboration between Head Start and child care at the program level. State leaders can put collaboration on the agenda at state meetings, engage the assistance of regional officials, hold trainings on partnership strategies, and promote collaboration in their public statements and websites. State leaders can also issue guidance to programs clarifying how to reconcile federal and their specific state requirements for different programs, for example around the issues of blending funding and co-payments.

Develop coordinated governance structures.

To improve coordination between Head Start, child care, and other early education programs, states can establish a variety of formal or informal interagency structures to increase coordinated planning.ⁱ States have created cabinet level departments focusing on children's issues, less formal interagency working groups on specific alignment issues, and Early Learning Councils. These bodies can review existing state investments and need, develop strategic plans, gather data, create memoranda of understanding and remove barriers to collaboration in state regulations.

Increase child care subsidy duration.

Increasing the length of *all* child care subsidies to 12 months is one step that states can take to improve coordination between early childhood programs. However, the federal Child Care Bureau has also clarified that states may set different child care subsidy eligibility periods for programs that collaborate with Head Start, Early Head Start, or pre-kindergarten programs, as long as the state sets forth its rationale in its CCDBG State Plan.ⁱⁱ

Reaching this goal may also include changing categorical eligibility requirements, including the elimination of child support enforcement registration to receive child care subsidies.

Use child care contracts instead of vouchers for partnering programs.

Contracts allow states to purchase child care slots of a stipulated duration and quality. States could offer 12 month contracts to child care providers who meet the Head Start Program Performance Standards, which would ease alignment between the two programs. States can also write contracts that require child care programs to meet Head Start Performance Standards and provide the financial support and stability that will allow partnering programs to plan and implement a high quality program.

Award grants for child care programs to meet Head Start standards.

Many child care programs do not meet the rigorous Head Start Program Performance Standards, for example the standards regarding teacher qualifications. Awarding grants to child care programs to meet this standard and other Head Start standards can encourage partnerships and raise the quality of care for more children in the state.

Provide cross-sector professional development and technical assistance.

States can offer joint professional development opportunities to teachers from child care and Head Start, in order to leverage funds, save on costs, and encourage relationships between teachers in multiple sectors. In addition, providing quality training and resources to all teachers can help raise teacher quality. States can also use the Early Learning Councils and other mechanisms, including the child care subsidy program and state and regional Head Start training offices and information about Head Start Performance Standards and materials and resources to help child care programs understand and meet the standards.

ⁱ For more information, see: Rachel Schumacher, Mark Greenberg, and Joan Lombardi, *State Initiatives to Promote Early Learning: Next Steps in Coordinating Subsidized Child Care, Head Start, and State Prekindergarten*, Center for Law and Social Policy, 2001.

ⁱⁱ ACYF-PIQ-CC-99. "Policy Interpretation Question: The length of CCDF eligibility for children in collaboratively-funded slots."