

DAYCARE

Misc.

LETTER OF INTENT

It is the intent of the Community and Regional Affairs Committee that the money appropriated for the Day Care Assistance Program by CSSB 518 (C&RA) be used to raise the maximum rate paid to day care providers to \$15 per day for children and \$19 per day for infants. It is also the intent of the Committee that the subsidy schedule be adjusted so that eligible families will not bear any portion of the rate increase.

The Committee recommends that the Commissioner of the Department of Community and Regional Affairs hold yearly hearings on rate setting for the Day Care Assistance Program with parents and providers to maintain a reasonable relationship between inflation and day care assistance rates.

\_\_\_\_\_  
Don Gilman, Chairman

\_\_\_\_\_  
Robert Ziegler, Vice Chairman

\_\_\_\_\_  
Frank Ferguson

\_\_\_\_\_  
Mike Colletta

\_\_\_\_\_  
Arliss Sturgulewski

**THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE**

**FISCAL NOTE**

**I. REQUEST**

Bill/Resolution No. CSSB 517 (C & RA)  
 Title An Act relating to child care and day care assistance.  
 Requested by Senate C & RA Committee Date May 19, 1981

**II. FISCAL DETAIL**

Agency Affected Department of Community and Regional Affairs  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Day Care Assistance Program  
 (Note: If more than one budget component is affected, separate line item amounts and funding for each component in the analysis section.)

**EXPENDITURES** (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		37.5	41.5	45.6	50.2	55.2
200 TRAVEL		4.0	4.4	4.8	5.3	5.8
300 CONTRACTUAL		104.3	4.7	5.2	5.7	6.3
400 COMMODITIES		.2	.2	.2	.3	.3
500 EQUIPMENT		2.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.		1862.9	2049.2	2254.1	2579.5	2727.5
<b>TOTAL</b>		<b>2010.9</b>	<b>2100.0</b>	<b>2309.9</b>	<b>2541.0</b>	<b>2795.1</b>

**FUNDING** (Thousands of Dollars)

	2010.9	2100.0	2309.9	2541.0	2795.1
<b>GENERAL FUND</b>					
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-

**POSITIONS**

	1	1	1	1	1
<b>FULL TIME</b>					
<b>PART TIME</b>	-0-	-0-	-0-	-0-	-0-
<b>TEMPORARY</b>	-0-	-0-	-0-	-0-	-0-

**III. ANALYSIS** (See Fiscal Note Preparation Instructions, Section III)

Line 700 - Breakdown of Grant Costs

**DIRECT COSTS**

- \$ 500.0 Administrative costs to be paid to municipalities per Section 3.
- \$ 365.9 Cost of 107 new subsidized child slots and 27 new subsidized infant slots which we expect to be created in response to the availability of 10% administrative fees (134 new unsubsidized slots also expected). New slots are expected primarily in the Mat-Su and Kenai Boroughs.
  - 107 children x \$9 State cost x 264 attendance days = \$254,232
  - 27 infants x \$11 State cost x 264 attendance days = 78,408
  - + 10% administrative costs to municipalities = 33,264

**IV DATE** May 19, 1981

**PREPARED BY** Mckie Campbell  
 A ENCY Department of Community & Regional Affairs  
**PHONE:** 465-4735

**Original:** Legislative Finance  
**cc:** Budget and Management  
 Prime Sponsor (First Legislator Named)

INDIRECT COSTS

\$ 997.0

It is understood that a Letter of Intent will accompany CSSB 517 which will call upon the Department of Community and Regional Affairs to raise the rate authorization \$3 per subsidized slot and to pay the total difference between the old and new rates.  
( $\$997.0 = 1,259 \text{ slots} \times \$3 \times 264 \text{ attendance days}$ )

+

\$1862.9

Total Grant Costs

Projected Grant costs are increased by 10% a year to allow for program growth and inflation.

Line 300 - Contractual includes \$100.0 for a study on the full cost of Day Care.

Lines 100-400 reflect the funds required for the Department of Community and Regional Affairs to hire one additional Field Training Officer necessary to handle the additional administrative load imposed by this bill. Excluding the \$100.0 mentioned above for a rate study, these lines total \$46.0

Line 500 is a one-time equipment cost.

4-8-81

# Day care

## State program to benefit families

By HEIDI EKSTRAND  
Daily News Staff Writer

Recent changes in the state day care assistance program will allow more families to receive day-care assistance. The changes will also boost the percentage of assistance that many families already receive.

The policy change adds median income families, not just low income, to the list of those eligible for day-care assistance. By June 1, a person with a monthly adjusted net income of up to \$1,975 will be eligible for the state funds. In that case, the state will pay 10 percent of the day-care costs. The individual will pay the balance.

At the other end of the scale, a person making \$1,975 a month or less is eligible for a 100 percent subsidy.

Essentially, the addition of median income families, who receive the lowest percentage of assistance, adjusts the scale to allow lower salaried families to receive a larger percentage of the state money.

"The subsidy scale for the day-care assistance program is being revised to include median income families, thus

... lowest income families further up the state share scale for payment of day care," according to a memo from the Department of Community and Regional Affairs.

Judy Wright, who administers the state day-care assistance contract for the Ketchikan Gateway Borough, said the change will allow all but one of her clients to receive a 100 percent subsidy. It will also increase the state's portion of daycare subsidy from about \$7,000 to \$12,000 at the local level.

Statewide, the addition of median income families is expected to add 700 additional families, or 1,007 children to the program. Mrs. Wright said she isn't sure how many additional families will be added at the local level.

Also included in the state's policy change is an increase in the amount of money scheduled for infant day care. That rate will be raised from a maximum of \$200 to \$250 per month.

Also, maximum payment of a \$25 registration fee to cover the initial enrollment of a child with a facility will be authorized. Like other costs, the registration fee will be paid by the state on a percentage basis, dependent on the individual's income.

**DAY CARE FUNDING STUDY**

**February 20, 1981**

**Prepared for:**

**STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS**

**Prepared by:**

**MOEBIUS CORPORATION  
1426 H Street  
Anchorage, Alaska 99501**

**Project Director: Gordon Harper  
Researcher: David H. Blanchett  
Day Care Specialist: Kalen Saxton  
Computer Programmer: Geoffery Stuart  
Research Assistant: Denise Prosser**

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY . . . . .	1
RECOMMENDATIONS . . . . .	4
Potential Participant Numbers . . . . .	4
I. Eligibility Adjustments . . . . .	4
A. Median Income . . . . .	4
B. Regional . . . . .	5
C. New Contracts . . . . .	5
II. Regional Base Payment Adjustments . . . . .	6
III. Quality of Care Adjustments . . . . .	6
IV. Infant to Child Ratio . . . . .	9
V. Home to Center Ratio . . . . .	9
VI. Revision of Formula . . . . .	9
Summary of Recommendations . . . . .	10
INTRODUCTION . . . . .	14
STATEMENT OF THE PROBLEM . . . . .	17
FINDINGS . . . . .	20
Potential Participant Numbers . . . . .	21
I. Eligibility Adjustments . . . . .	22
A. Median Income . . . . .	22
B. Regional . . . . .	26
C. New Contracts . . . . .	28
II. Regional Base Payment Adjustments . . . . .	29
III. Quality of Care Adjustments . . . . .	36
IV. Infant to Child Ratio . . . . .	45
V. Home to Center Ratio . . . . .	47
VI. Revision of Formula . . . . .	51
BIBLIOGRAPHY . . . . .	58
APPENDIX A - METHODOLOGY . . . . .	A-1
Potential Participant Numbers . . . . .	A-3
I. Eligibility Adjustments . . . . .	A-3
A. Median Income . . . . .	A-3
B. Regional . . . . .	A-4
C. New Contracts . . . . .	A-5
II. Regional Base Payment Adjustments . . . . .	A-5
III. Quality of Care Adjustments . . . . .	A-6

TABLE OF CONTENTS  
(Continued)

	<u>Page</u>
APPENDIX B - LETTER & ATTACHMENT . . . . .	B-1
APPENDIX C - MAXIMUM ADJUSTED MONTHLY NET INCOME BY COMMUNITY . . . . .	C-1
APPENDIX D - AGENCY DESCRIPTION . . . . .	D-1

SUMMARY

Low income parents have a difficult time making ends meet. If, in order to work, they must pay child care costs, it may be impossible to afford even necessities. Consequently, the State of Alaska provides the Day Care Assistance Program (DCAP), which subsidizes day care fees, so that low income families can obtain adequate care for their children and continue to work.

However, establishing an equitable rate of subsidy is complicated:

- The potential number of program participants is unknown
- The budget is finite
- Family incomes vary
- The cost-of-living varies between regions, so families with the same gross income have differing amounts of available money.
- Differing qualities of care are provided by day care facilities
- The cost of providing equal care differs by region

The legislature wished to estimate what the program costs would be if eligibility for the program was raised to the State median income level.

This report questioned day care facilities and government agencies to determine the potential number of DCAP participants and the projected costs of changes. The theoretical potential number of participants is 26,860 children statewide. However, this number would not ever be served because of limiting factors such as only 5,211 spaces in licensed day care facilities.

Actual use of DCAP is much smaller, approximately 1,352 children (November 1980, average). Projections are made in this

## Hoebius Corporation

report using this figure as a base. The problems reiser. above, and others, were studied to find program changes offering a solution. Budget implications for these changes were calculated.

Raising eligibility by raising the level of income, would add an insignificant amount, \$1,267 per year, to the budget. This is caused by people at higher income levels participating at consistently lower numbers and, receiving smaller subsidies (see page 23).

Raising eligibility by increasing the income eligibility level of regions with higher costs of living than Anchorage, would, for the same reason, add only insignificantly to the budget (see page 27).

Adding new areas of the State to the DCAP would increase the costs by \$314,982. Because the major areas are already contracted, an additional 133 participants could be expected (see page 28).

Raising the base subsidy for facilities which experience higher costs because of regional differences, would add \$39,048 per year to the budget, if the cooperative extension services rates are used (see page 29).

Subsidizing centers and homes, based upon the quality of care they provide, would add some incentive for facilities to improve care. This would not have a cost impact on the parents, and would benefit the facility directly. The projected costs would be \$124,225 (see page 45).

The State currently subsidizes care for infants (under 2 years old) at 125 percent of the child rate. However, the costs for caring for an infant, as required by law, can be 200 percent of

## Moeblus Corporation

the child rate. This study recommends an infant rate 150 percent of the child rate, for a projected budget increase of \$122,285 annually (see page 45).

This study found insufficient data regarding a difference in home or center care. No recommendation is made as to differential rates. However, a genuine cost difference may exist, so different subsidies could be warranted. The information in this report was too preliminary to this judgment (see page 47).

The formula currently used to determine eligibility categories is arbitrary. This report offers a new formula which relates all variables together in a consistent pattern. The formula provides a simple means of accommodating change of variables or their relationships (see page 53).

## RECOMMENDATIONS

While this study has discovered inconsistencies in the application of the DCAP, and major differences in day care services, the overall worth of the program is beyond question. The recommendations below are to reduce the inequities caused by administrative facets of the program. This program has made it possible for parents of young children to work or train when they can not otherwise afford child care.

### Potential Participant Numbers

The potential number of day care participants is immense and the cost and practical limitations on its being met are prohibitive. This report recommends that the program projections be based on present usage and adjustments that can be made to make it more equitable and cost-effective.

This study recommends that the State investigate the classification of applicants into adjusted income categories. The present method, for example, does not allow for differential costs that are incurred by families with more than one adult but with the same income. Factors to be considered are higher FICA (for double income) more transportation and food costs, and lower babysitting and housekeeping costs.

### 1. Expansion of Eligibility

- A. This study was to determine the projected costs if the income level of families was raised to that of the median income in the State. Adoption of this recommendation would result in program increases of \$1,267 using actual participation levels. This method of projecting costs is the most likely correct of the methods used, and also happens to be the low-

est. Using 20 percent or 10 percent minimum participation, additional projections of \$26,864 or \$17,844. These additional figures are based upon equal usage for all income groups, in order to project a maximum, but there is little reason to suspect the increase would be that high. Of these, the first is not only less expensive, but is more equitable, and is therefore recommended as the best of the two alternatives. However, adoption of the new formula, listed later in Item V, would make this choice needless.

- B. The eligibility levels of the family's maximum income are currently set between regions by the ratios established for the State Department of Administration. Two other ratios outlined in the findings provide quite different results. This study opts to recommend, as a compromise, the middle one of the three sets of ratios; the one established by the Cooperative Extension Service.

The additional annual cost to DCAP would be \$96,120, or \$1,267, depending on the assumptions. This study recommends use of the second, lower figure.

- C. An additional increase of program participation due to changed eligibility can also come from adding areas not presently contracting with the DCRA.

Using existing ratios, 133 participants would be eligible if all areas with licensed slots were brought into the DCAP, for an annual budget increase of \$314,982.

Because the decision to participate is made at the local level, DCRA should be asked to encourage statewide participation, and offered supplemental funds, as any new areas initiate a contract. The benefits of this program should be available to all Alaskans.

II. Regionalization of Base Rate

There can be no question that the cost of providing day care differs between regions of the State. This study has developed three alternate methods of calculating what rate differentials could be. Each method would increase the present \$3,199,400 annual budget by \$285,060, \$399,048 or \$639,252.

This study recommends the adoption of the middle option, which is based on cooperative extension's ratios for regions of the State.

III. Differential Subsidy for Quality of Care

The issue of whether or not to raise the rate of subsidy and by how much if it is raised, affects day care providers, parents, and the budget of the State.

Many centers and homes are not providing minimally adequate levels of care, some because they can't afford to, some because they don't know how to, some because they don't choose to. Other centers and homes are trying to provide a better quality of care, but are losing money and may have to go out of business.

If centers and homes raise their rates it will exceed some parents ability to pay, and they will be "priced out of the market", or will be forced to choose more affordable but less quality of care.

The State of Alaska attempts to assure minimal standards of care through licensing -- but this does not measure quality of care. The State does not have a mechanism to increase the quality of care for young children, other than licensing for custodial (minimum) care.

Therefore, it is recommended that the State not provide more day care assistance funds to centers and homes that barely meet minimal standards; that the State not become the "de facto" rate setter by which centers and homes set their rates, that the State not increase the costs to the parents who are paying some or all of their child's day care costs, because centers raise their rates.

Instead, it is recommended that a system of payments to centers and homes be made on the basis of quality of care levels. This idea is barely more than a concept and will need more thought than permitted by the limited scope of this study. The following recommendations are a framework from which to fully develop this idea. Credit for this concept should go to Joan Hurst, Executive Director of Campfire for Alaska.

The following are proposed steps for quality of child care subsidy:

1. Community and Regional Affairs Day Care Assistance Program will develop a "Quality of Care Rating Inventory" to be completed by homes and centers that choose to receive a quality of care "bonus".
2. Centers and homes will fill out the forms by checking off the degree by which they exceed the minimally licensable standard. For example, the average center in this study had 39 sq. ft. per child. Minimum is 35 sq. ft. A range of numbers would be listed after Square Feet Per Child 40, 50, 60, 70, 80, and 90. If 40 were circled, score one point; if 60 were circled, score 3 points in the sq. ft. per child category.

**Moebius Corporation**

3. Centers or homes will sign a statement that all the information is true to the best of their knowledge, and they will continue to maintain the identified levels of care throughout the year.
4. These statements will be kept on file at the DCAP office of Community and Regional Affairs.
5. DCAP staff will visit programs to review the Quality of Care Inventory with providers. Through technical assistance, they will encourage programs to move to the next level of care. If many centers choose to apply for a quality of care bonus it may mean the hiring of one additional staff person trained in Early Childhood Education.
6. It is not expected that many programs will be interested in, or qualify for the quality of care bonus. If 24 centers and 40 homes are involved next fiscal year it is estimated to cost \$116,496 annually, if no other changes are made in DCAP rates.

A model for quality of care could be devised that could, based on the total points earned on the point scale, classify facilities. For example,

- |           |  |
|-----------|--|
| Level I   | 20 points qualify center or home for bonus payments of 5 percent                                 |
| Level II  | 40 points qualify center or home for bonus payments of 10 percent                                |
| Level III | 60 points qualify center or home for bonus payments (Maximum possible - 72 points) of 15 percent |

It is possible that the legislature may want to consider a way to use the quality of care inventory and a system of bonus payments to assist centers with costs for children not being subsidized by DCAP.

IV. Altering the Differential Between Infant and Child Subsidy

The difference between the infant reimbursement rate and that for children two years and above is not sufficient to cover the increased costs incurred by facilities caring for children. It appears that increased costs for infants are up to twice (200 percent) the rate for children, but this report recommends an increase to one and one half (150 percent). This more closely represents real costs.

V. Altering Subsidy Between Home and Center

This study could not document reliable cost differences between centers and homes. Therefore, a different rate to each is not seen as warranted at the time.

While this study could not document significant differences, there is not adequate data to assure none exist. The precise determination of the scope of these differences was beyond the capabilities of this study. The preliminary data in this report could be used to develop a more thorough study, if the difference in costs between centers and homes is to be used for funding ratios.

VI. Revision of DCAP Subsidy Determination Formula

This report has shown the costs related to alteration of the current day care assistance formula. Because the existing formula is not equitable and not easily adjustable, this study has developed a new formula.

The revised formula was obtained by making the family income categories smaller, by weighting the categories for ability to pay, and by formalizing the method of updating the eligibility figures.

Its adoption is recommended because it formalizes the method of computation, eases alteration due to changes in variables, and is more equitable than the current calculations.

Summary of Recommendations

I. Expansion of Eligibility

There are three ways to expand the eligibility for program participation.

- A. Raise, to Median Income, Eligibility for Subsidy.  
This is not recommended.

	# Additional Children Subsidized	Additional Annual Costs
1. 20% Subsidy		
Projected Usage	2	\$ 1,267
Uniform Usage	655	\$ 26,864
2. 10% Subsidy	655	\$ 17,844

- B. Raise Eligibility Levels by Region. Option #1 is recommended.

	# Additional Children Subsidized	Additional Annual Costs
1. Cooperative Extension		
Projected Usage	2	\$ 1,267
Uniform Usage	34	\$ 96,120
2. Ability to Pay		
Projected Usage	2	\$ 1,267
Uniform Usage	103	\$287,650

Moebius Corporation

C. Contract with Additional Areas in the State - Recommended

	<u># Additional Children Subsidized</u>	<u>Additional Annual Costs</u>
1. Maximum	133	\$314,982

II. Raise Base Rate for Regions

There are three optional ways to calculate differing costs of care by region. Option B is recommended.

	<u># Additional Children Subsidized</u>	<u>Additional Annual Costs</u>
A. Dept. of Administration	0	\$285,060
B. Cost-of-Living	0	599,048
C. Ability to Pay	0	639,252

III. Quality of Care Support Payments

This report estimates the number of facilities qualifying for a proposed quality of care bonus.

	<u># Additional Children Subsidized</u>	<u>Additional Annual Costs</u>
Care Bonus	0	\$116,496

IV. Increase Infant to Child Subsidy Difference

This report recommends an increase in the differential.

	<u># Additional Children Served</u>	<u>Additional Annual Costs</u>
Raise to 150%	0	\$165,464

Moebius Corporation

V. Alter Ratio of Home to Center Subsidy

No change is recommended.

VI. Revise Subsidy Formula

The formula would have several possible effects, depending on the variables established by the State.

	<u># Additional Children Served</u>	<u>Additional Annual Costs</u>
A. Projected Usage	0	(\$ 83,152)
B. Uniform Usage	0	(\$1,150,738)

No change is recommended in the base subsidy payment for the base region.

Summary

	<u># Additional Children Served</u>	<u>Additional Annual Costs</u>
Raise Eligibility by Region	2	\$ 1,267
Add Municipalities	133	\$314,982
Raise Base Rate by Region	0	\$399,048
Add Quality of Care Payments	0	\$116,496
Increase Infant Rate	0	\$163,464
Revise Subsidy Formula	<u>0</u>	<u>(\$83,152)</u>
TOTALS	<u>135</u>	<u>\$912,105</u>

Adoption of the entire list of recommendations would increase the DCAP budget from \$3,199,400, to \$ 4,111,505 or by 28.5 percent. It is important to note, however, that

Moebius Corporation

the increased costs are based on the increases generated by changing only the variable in question. Adoption of two or more variable changes might cause additive changes that exceed the total of the projections for the variables involved. For example, the projected increase of \$122,285 from changing the infant to child ratio would be higher still if the regional base payment was raised as well (projected at \$399,048). This is because the infant rate change is built upon, and thus affected by, the regional base rate. Projecting how much the cumulated costs would be was a complex calculation, but estimates of the total increase is \$1,076,712, on top of the projection above or \$1,988,817. This would increase the DCAP budget to \$5,188,217, or by 62 percent.

## INTRODUCTION

This study was commissioned by the Department of Community and Regional Affairs to assess the equity of their rates for subsidy and to project costs if eligibility for the program were raised.

Limitations of time were severe. The entire project including the survey, research, and writing was completed in a month and a half.

Because of this limitation, some assumptions were necessitated. For example, no provision is made in the projections for major changes that might occur in the Alaskan population, such as would follow construction of the gas pipeline.

Additionally, the limitations of time and money meant that computerized projections of variable changes could not be done. Alternate ways to distribute existing funds, and projections of how many new participants could be served, were not possible to the extent that would have optimized decision-making.

Systems could be developed to implement the recommendations outlined herein. Notably, the supplementary materials that makes application of the new formula easy for the facility operator and the DCRA. However, development of these materials, and streamlining existing record systems was beyond the scope of the study.

One other item should be noted. Most social programs are viewed differently, depending on one's perspective. Day care appears to be included in this category. First, the report "A Woman's Place", a survey of homemakers, in Anchorage, found that 12 percent of all respondents had children in day care. Reasons given for why they chose to put their child in care

## Moebius Corporation

were primarily that it was good for the child to be with others; secondarily, that it gave them some time to do things without children. Reasons given for why they chose particular centers were: Good facilities, good teachers, convenient location, church affiliation, and reasonable cost. If they were satisfied with the place where their child was being cared for, 52 percent said it was because of the caregivers, 22 percent said it was because of the facilities, and 22 percent because the child was happy.

When asked what specific problems of homemakers were being ignored, the responses were varied, but the third most frequent mentioned was the cost of and lack of sufficient day care. When asked for suggestions to alleviate the problems the most frequent response was for less expensive day care and more available.

On the other hand, this study heard from day care owners who self-reported that costs did not meet expenses. A sample of these responses are:

If we raised rates to what they should realistically be, we would have enough money for a building, proper equipment and salaries comparable to the workload.

Constantly -- people are working inhuman hours at slave wages. We are reluctant to charge more, but we must raise rates or lose valuable staff.

We must further increase tuition to break even. We anticipate a 20% increase at a minimum. The owner has funded deficits from personal savings and cannot any longer do this.

We no longer accept drop-ins as we are working for a family atmosphere as much as possible. Plus, it is very hard to maintain a sensible staffing pattern and keep our 1-5 and 1-7 staff-child ratio.

Whether or not these business losses are attributable to poor management, or high cost of living would be the subject of further research. It is a fact that it is happening. Some of the

## Moebius Corporation

centers that are trying to provide better quality of care such as more nutritious food in sufficient quantity, better educated and trained staff, better wages so staff don't leave, more space for kids and staff, and more durable and age appropriate equipment, are the centers that have the hardest time financially. Five centers are examples:

1.	27 FTE* children	\$18,000 projected deficit
2.	28 FTE children	16,000 projected deficit
3.	24 FTE children	7,000 projected deficit
4.	33 FTE infants & children	19,000 loss 1979, and a 2,800 loss 1st quarter 1980
5.	79 FTE children	15,800 loss 1979

Day care is not a profitable business to be in. Even the non-profits have to manage their business well enough to continue to exist. Parents need affordable care of sufficient quality that they don't have to worry about whether their child is safe and happy. Children deserve better than minimally safe places to be, with little variety, barely adequate nutrition, and such limited staff that the caregiver uses management behavior rather than social interactions. Management behavior, commanding and correcting, is what is used by a playground supervisor or lunchroom supervisor. Social interaction with children includes questioning, responding, instructing, praising, and comforting. Caregivers working with children in smaller groups are able to give this kind of care. Caregivers in larger groups spend more time observing and correcting.

\* Full-time equivalent.

**Moebius Corporation**

**STATEMENT OF THE PROBLEM**

Child care costs can represent a large percentage of disposable income, especially for families with lower incomes. The percentage is often so large that it means that an individual working for low wages and paying child care makes less net income than an individual staying at home and drawing Aid to Families with Dependent Children (AFDC), and an amount that is clearly inadequate.

Monthly Gross Pay @ Minimum Wage	\$662
Less 30% for Taxes and Deductions	<u>(199)</u>
Take Home Pay	\$463
Less Unassisted Child Care	<u>(264)</u>
NET INCOME	<u>\$199</u>

Since obtaining day care was so essential to low and middle income parents, the State of Alaska's 1975 legislature passed a bill (A.S. 44.47.250.310) that set up the Day Care Assistance Program (DCAP). This program assists a significant number of families to obtain adequate child care. Furthermore, it is a cost effective program, as it costs the State less to provide DCAP subsidies than AFDC. The intent was to ease the financial burden of child care costs, particularly for low income individuals. By using a graduated scale, the State pays 100 percent of the child care cost for the lowest income categories, thus allowing the parent to earn enough to provide for the family's basic needs. In some cases, this results in avoidance of AFDC. In other cases, it allows families with marginal income a better opportunity to have a higher quality of life.

Establishing subsidy payments and day care rates is a complex matter because there are a variety of factors that should be considered. Some of these factors are:

**Moebius Corporation**

- A. The unknown size of the potential number of families for daycare assistance. Many parents are unaware of the existence of the program. Determining how many participants the program could and should subsidize is obviously critical for budget setting.
- B. A finite amount of funds is available for DCAP. The resources, being limited, must be distributed in the most equitable way, including fair payment to those entering the program after the beginning of the fiscal year.
- C. The income of parents varies. This variable is currently used as the basis for determining differential DCAP subsidies. Unfortunately, data upon which to set these differentials is not up-to-date. This can result in an inequitable assessment of rates.
- D. The cost of living varies within the State. On top of the need to stagger payments to centers on the basis of parents income, the income must be adjusted to the cost-of-living for the location, because a higher cost-of-living reduces the money to pay for child care.
- E. Differing qualities of care by the facilities. The range of care from minimal (providing only safety and comfort) to developmental (providing a range of services to help each child develop its potential) is filled with a continuum of care levels provided by the centers in the State. Because it costs more to provide developmental care, fees to the centers should be graduated to compensate for higher quality care.

**Moebius Corporation**

- F. The costs of providing day care differs between facilities. This is due to higher regional costs, and other factors beyond the control of the facility. To be equitable, DCAP should consider the possibility of making the costs incurred a factor in setting the level of payments to the center.

In addition to the complications above, assessment of DCAP rates must allow for easy change, because the data in the variables constantly alters, and the rate structure must periodically be updated.

The legislature wished to project costs of changing eligibility so that parents whose income is at the State median, would receive some assistance. Two other areas were requested of this study. One was to project costs for the program if the base rate allowed for day care facilities was indexed to the difference in cost of providing care in specific areas of the State. The other was to project costs and develop a formula to propose differential allowances to facilities for better quality of care provided.

Consequently this study was commissioned to ascertain facts and make recommendations on these three components:

- I. Expand eligibility by raising upper level of eligible income to the State median income.
- II. Revise the regional cost-of-living differentials.
- III. Propose a method for differential payments to day care centers to cover costs of providing higher quality care.

FINDINGS

Determination of Potential Audience

While it is possible to estimate the maximum number of children who are theoretically eligible for DCAP funds, there are some natural limitations to the maximum use:

- Some municipalities do not contract with DCRA;
- Some areas do not have licensed facilities,
- Requests for subsidy may exceed budgeted funds
- Families use alternate arrangements;
- Families do not know about DCAP.

Some areas of the State do not have a local government entity that has contracted with Community and Regional Affairs to administer this program in their area, even though there are licensed facilities there. Other areas lack a contract because they do not have licensed facilities. There is a limited number of licensing staff working for the Division of Children and Youth, so additional licenses may not be imminent. Even in areas where there is a contract, the licensed slots may be full, so the potential DCAP participant must wait for available space. Additionally, some areas of the state, can experience shortages of DCAP funds, such that no new participants can be admitted to the program. (This situation occurred in Anchorage and Fairbanks, but the backlog was removed in FY80 by line items in HB 60). Finally, families that are theoretically eligible to participate may elect not to, because they have child care arrangements other than licensed care. In Anchorage there are 4,100 households where all parents are employed full time with at least one child who needs day care. This does not include parents in training. There are 2,675 spaces available for full time care in licensed homes and centers. Obviously some families are not using licensed care. (Statistics sup-

## Moebius Corporation

plied by the Anchorage Urban Observatory, phone conversation, Dr. Richard Ender, August, 1980.) The report "A Woman's Place, A survey of Anchorage Homemakers" published in December 1979, notes that 90 percent of the women interviewed had worked outside the home. 35 percent has immediate plans to return to work or had just gone back to work. 29 percent were working in their homes, and of this group one-third were doing child care.

The potential audience is estimated below to be 26,860. The actual DCAP usage is 1,352\*, or 5 percent of the potential audience.

### Estimated Potential Day Care Users

Total eligible population can be estimated in order to determine the number of children potentially effected and, consequently, the amount the budget would be increased. The approximate number of children in the State eligible for DCAP is derived by calculating the number of children in families whose income is at or below median income and where no parent remains at home.\*\* This figure is drawn from the following calculations. The total population under twelve is derived from the Alaska population overview<sup>2</sup>, page 30, where it lists:

Table 1  
Total Number of Children

<u>From Ak. Statistical Review</u>		<u>Assuming Equal Distribution</u>	
<u>Age Group</u>	<u>Number</u>	<u>Age Group</u>	<u>Number</u>
0-4	37,803	0-1	18,902
5-9	35,130	2-5	25,927
10-14	36,227	6-11	<u>42,595</u>
		Est. Total 0-11	<u>87,424</u>

\* Average, based on November 1980 reports.

\*\* Parents in training would qualify for eligibility, but no figures are available.

**Moebius Corporation**

Assuming half of these children come from families below the median income, the total eligible number of children is halved:

**Table 2**  
**Number of Children Eligible by Income**

<u>Age</u>	<u>Number</u>
0-1	9,451
2-5	12,964
6-11	<u>21,297</u>
Total	<u><u>43,712</u></u>

Futhermore, the total eligible by income is reduced by the number who have one parent not in the labor force. The resulting maximum number of potential eligible children 0-their twelfth birthday, with parents below the State median income and with no parent not in the work force is 29,287.

**Table 3**  
**Maximum Potential Number of Day Care Eligible Children**

<u>Age</u>	<u>Est. No. Eligible By Income</u>	<u>x 19% Single Parent Families</u>	<u>+ Families with Both Parents Labor Force<sup>6</sup></u>	<u>= Total Potential Number Eligible Children</u>
0-1	9,451	1,796	4,536	6,332
2-5	12,964	2,463	6,223	8,686
6-10	<u>21,297</u>	<u>4,046</u>	<u>10,223</u>	<u>14,269</u>
TOTAL	<u><u>43,712</u></u>	<u><u>8,305</u></u>	<u><u>20,982</u></u>	<u><u>29,287</u></u>

**1. Determination of additional budget Requirements for Eligibility Adjustments**

**Estimated Median Family Income**

The estimated median family income for the State in 1982 was \$31,037.<sup>6</sup> Reducing this by 30 percent to account for

<sup>6</sup> U. S. Bureau of Census, Divison of Economic Analysis Federal Register, November 24, 1980, Volume 45.

## Moebius Corporation

taxes and other deductions, provides an adjusted annual income of \$21,726 or \$1,811 per month.

### Average per Child Cost

The total budget for DCAP is \$3,199,400. The total number of children served by this is 1352 (November FY80) for a total average per child cost of \$2,366 annually or \$197 per month.

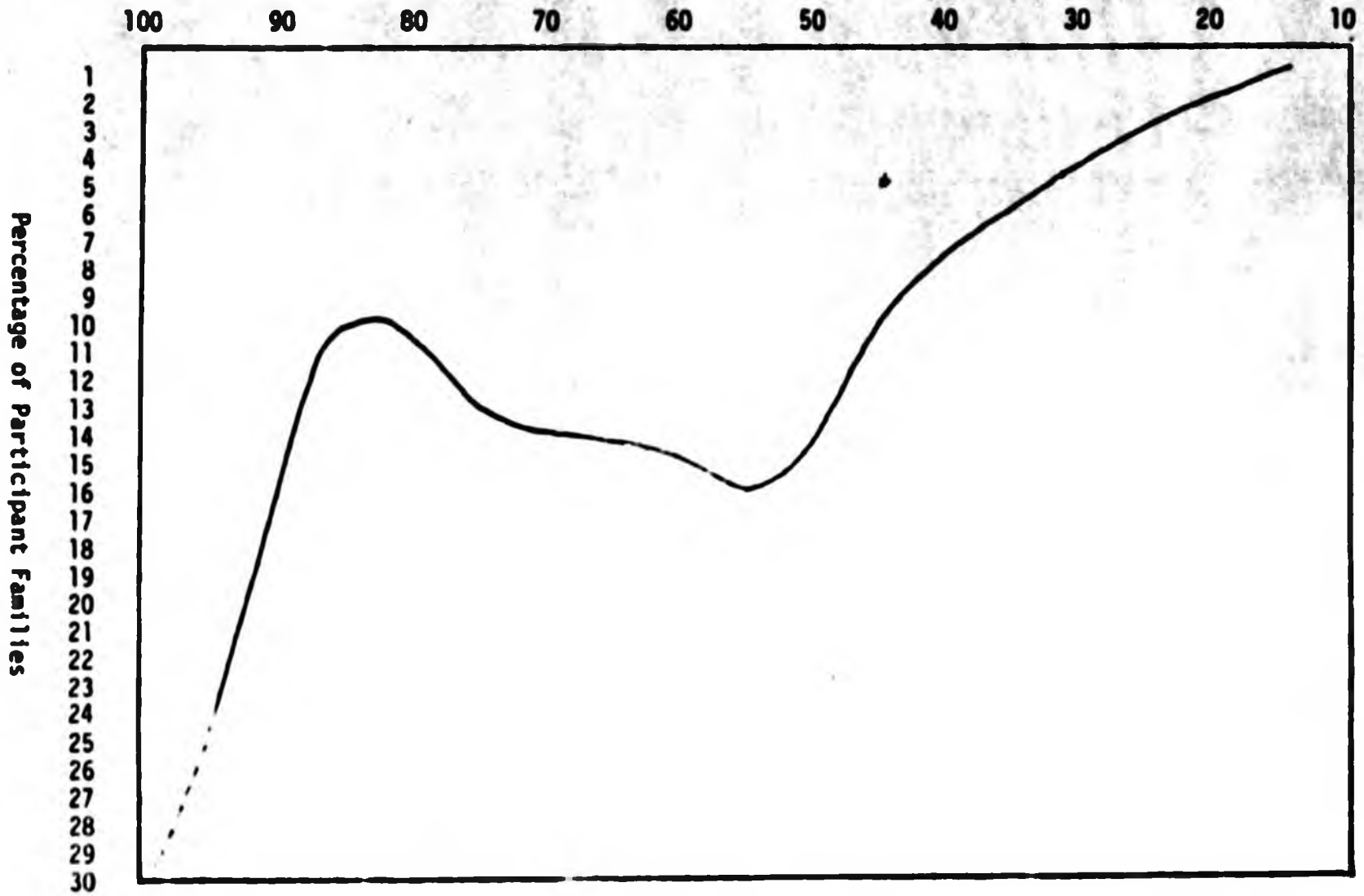
#### A. Projected Budget Increases for Raising Eligibility to Median Income

The additional cost of increasing the number of participants by raising eligibility for subsidy, and no other program changes, is approximately \$106 per month or \$1,267 annually, to serve an additional two children (or two full time equivalents). This figure is low, based on the present participation pattern in the program, where higher income individuals represent an increasingly smaller percentage of the clients. Graph 1 indicates that in the present state-wide participation figures (based on November as an average) 56 children participated in the 40 percent subsidy bracket, 27 participated from the 30 percent bracket, and six participated from the 20 percent bracket. Consequently, extrapolating this trend further indicates a maximum of two children would participate from the 10 percent bracket and none from any higher income bracket would participate. Furthermore, the two children who would participate would be subsidized at the 20 percent level because of high family income. Therefore, two new participants multiplied by \$264 (actual State rate is \$265) per month child care costs multiplied by 20 percent subsidy equals \$106 per month.

Graph 1

PERCENTAGE OF PARTICIPATION BY INCOME GROUPS - STATEWIDE (NOVEMBER AVERAGE)

Percentage of State Subsidy



## Moebius Corporation

The projection may be incorrect because the low income levels may be more "saturated" by potential users, meaning more higher income users would be added in any guideline change. It is possible to calculate the figures without making the same assumptions. If the number of participants in each income category is assumed to be the same, then the number can be estimated by multiplying the number now participating by the percentage of additional population made eligible for the program.

Raising the adjusted income maximum from \$1,333 per month to \$1,811 would increase the population by 36 percent ( $1,811 - 1,333 = 478 \div 1,333 = 36\%$ ). There are a total of 1,352 participants so the increase would be 487. Assuming a 20 percent participation rate, this would mean an annual budget increase of \$27,369 given an average monthly subsidy of \$281 (using the \$530 infant rate, and \$264 child rate, and 25 percent participation by infants).

Median income level families would pay 80 percent of child care costs and the State would subsidize 20 percent, or \$52.80 per month for participants 2 and over in Anchorage, for individuals making up to a gross salary of \$31,037 annually.

A second option (#2) would be to alter the program's administrative guidelines. One such change would be to include minimum State subsidy at the 10 percent level rather than at the 20 percent level. This would mean that in Anchorage for participants over 2, the State would pay \$26.40 per month for full time

care. The cost for this option would be \$33,776\* annually to serve an additional 635\* participants.

Table 4  
Projected Budget Increases to Subsidize Day Care  
For Median Income Families

Current Guidelines (20%)	<u># Children</u>	<u>Total Annual Budget</u>
a. Current Trends	2	\$ 1,267
b. Uniform Income Distribution	635	\$ 26,864
Revised Guidelines (10%)	635 <sup>c</sup>	\$ 17,844

B. The State of Alaska periodically reviews and attempts to adjust the income guidelines of parents situated outside the Region I Base Area.\*\* The present income guidelines are intended to mirror the cost of living. In reality, when compared with studies from two other sources, cooperative extension and Department of Commerce and Economic Development, the Department of Administration's costs by region were discovered to be sharply in contrast as to the percentages regions were over the base.\*\*\* Cost of living showed regional difference ranged between 7 to 61 percent over the Department of Administration figures, while the Ability to Pay Survey regional difference ranged between 8 and 247 percent. Since Cooperative Extension's Cost of Living Data is computed on a more frequent interval, plus easily understood and extrapolatable, it is the one most ideal to be used for mirroring and adjusting cost of living. It is also the most logical to use because its figures are a compro-

\* The increase would be the same number of new participants, 635, but the average subsidy would be reduced to 10%. So 635 children x \$281 monthly average costs x 10% = \$17,844.

\*\* Region I Base Area includes Anchorage, Juneau, Ketchikan.

\*\*\* See Table 5.

mise, being in the middle of Department of Administration Cost and Ability to Pay Survey.

Researching information on cost-of-living through out the State of Alaska, this study found that the most accurate and widely accepted tool is Cooperative Extension Services' Cost-of-Food Survey. This survey with it oil, gas, electricity and lumber addendum provides an updated picture on cost-of-living within Alaska. Agencies such as the Department of Commerce, Department of Labor, Department of Education, local Fairbanks banks, Food Stamps Office, and the Institute of Social and Economic Governmental Research, all use and support Cooperative Extension's Survey. The survey is conducted quarterly with volunteers following set procedures. Because it is done by volunteers, the same cities/villages are not surveyed each quarter, thereby losing some consistency. However, the Food Stamp Program and local banks have pledged support -- in kind help to maintain some consistency in the cities/villages surveyed each quarter. The cost of food survey is its present form has been done for two years, and when applied to Anchorage and Fairbanks, two cities on the Consumer Price Index, the fluctuation is such that each supports the other.

Budget projections for raised eligibility by region were obtained by the following procedure:

1. An average State subsidy was determined for each contracting city.
2. The number of participants for each city was determined from monthly reports.

Moebius Corporation

3. The difference in the eligibility was determined, for both methods of calculating cost-of-living.
4. The number of participants, increased by this raise in eligibility was calculated by multiplying the number of participants by the percent increase.
5. The number of increased participants was multiplied by the average subsidy for the city they were in and by \$281, the average subsidy (x 12 for annual budget).

The resulting budget increases were, for cooperative extension, \$96,120 per year. For ability-to-pay, the increase would be \$287,640. The number of additional participants would be 34 for cooperative extension, and 103 for ability to pay.

- C. Most licensed day care facilities in Alaska can care for children whose fees are paid in part by the DCAP. Some licensed facilities are in areas whose local municipality has not chosen to contract with DCRA to administer the program in their area.

There are 5,211 licensed slots in areas that have contracted. The DCAP funds 1,352 children.

As of December, the Division of Children and Youth shows 5,724 licensed slots or 513 slots in areas not contracting. This number varies according to the number of licenses approved or not renewed by the Division.

## Moebius Corporation

The projected additional budget costs are calculated by multiplying the number of slots by \$614 (the State budget average) for a total annual cost of \$314,982.

The additional number of children served is less. It is calculated by averaging the number of participants that would be expected from the existing ratio. Thus, 1,352 (average participation) is 25.9 percent of 5,211 (total slots), so 25.9 percent of 513 slots equals 133 new participants.

	<u># Additional Children Subsidies</u>	<u>Additional Annual Cost</u>
Maximum	133	\$314,982

In addition to this expansion, new facilities may be licensed and new municipalities awarded a contract. BIA population data states that 3,122 Alaska Native women exist for whom no child care substitutes are available.

### II. Projections for Revised Regional Cost of Care

An attempt was made to see if the present system of applying subsidy to parents in areas outside Anchorage is equitable by comparison with reports on cost-of-living differentials. At present, the Alaska Day Care Assistance Program utilizes a sliding scale.<sup>2</sup> The cost-of-living survey conducted September 1980<sup>3</sup> by the United States Department of Agriculture's Cooperative Extension Service is one of two documents used to verify the present sliding rate scale. The other document used was Numbers prepared by

---

<sup>2</sup> Based on Alaska Department of Administration, Regional Personnel Costs.

## Moebius Corporation

the Alaska Department of Commerce and Economic Development 1979.<sup>6</sup> A comparison of the documents, plus DCAP's sliding scale, shows that inconsistencies exist. Notable problems with the comparison of the data are that Wrangell and Petersburg differs from their present position in the DCAP Regions because of a higher placement in the cost-of-living bracket. Fairbanks placed one to two brackets lower. Although the rural regions of Bethel, Kotzebue, and Nome all rate in the high scale, it appears that the division between them is wide, and depending on which data one uses, there is a question as to their ranking. Ranking appears to be consistent among regions such as Anchorage, Juneau, Ketchikan and Valdez. See Table 5.

Table 5  
Comparison of Economic Regions

	1	2	3	4	5	6	7	8
*	(Base) Anchorage Juneau Ketchikan	(103.75%) Petersburg Sitka Wasilla Wrangell <sup>x</sup>	(107.64%) Kenai Kodiak Homer <sup>x</sup> Seward <sup>x</sup>	(115.87%) Cordova Fairbanks	(120.21) Valdez <sup>x</sup>	(129.29)	(134.25%) Bethel Anderson <sup>o</sup> Ft. Greely <sup>o</sup> Delta Jct. <sup>o</sup>	(139.28%) Kotzebue Nome
**	(Base) Anchorage Juneau Ketchikan Wasilla	(110.3%) Seward Homer Sitka <sup>o</sup>	(118.2%) Fairbanks Kenai Ft. Greely <sup>o</sup>	(127.2%) Petersburg Kodiak	(141%) Wrangell Valdez Cordova <sup>o</sup>	(153%) Delta Jct. Bristol Bay Anderson <sup>o</sup>	(180.5%) Bethel Nome	(200%) Kotzebue
***	(Base) Juneau Sitka Ketchikan Anchorage	(111.1%) Fairbanks	(128.5%) Wrangell/ Petersburg Kodiak	(144.5%) Seward Kenai/ Cook Inlet Ft. Greely <sup>o</sup> Matanuska	(178.6%) Bristol Bay Valdez Cordova <sup>o</sup> Anderson <sup>o</sup>	(300.7%) Nome	(347.24%) Kobuk Kotzebue	(386.35%) Bethel

\* Dept. of Administration Cost by Region: At present, DCAP uses a sliding fee scale based on the State of Alaska's Dept. of Administration rate to subsidize parents equitably using Anchorage as base.

\*\* Cooperative Extension: Based on the Cooperative Extension Service cost-of-living survey completed September 1980, cities were divided into eight (8) natural groupings. Each group was averaged and ranked by percentage with the first group's average used as the base.

\*\*\* Difference between Per Capita Income and the Regional Moderate Standard of Living (Ability to Pay): From data extrapolated from the document Numbers, prepared by the Alaska Department of Commerce and Economic Development, 1979, areas were divided into eight natural groupings and ranked by percentage with the first groups average used as a base.

x No DCAP contract with these cities.

o Not included in Cost-of-Living Survey.

o Not included in Ability to Pay Survey.

o Have been moved in Dept. of Administration as of Feb. 1, 1981.

**Moebius Corporation**

Provision of day care services is more expensive in some areas of the State, because of the generally higher costs of goods and services. Three methods calculated for the increased costs if rates were indexed to the region's financial status. The resulting budget projections, assuming the same program usage follows:

	<u># Additional Children Served</u>	<u>Additional Annual Costs</u>
1. Dept. of Admin.	0	\$285,060
2. Cost-of-Living	0	\$399,048
3. Ability to Pay	0	\$639,252

The exact regional differences are outlined in Tables 6, 7, 8 and 9.

**Table 6**  
**Average Regional Costs of Providing Day Care to One FTE per Month<sup>x</sup>**

<u>Communities</u>	<u>Centers</u>	<u>Homes</u>
Anchorage	\$242	\$216
Anderson	124	
Bethel	344	
Bristol Bay		113
Cordova	92	
Delta Junction	151	
Fairbanks	268	195
Ft. Greeley	263	
Homer	131	
Juneau	223	171
Kenai	181	203
Kodiak		189
Kotzebue	356	
Nome	746	
Petersburg	249	
Seward	71	
Sitka	247	
Wasilla	180	164
<b>Total Averages</b>	<b>\$245</b>	<b>\$184</b>
		<sup>xxx</sup> (\$312, if homes paid staff minimum wage)

(Although there are licensed facilities in Wrangell and Valdez they did not respond to this survey.)

\* Source: Based on Moebius Corporation telephone survey, December 1980, and January 1981.

\*\*  $\$3.85 \times 10 \text{ hrs./day} \times 22 \text{ days/month} = \$847 + 6.6$  number partici-  
pants =  $\$128 + \$184 \text{ Base Costs} = \$312.$

**Table 7**  
**Total Monthly/Yearly Projected DCAP Costs**  
**Using State Dept. of Administration Rate Differentials**

	<u>Monthly Rate</u>	<u>Actual Children Served</u>	<u>Total Cost</u>	<u>Sum Above Base</u>	<u>Actual Children Served</u>	<u>Total Budget Increase</u>
REGION 1 Anchorage Juneau Ketchikan	\$ 264	842	\$222,288	N/A	N/A	N/A
REGION 2 Petersburg Sitka Wasilla	274	69	18,906	10	69	\$ 690
REGION 3 Kenai Kodiak	284	54	15,336	20	54	1,080
REGION 4 Cordova Fairbanks	309	276	85,284	45	276	12,420
REGION 5						
REGION 6						
REGION 7 Bethel Anderson Ft. Greely Delta Junction	354	97	34,338	90	97	8,730
REGION 8 Kotzebue Nome	369	14	5,152	104	14	1,456
TOTALS PER MO.	<u>\$309</u> Avg.	<u>1352</u>	<u>\$381,304</u>	<u>\$269</u> Avg.	<u>510</u>	<u>\$23,755</u>
YEARLY TOTALS			\$4,575,648			\$285,060

**Table 8**  
**Total Monthly/Yearly Projected DCAP Costs**  
**By Cities Surveyed Using Percentages Extrapolated**  
**From the USDA Cost of Living Data, 1980**

<u>Cities</u>	<u>Monthly Rate</u>	<u>Actual Children Served</u>	<u>Total</u>	<u>Sum Above Base</u>	<u>Actual Children Served</u>	<u>Total Increase</u>
<b>REGION 1</b> Anchorage Juneau Ketchikan Wasilla	264	858	\$226,512	Base	N/A	N/A
<b>REGION 2</b> Sitka Seward Homer	290	35	10,150	26	35	\$ 910
<b>REGION 3</b> Ft. Greely Fairbanks Kenai	312	324	101,088	48	324	15,552
<b>REGION 4</b> Petersburg Kodiak	335	68	22,780	71	68	4,828
<b>REGION 5</b> Cordova Wrangell Valdez	372	9	3,348	108	9	972
<b>REGION 6</b> Anderson Delta Jct. Bristol Bay	403	20	8,060	139	20	2,780
<b>REGION 7</b> Bethel Nome	476	35	.660	212	35	7,420
<b>REGION 8</b> Kotzebue	528	3	1,584	264	3	792
<b>TOTALS PER MO.</b>	<u>372</u> Avg.	<u>1352</u>	<u>\$390,182</u>	<u>124</u> Avg.	<u>494</u>	<u>\$33,254</u>
<b>YEARLY TOTALS</b>			\$4,682,184			\$399,048

Table 9

Total Monthly/Yearly Projected DCAP Costs  
Using Percentages Extrapolated from Dept. of Commerce  
and Economic Development's Economic Statistics of Alaska Census Division

<u>Cities</u>	<u>Monthly Rate</u>	<u>Actual Children Served</u>	<u>Total</u>	<u>Sum Above Base</u>	<u>Actual Children Served</u>	<u>Total Increase</u>
REGION 1 Anchorage Juneau Ketchikan Sitka	264	877	\$231,528	Base	N/A	N/A
REGION 2 Fairbanks	233	267	78,231	29	267	\$ 7,743
REGION 3 Wrangell Petersburg Kodiak	339	68	23,052	75	68	5,100
REGION 4 Seward Kenai Cook Inlet Matanuska Ft. Greely	381	73	27,813	117	73	8,541
REGION 5 Anderson Bristol Bay Cordova Valdez Delta Jct.	471	29	13,659	207	29	6,003
REGION 6 Nome	792	11	8,712	528	11	5,808
REGION 7 Kobuk	916	3	2,748	652	3	1,956
REGION 8 Bethel	1,019	24	24,446	755	24	18,120
TOTALS PER MO. Avg.	559	1352	\$410,199	337 Avg.	475	\$53,271
YEARLY TOTALS			\$4,922,388			\$639,252

III. Budget Projections for Quality of Care Adjustments

The quality of care issue is complex. The consequences of not providing nurturing and developmentally appropriate experiences for children affect them as individuals, their family, and ultimately society. High costs of providing quality care affect the parents ability to pay and the centers and homes ability to provide care.

A number of regulatable characteristics have been identified, primarily staff/child ratio, group size, and care giver qualifications and are included in most state and federal regulations.

It has been assumed that, within limits, a smaller number of children per care giver lowers the risk of damage and increases the opportunity for successful stimulation of the child's cognitive, emotional, and social development.

It has also been assumed that an upper limit on group size is required both for safety and for the creation of a properly supportive environment for growth.

Finally it has been thought that a well-trained, experienced care giver will, through her or his behavior, produce positive outcomes for children while minimizing negative outcomes.

Many other regulatable and nonregulatable characteristics of center care have also been assumed to contribute to quality. Among these are the amount and type of space; materials and equipment; qualifications and skills of the director and of staff other than care givers; the amount and nature of parent involvement; availability of supplementary services to children and families; center philosophy and educational programs.

(National Day Care Study<sup>7</sup>)

The National Day Care Study was conducted in January 1978 to assess the quality of the child's experience and some of the consequences of that experience both for the child's development and for costs.

## Moebius Corporation

### The issues for centers are:

1. Low pay - which is the result of high program costs and low revenues.
2. Caregiver to child ratio - which overloads the caregiver and gives less care to the children.
3. High turnover of staff - lack of consistency of care for children, difficulty in providing training.
4. Limited training - initially and OJT.
5. Limited space - not a good environment for children or adults.
6. Food - rising costs, adequate nutrition, adequate amounts.
7. Equipment - enough for all children, enough variety, age appropriate.
8. Supplies - enough to provide varied activities.

### Day care home issues are:

1. Long hours for care givers.
2. Limited mobility hard to take all kids outside, or away from house, may have to pay for another care giver in order to get out.
3. Limited training - initially, almost no training OJT.
4. Limited space - sometimes.

## Moebius Corporation

5. Limited equipment - due to lack of space and funds.

Issues for infant care are:

1. High staff per child ratios - needed.
2. Small group - size, separate facilities for sleeping, no more than two under two in homes.
3. Longer hours for staff - to provide consistency of care.
4. Specialized care - frequent feeding, changing, holding.

Issues for children two and over are:

1. Need for sufficient space in safe environment.
2. Need for developmentally appropriate materials, enrichment experiences, and variety during the day.
3. Need for consistency of care, trained care givers.
4. Need for moderate group size.
5. Need good nutrition in sufficient amounts, exercise, some outdoor play.

### Analysis of Daycare Costs

In the NDCS (National Day Care Study<sup>7</sup>) financial analysis was used to determine how the per-child cost of center-based care is affected by variations, such as staff per child ratio, group size, and staff qualifications.

## Moebius Corporation

This national study completed in January 1978 shows an average monthly resource cost per full time equivalent (FTE) child as \$161. Resource costs per child include the value of donated time, space, and material.

Table 10

### U.S. MONTHLY COST PER FTE CHILD

<u>Average</u>	<u>Minimum</u>	<u>Maximum</u>
<u>\$161</u>	<u>\$80</u>	<u>\$310</u>
Personnel	\$107 monthly per child	64%
Occupancy	22 monthly per child	14%
Supplies, Equipment & Food	<u>32</u> monthly per child	19%

\$161 Average Cost/Child/Month

The average monthly resource income was about \$165 per child in the centers studied. Slightly more than half of the centers in this study were primarily dependent on parent fees, the rest were primarily dependent on government payments.

The greatest variation in costs is due to ratio of care givers to children, ratio of non-care giving staff to children, and average center wage rates. Group size does not have an impact on cost per child. Care giver qualifications have a modest effect because they are tied to wage rates.

Table 11

CAREGIVERS BY AMOUNT OF TIME EMPLOYED

	<u>Centers</u>	<u>Homes</u>	<u>Total</u>
Full Time	226	107	333
3/4 Time	42	1	43
1/2 Time	70	3	73
1/4 Time	<u>49</u>	<u>2</u>	<u>51</u>
Totals	337	113	300

The care giver/child ratio has the most substantial impact on cost per child of any single factor studied. Within the ratios of 1:5 to 1:10 (one adult to five children - one adult to ten children) even small differences in the care giver/child ratio can have a large impact on costs.

A link has not yet been established between the provision of specific kinds of services and per child costs, though the ratio of non-care givers to children is significantly related to costs. Non-care givers include administrators, cooks, janitors, drivers, nurses and others.

The average wage rate is significantly affected by the educational level of staff as well as duration with the program. The mix or ratio of teachers and aides is also a factor. The presence or absence of specialization in a child related area does not appear to affect the wage rate, over and above the impact of formal education.

The more a center depends on federal funding as opposed to parent fees, the higher its costs are likely to be. This difference between federally funded centers and parent-fee centers is due to higher ratios of care givers and Non-care giving

## Moebius Corporation

staff to children and higher wage rates that prevail in federally funded centers. This may reflect a more rigorous enforcement of the minimum wage law in federally funded centers.

It is clear that these cost factors warrant consideration in establishing a policy of reimbursement rates at both the federal and state levels.

(National Day Care Study<sup>7</sup>)

The UNCO Study<sup>8</sup> was done to examine the quality of federally supported day care in Washington, Oregon, Idaho, and Alaska. In 1973 Alaska was receiving funds for day care through Title XX. The quality of care was examined both from the perspective of state and local agencies which administer federal day care dollars, and from the perspective of the providers who must meet federal standards.

In 1973 Alaska had a different set of licensing regulations which were changed after the Day Care Assistance Program was initiated, ostensibly to make it easier for programs throughout Alaska to be licensed. For example, under the previous regulations a family day care home could not care for more than six children including the providers own children under age twelve. Under the regulations amended in 1977 there can be up to eight children including three of the providers own, if there are children under age two; and up to ten children including four of the providers own, if there are no children under the age of two. The average number of children in the homes that participated in this survey is 6.6 or almost 7 children. Since this survey did not ask homes to distinguish how many children they cared for were their own, we can not accurately calculate what the potential income for homes could be. If two or three children are their own, then day care homes are making even less in income than was estimated.

## Moebius Corporation

The exception to these regulations is the local licensing in Bethel, which define a day care home as four children or less being cared for by persons other than the parent or guardian, by the day, or any part thereof, week, month, or year. A child care center is defined as five or more children.

In the Unco Study in 1973, they sampled: 72 centers - 3,382 children; 270 family day care homes - 1,260 children; 273 in-home care - 664 children. The total number of children supported by federal funds is 1,408.

Based on the information on identified factors that affect costs and quality of care, this study questioned day care facilities about space, food, personnel costs, among other items (Appendix ). Space cost could include rent, utilities, fuel, insurance, janitorial services, or snow removal. Food costs could include food service as well as food. Personnel include care givers as well as non-care giving staff, and employees paid by other programs. Equipment covers major or permanent purchases. Supplies are consumable. These five cost areas were added to give a total program cost per month. This figure was then divided by the total number of full-time-equivalent children (FTE). The resulting figure is average cost per child (FTE) per month.

Table 12

### ALASKAN MONTHLY COST PER CHILD (FTE)

<u>Centers</u>	<u>Minimum</u>	<u>Maximum</u>
\$245	\$92	\$746
<u>Homes</u>		
\$312*		

\*If homes paid minimum wage.

## Moebius Corporation

Centers average 39 square feet per child which is barely more than the minimally licensable standard. We suspect that several centers and homes do not meet the minimum standards.

According to the responses to this study, centers had average costs for food service per child (FTE) of less than \$1.00 per day (\$21/month in centers and \$42/month in homes). Since this figure includes costs besides food, even with economies of scale it would appear that children in many centers do not eat well, and children in homes eat better. This is lower than the Anchorage high school lunch at \$1.25, which is significantly higher than the amount paid by the centers below the average.

According to the survey, half the programs reporting, both homes and centers, participate in the USDA food reimbursement program, yet this did not raise the standard.

Staff, including administrators, working in centers get slightly more than minimum wage. Only one third have been there more than a year. These high turn over rates have a strong impact on children.

Only 34 percent offer paid training or training during working hours.

Staff to child ratios in some homes and centers does not meet minimal licensing standards unless there are volunteers or staff paid by other sources that the program did not report. It appears that many homes, and some centers have reported more children than licensing allows. (If there were more licensing staff in DSS, these violations would possibly be less common.)

## Moebius Corporation

Only 24 percent of center staff and 18 percent of day care homes providers reported to have a degree. Unless degrees are in fields directly applicable to care of young children or care of young children in groups, they are of limited value. Fields which directly apply are early childhood education, elementary education, special education, home economics with child development, nursing, and to a limited degree recreation, psychology, sociology, library science, nutrition and health.

### Training

Forty-nine programs or 34 percent provide some kind of training during working hours, or paid training.

Table 13

#### Staff With Certificates or Degrees

	<u>Centers</u>	<u>Homes</u>	<u>Totals</u>
Child Development Associate (CDA)	9	1	10
Associate of Arts (AA)	9	6	15
Bachelor of Arts (BA)	47	12	59
Graduate Study	<u>26</u>	<u>2</u>	<u>28</u>
TOTAL	91	21	112

(This information was self reported, so may be inflated. For example, only two people in Alaska have received a national CDA certificate and ten received a CDA certificate from Alaska Methodist University.)

Projected Costs for Quality of Care Payments

The annual budget increase for DCAP subsidy if quality of care payments were applied would be \$116,496 affecting 461 existing participants affected (although parents would not be financially involved directly, and no participants would be new). This projection is based on estimates of the number of facilities qualifying at each level multiplied by the number of infants and children involved.

These numbers were multiplied by the amount of additional subsidy proposed, or 5 percent for Level I, 10 percent for Level II, and 15 percent for Level III.

Table 14

<u>Projected No. of Children Per Level</u>				<u>Subsidized by DCAP</u>
Level I	15 Centers x 63	=	945	= 246
	25 Homes x 6.6	=	165	= 43
Level II	6 Centers x 63	=	378	= 98
	10 Homes x 6.6	=	66	= 17
Level III	3 Centers x 63	=	189	= 49
	5 Homes x 6.6	=	33	= <u>9</u>
				462

IV. Justification and Projections for Alteration of the Infant to Child Subsidy Ratio

This category is added at this point, because there is a significant variance between the charge for infants and

the cost for caring for infants. The additional cost can be determined, using the child rate as a base, by adding proportionally the items requiring extra costs. In day care facilities, the two largest budget items are staff and space. Both require additional costs for infants over children.

The staff for infants, as required by regulations, is one care giver for every five infants.\*\* However, the staff ratio for children two and over is only one to ten. Therefore, the law requires that the staff be twice as large for infant care. Staff costs can be up to 80 percent of total overhead in a day care facility.

The space requirements are also larger for infants than children. The requirement for both is 35 square feet per participant. However, the regulations mandate that space for a crib be provided for each infant over and above the 35 square feet.

State regulations require higher staff and space ratios\*, consequently, the day care facility should be reimbursed accordingly.

If cost is set at 150 percent, the resulting figures would mean a \$66 increase over the present rate of \$330. The total annual budget increase at the average of 80 percent subsidy, would be \$163,464 assuming the same number of infants enrolled, 258 statewide.

<u>Additional Children Served</u>	<u>Additional Annual Cost</u>
0	\$163,464

---

\* Anchorage regulations are even more costly.

\*\* Many centers only maintain 3 or 4 infants per caregiver, since it is extremely stressful for infants and staff.

Moebius Corporation

V. Projecting Different Ratios for Home and Centers

The possibility that the day care centers would be less expensive to operate because of economies of scale was added during this study.\* If sufficient data supported this, or its reverse, then differential rates could be recommended.

No such difference was found. This is primarily due to average costs for homes being significantly under-reported because most day care homes could not report what they made as a salary. Current practice is to collect fees, pay for space costs, food, equipment, and supplies, and the rest is profit or wages.\*\* As a comparison minimum wage is figured. Most day care homes have children for more than ten hours because some arrive as early as 7:00 am and some don't get picked up until 6:00 pm or later. Therefore, 10 hours x 22 days = 220 hours per month x \$3.85 minimum wage = \$847. per month.

- 
- \* Some expense items were discovered that did not fit into major cost categories. These include accounting and bookkeeping, medical, legal, and educational consultants, advertising, fund raising, bank charges, tax penalties, depreciation, field trips, transportation, laundry, etc.
  - \*\* Only 7 to 105 homes reported monthly personnel costs which are: \$1, \$15, \$200, \$270, \$350, \$366, \$4,000.

Moebius Corporation

Average costs per home:	Space	\$621*
	Food	280
	Equip.	50
	Suppl.	847
		<u>847</u>
Total Average Costs		<u>\$1,846</u>
Minimum Wage		847
MINIMUM TO OPERATE		<u>\$1,846</u>

Assuming a home is paid for:	2 infants x \$330	= \$660
	3 children 264	= 792
	INCOME PER MONTH	<u>\$1,452</u>

	6 children x 264	= \$1,584
	INCOME PER MONTH	<u>\$1,584</u>

In other words, a day care home cannot earn sufficient income to pay the owner minimum wage. This is based on averages. In practice, the homes that have higher expenses, often an indication of raised quality of care, are even less cost effective.

For centers, the number of full time equivalent staff (FTE) is found by taking all full time, 3/4 time, 1/2 time and 1/4 time staff added together to equal the number of staff if all were working full time.\*\*

This number is divided by the number of centers to obtain an average number of staff per center working full time. Full time is eight hours per day.

The monthly personnel cost is divided by this number to get the average monthly salary for someone working in a center.

---

\* This figure is based on whole house excluding bathrooms, kitchen, halls, garages. According to I.R.S. regulations, one-half this cost is deductible. Therefore, \$310 could be substituted, leading to \$1535 in projected cost minimum.

\*\* Additional indirect costs for time spent on training are noted by the findings of this study that two-thirds of day care homes have staff who have been there more than one year. Only one-third of center staff have been there more than one year.

Moebius Corporation

295 FTE Staff + 57 Centers = 8 FTE Staff per center (avg.)

$$\begin{array}{r}
 \$6,917 \text{ No. Personnel Cost} \\
 \text{Per Center}
 \end{array}
 + 8 \frac{\text{FTE Staff}}{\text{Per Center}} = \$864.62 \text{ Avg.No. Salary}$$

This is \$4.61 per hour which is somewhat better than minimum wage.

The Table 15 lists the difference between the major expenditures or centers and homes per each equivalent of a full time participant. Homes appear to spend slightly more, on average. The difference is 17 percent.

Table 15  
Average Monthly Cost Per Child (FTE)<sup>1c</sup>

<u>Requirements</u>	<u>Centers</u>	<u>Homes</u>
Space	\$ 19.83	\$112.83
Square Feet	39	168
Food	\$ 21.13	\$ 41.38
Personnel	\$113.56	\$ 31.35 <sup>**</sup>
Equipment	\$ 2.88	\$ 2.27
Supplies	\$ 4.54	\$ 7.18
TOTAL	\$161.00	\$195.00

\* FTE - Full Time Equivalent is based on 2 part time infants or children (5 hours or less) equal to 1 full time infant or child.

\*\* This figure is questionable since only 7 homes of 105 reported any personnel costs and the low and high figures reported are so extreme.

Table 16

Average and Extremes Reported by Homes and Centers

37 Centers

<u>Description</u>	<u>Mean</u>	<u>Minimum</u>	<u>Maximum</u>
Monthly Space Costs	\$1,455	\$40.00	\$5,800
Square Footage	2,553 sq.ft.	350 sq.ft.	8,400 sq. ft.
Monthly Food Cost	\$1,334	\$45.00	\$5,500
Monthly Personnel Cost	\$6,917	\$100	\$36,300
Monthly Equipment Cost	\$ 235	\$ 20	\$ 833
Monthly Loan Pmts. - Equipment	\$ 166	\$111	\$ 425
Initial Layout - Equipment	\$7,273	\$174	\$25,000
Monthly Supply Costs	\$ 315	\$ 10	\$3,000
FTE - Children	63	10	238

105 Homes

<u>Description</u>	<u>Mean</u>	<u>Minimum</u>	<u>Maximum</u>
Monthly Space Costs	\$621*	\$60	\$1,500
Square Footage	878 sq.ft.	500 sq.ft.	2,400 sq. ft.
Monthly Food Cost	\$280	\$16	\$ 900
Monthly Personnel Cost	\$164**	0	\$4,000
Monthly Equipment Cost	\$ 50	\$ 5	\$ 350
Monthly Loan Pmts. - Equipment	\$149	\$50	\$ 354
Initial Layout - Equipment	\$751	\$30	\$15,000
Monthly Supply Costs	\$ 48	\$ 5	\$ 325
FTE - Children	6.6	.8	14**

\* This figure is questionable since only 7 homes of 105 reported any personnel costs and the low and high figures reported are so extreme

\*\* A home that self reported 8 full time and 12 part time children which is apparently in violation of licensing regulations.

Table 17

Participation in USDA Food Reimbursement Program

22 Centers or 59.5% of all Centers reporting

49 Homes or 46.7% of all Homes reporting

Table 18

Centers or Homes with Sick or Annual Leave

21 Centers or 56.8% of all Centers reporting  
4 Homes or 3.8% of all Homes reporting

VI. Revision of the Subsidy Formula

Certain inequities are caused by the existing formula used by the DCRA. The result of the application of these guidelines is that some individuals do not receive a fair share of subsidy, while others probably receive a more than equal share. Which category they belong to is quite accidental.

The following table is a rate chart for Anchorage.

Table 19

Department of Community and Regional Affairs  
Day Care Assistance Program -- Subsidy Schedule  
for the Base Economic Region

<u>Monthly Adjusted</u> <u>Net Income</u>	<u>State Subsidy of</u> <u>Day Care Costs</u>
\$ 0 - 533	100%
534 - 633	90%
634 - 733	80%
734 - 833	70%
834 - 933	60%
934 - 1033	50%
1034 - 1133	40%
1134 - 1233	30%
1234 - 1333	20%

Specific inconsistencies include:

1. 10 percent income categories;
2. Non-participation below 20 percent;
3. Arbitrary income eligibility figures;
4. Non-uniform weighting for poverty.

## Moebius Corporation

Item one, use of 10 percent income categories, means that a parent's payments can vary by \$26.40 per month, depending on one dollar difference in their adjusted income (using Anchorage child rate as a base).

Item two, non-participation below 20 percent, doubles the inequity of item one for people with an adjusted monthly income of \$1,334 (Anchorage) or a monthly loss of \$52.80 in subsidy for one additional dollar in adjusted income.

Item three, inconsistent income eligibility figures, causes individuals to be placed arbitrarily in payment categories, in an inequitable manner. The income categories in Anchorage are in \$100 increments rather than on a percentage or some other equal method.

Item four, inequitable poverty weighting, makes a subsidy for individuals in the lowest income categories higher than is proportional to those in higher income categories.

A formula that reduces these inequities has been developed in this study. The revised payment, income categories, and weighting are listed in the following table, using Anchorage as a base and the current maximum eligible income. This formula is intended to represent a method of arriving at subsidy amounts. Poverty weighting can be adjusted within the formula to provide greater assistance for any income group. Table 20, in fact, provides less subsidy to some low income categories than the existing subsidy scale, but the difference is small.

Table 20  
Revised Formula  
Using Existing Income Maximum for Anchorage

<u>Percent</u>	<u>Adj. Mo. Income of Parent</u>	<u>Poverty Weighting</u>	<u>Parent's Proposed Payment</u>	<u>Proposed Subsidy</u>
100	\$ 0 - 77	0	0	\$264
95	78 - 153	.05	0*	264
90	154 - 230	.1	0*	264
85	231 - 307	.15	0*	264
80	308 - 383	.2	11	253
75	384 - 460	.25	17	247
70	461 - 537	.3	24	240
65	538 - 613	.35	32	232
60	614 - 690	.4	42	222
55	691 - 767	.45	53	211
50	768 - 843	.5	66	198
45	844 - 920	.55	80	184
40	921 - 996	.6	95	169
35	997 - 1073	.65	112	152
30	1074 - 1150	.7	129	135
25	1151 - 1226	.75	149	115
20	1227 - 1303	.8	169	95
15	1304 - 1380	.85	191	73
10	1381 - 1456	.9	214	50
5	1457 - 1533	.95	238	26
0	1534 +		264	0

\* Payments dropped as too small to collect administratively.

This formula makes the assessment of subsidy more equitable than current tabulations, to a level as close to equity as administrative constraints permit. Also, it is one that allows for easy and predictable alteration of payment amounts based on a change of circumstances, including:

1. Change in the State's median family income;
2. Change in the total funding for the program;
3. Change in the relative payment between age groups;
4. Change in the absolute payment amount for any particular income group;
5. Change in the case payment rate to day care providers.

## Moebius Corporation

The specific methods for removing or reducing the problems with the existing formula are as follows:

Item One: This is a change from a 10 percent subsidy categories to 5 percent categories. This level was chosen as the smallest practical. A smaller figure would more equitably convey the program benefits and liabilities, but would be administratively more difficult for the department, contracting municipality, day care facility, and parent, and is consequently not likely to be cost effective.

Item Two: Non-participation below 20 percent subsidy was altered to participation down to 5 percent subsidy (although the actual dollar sum to be subsidized may be too small to be warranted, and can be dropped for administrative reasons).

Item Three: The use of arbitrary income eligibility figures has been replaced by straight line, equal income categories. To use the revised formula, the State needs only to establish the upper level of family income that is to receive a minimum of 5 percent subsidy of their child care costs. If the median family income is chosen for this figure, then it can be annually calculated, even predicted with some accuracy.

Item Four: The arbitrary one-increment poverty weighting has been replaced by a graduated, across the board scale. A straight-line five percent would make payments by those in the lowest category a higher percentage of their income. In some cases it would make it more cost-effective to accept Aid to Families with Dependant Children than to work and pay the child care costs, even where those costs are subsidized by DCAP.

## Moebius Corporation

The new formula used as an example weighting for ability to pay by adding responsibility for an additional 0.05 percent of the increment of subsidy, as the income rises to each income category.

Projected subsidy payments of the formula can be easily accomplished for any maximum payment levels. Budget projections can also be made, but these are contingent upon assumptions made about additional eligibility. The total budget projection using current payment maximums is \$3,116,248. Table 20 shows the method of calculation for Anchorage children leading to a total of \$85,508 monthly, or \$1,026,096 yearly. \$1,533 is used as the maximum because it is the "ghost" figure that would be the maximum if the existing table were extended to zero percent. Using this table as a base, the Anchorage infant budget is projected at \$329,472 ( $\$1,026,096 \div 405 \text{ FTE} = \$2,534 \text{ average} \times .25 \text{ infant increase} = \$634 + 2,534 = \$3,168 \text{ average infant} \times 104 \text{ FTE}$ ). Since Anchorage represents 43.5 percent of the statewide budget, the total statewide annual projected cost is \$3,116,248 or \$82,152 less than current DCAP budgets. Obviously, application of this would remove money from the participants. Adjustment of the formula could replace this amount, as desired by the State.

Table 21  
Anchorage Child Projections by Revised Formula

<u>Percent</u>	<u>Adj. Mo. Income of Parent</u>	<u>Proposed Subsidy</u>	<u>% Participating Population</u>	<u>FTE (75% of # Enrolled)</u>	<u>Proposed Subsidy</u>
100	\$ 0 - 77	264	11.8	48	\$12,672
95	8 - 153	264	10.0	41	10,824
90	154 - 230	264	8.1	33	8,712
85	231 - 307	264	5.1	22	5,808
80	308 - 383	253	3.8	15	3,795
75	384 - 460	247	3.8	15	3,705
70	461 - 537	240	4.5	18	4,320
65	538 - 613	232	4.8	19	4,408
60	614 - 690	222	4.8	19	4,218
55	691 - 767	211	5.0	20	4,220
50	768 - 843	198	5.8	23	4,554
45	844 - 920	184	7.2	29	5,336
40	921 - 996	169	6.0	24	4,056
35	997 - 1073	152	5.3	21	3,192
30	1074 - 1150	135	3.9	16	2,160
25	1151 - 1226	115	3.1	13	1,495
20	1227 - 1303	95	2.5	11	1,045
15	1304 - 1380	73	2.0	8	584
10	1381 - 1456	50	1.5	6	300
5	1457 - 1533*	26	1.1	4	104
0	1534 *	0			
			<u>100.3</u>	<u>405</u>	<u>\$85,508</u>

\* 1333, expanded

Calculation of costs of the new formula, assuming that there was equal participation by income groups, would be \$56,194 monthly for Anchorage children.\* The infant amount for Anchorage would then be \$18,070.\*\* The total Anchorage monthly budget is then projected to be \$74,264 or \$891,168 annually. Since Anchorage represents 43.5 percent, the statewide budget would be \$2,048,662 or \$1,250,738 less than the current DCAP budget. In fact, however, participation is not uniform by income categories.

\* 405 FTE children ÷ 20 = 20.25 FTE per income category, multiplied by proposed subsidy amounts = \$56,194.

\*\* 56,194 ÷ 405 participants = \$139 per child × 104 infants = \$14,456 × .25 additional rate difference = \$3,614 ÷ 14,456 = \$18,070.

## Moebius Corporation

The calculation of this proposed formula is based upon current actual participation. If there were to be an increase in the number of middle income participants, the total DCAP budget would become \$6,393,269\*, in the case that there were 48 participants in each income category (the largest participation in any income group in the Anchorage child group). This is an arbitrary choice, but does represent a possible amount if the low income participation is reaching a natural limit and higher income participation becomes more financially beneficial to higher income families.

---

\*  $\$175,440$  Anchorage child monthly subsidy  $\times 12 = \$2,105,280/\text{year} + 405$  participants  $\times \$5,191$  average  $\times 25\%$  infant rate  $= \$1,300 + \$1,598 = \$6,498$  infant average  $\times 104 = \$675,792 + 2,105,280 = \$2,781,072/\text{Anchorage} \div 43.5\% = \$6,393,269.$

## BIBLIOGRAPHY

- 1 Alaska Statistical Review, Alaska Department of Commerce and Economic Development, June 1980, P. C-5.
- 2 Alaska 1980 Population: A Preliminary Overview, Alaska Department of Labor, January 1, 1980.
- 3 Current Population Survey, Marital and Family Characteristics of Workers, Bureau of Labor Statistics, March 1977.
- 4 Day Care Assistance Program Contractors' Monthly Statistical Reports, November 1980.
- 5 Cost of Living Survey, USDA Cooperative Extension, September 1980.
- 6 Numbers: Basic Economic Statistics of Alaska Census Divisions, Alaska Department of Commerce and Economic Development, November 1979.
- 7 NATIONAL DAY CARE STUDY, Abt Associates, Inc., Cambridge, Mass., January 1978.
- 8 A WOMAN'S PLACE, A Survey of Anchorage Homemakers, Patricia Cuba Associates for the Alaska Commission on the Status of Women, December 1979.
- 9 A PROFILE OF FEDERALLY SUPPORTED DAY CARE IN REGION X, By Unco, Inc., Tacoma, Washington, March 1973.

## APPENDIX A

### METHODOLOGY

Information for this study was collected by two means: First, collection of data from existing agencies; and second, the questioning of a sample of day care facilities. Comparison of the results of these two sources of information has been used to identify significant facts and produce recommendations.

The first segment of research, the collection of existing information, included receipt of information from the following agencies:

- Alaska Department of Labor, Juneau
- Alaska Department of Labor, Anchorage
- Alaska Bureau of Vital Statistics, Juneau
- Alaska Department of Community and Regional Affairs
- United States Bureau of Indian Affairs, Juneau
- Anchorage Chamber of Commerce
- United States Department of Agriculture, Cooperative Extension, Anchorage and Fairbanks
- Alaska Department of Commerce and Economic Development, Anchorage
- Institute of Social and Economic Research, Anchorage

Specific data sought included:

- Median family income;
- Cost-of-living by regions of the State;
- Number of children in Alaska by age;
- Percentage of parents in income categories;
- Number of one parent families where that parent is in the labor force;
- Number of two parent families where both parents are in the labor force.

## Moebius Corporation

The second segment of research was to question a sample of day care facilities Statewide. Because of the short time frame for this study, this was performed over the phone. An up to date Statewide listing of licensed facilities was obtained from the Department of Health and Social Services. All 430 facilities were sent a letter (Appendix B) which explained that a phone call would be following shortly, and included a worksheet on which to collect data prior to the call. A brief initial phone call was placed to as many facilities as had valid phone numbers, but those not answering by the third attempt were dropped. The initial call was used to answer questions about the worksheet and to make an appointment for a second, longer call, in which the information on the worksheet could be recounted by the day care operator and coded by the researcher. Following the second call, a total of 142 valid responses, which includes 37 centers and 105 homes, were coded into the final tabulations. This represents 33.0 percent of all licensed day care facilities in the State.

The data was keypunched and read into the SPSS program. Trends and anomalies in the data were identified by analysis of the printouts. Aggregate statistics for variables with nominal measures were run to determine maximum and minimum extremes, means, and other measures. Ordinal values and frequency counts with associated statistics then were cross-tabbed for center or home to establish differences and similarities.

Data sought from this segment of the study includes:

- Cost of care expenses including additional costs for improved care;
- Cost differences between centers and homes;
- Cost differences between infants and children (over 2 years old);
- Cost differences regionally;
- Effects of other types of day care assistance.

## Moebius Corporation

Information from both segments of the study, the collection of existing data and the questioning of day care facilities, was compared in order to note consistencies and anomalies and make the recommendations listed later.

Determination of Potential Audience This study was charged with determining the "total number of potential day care assistance program (DCAP) participants." Theoretically, this would be the number of children in the State 0-12 years old whose families earn below the median income and who do not have at least one parent not in the work force. This figure is provided in the Findings Section.

### 1. Projecting Budget for Expanded Eligibility

#### A. Raise Eligibility to Median Income

One specific purpose of this study was to determine the budget required if children in qualified families below the median income were to be eligible for subsidy. With some assumptions made, a budget can be projected, and changed, if the assumptions are altered.

This study was to specifically ascertain a projected budget if all children whose parents were at or below the median income and otherwise qualified were to receive day care assistance. This figure is provided. However, additional budget figures are provided because ancillary considerations (outlined in the findings section) made this a disputable method of subsidy.

In the Finding Section of this paper, new budgets are projected for the following:

**Moebius Corporation**

1. No program change except to increase the eligibility to median income.
  - a. Assuming current trends.
  - b. Assuming uniform income category distribution.
2. A change in administrative guidelines such that median income families would be eligible for 10 percent subsidy, rather than 20 percent, as in item 1 above.

**B. Projecting Costs with Adjusted Regional Differentials**

Since cost-of-living varies within the State, parents from one area might well be expected to be eligible for the program, even though their income is higher. Such is indeed the case in the present DCAP payments.

An assessment of the accuracy of the present scale was performed. This included comparing the presently used per diem rate differential both with the cost-of-living and with a rate drawn from the ability to pay for day care.

In the Findings, new budgets are projected for the following optional ways of determining eligibility levels for regions:

1. Based on cost-of-living;
2. Based on ability to pay.

Both of the above were calculated using projected trends, and uniform participation (an arbitrary method).

Regions are selected based on financial similarities, not geographical propinquity.

C. Increasing Eligibility by Adding Regions

A calculation of the statewide number of slots licensed that exceed the number of slots in DCAP participating areas was used to project budget data. Existing ratios of participants in DCAP by available slots was used to project numbers of children.

The DCAP slots were derived from the DCRA budget, as was the annual amount budgeted per slot. The number of slots statewide is from the Department of Health & Social Services, December listing of facilities.

II. Regional Cost of Care Differential

Using the eight regions (that DCAP is currently using to allow different income eligibilities for families see Appendix C) the coding sheets were identified 1-8.

The centers and homes were separated by region, and costs were figured for each region by home or homes averaged by center or centers averaged, and by homes and centers averaged.

To measure the cost per center, the cost totals of space, food, personnel, equipment, and supplies were added.

The total number of full time children was added to the number of part time children divided by 2, to get a full time equivalent (FTE) number of children.

The FTE number was divided into the total cost to get an average cost per child (FTE) per month.

The results were rank ordered from lowest to highest by individual DCAP contract areas and compared to regions by cost of living rankings and ability to pay rankings.

III. Projecting Costs for Quality of Care Adjustments

It costs more to provide higher quality of care, including staff, equipment, and other costs. Some information on these levels was sought in the survey. However, the number of variables involved in quality of care is greater than can be assessed in a project of this scope. For example, if one center reports lower costs for personnel, it might reflect a significant amount of volunteer time. Five variables were noted: Personnel, equipment, supplies, space, and food.

Additional research was performed to assign a weight for these variables. For example, improved staffing may be twice as important to the welfare of the child as improved equipment. The quality of care payments should provide an incentive to centers to maintain high quality of care, by reimbursing them for additional costs.



# MOEBIUS CORPORATION

1426 H Street • Anchorage, Alaska 99501 • (907) 272-5146

Day Care Study Office: (907) 279-8341

APPENDIX B

22 December 1980

Dear Day Care Provider:

Moebius Corporation has been given the task of gathering and interpreting information to assist the Department of Community and Regional Affairs. They must report to the Legislature by February 1, 1981 a projected cost for funding the Day Care Assistance Program based on actual costs of day care.

This questionnaire is to clarify information previously gathered. Please use the enclosed worksheet to put down your answers. We will call you very soon to: 1. answer any questions; and 2. make an appointment to call back at a convenient time. This second call will be for you to read to us the completed answers from the worksheet. Please feel free to call us collect if you have any questions at 279-8341.

As someone who has worked in child care in Alaska for years, I am very interested in the results of this study. Please help us help you and the parents of the children you care for.

*Kalen Saxton*

Kalen Saxton  
Day Care Consultant

DAY CARE QUESTIONNAIRE FOLLOW-UP

I. In order to figure how many children there are on a full time equivalent we need to know the number of children full time 0-2 years? \_\_\_\_\_  
full time over 2 years? \_\_\_\_\_

What is the number of children part time 0-2 years? \_\_\_\_\_  
What is the average number of hours that these part time children stay per day? \_\_\_\_\_

What is the number of children part time over 2 years? \_\_\_\_\_  
What is the average number of hours that these part time children stay per day? \_\_\_\_\_

II. What is your total cost per month for the space used? \_\_\_\_\_

Please include: Rent \_\_\_\_\_  
Utilities \_\_\_\_\_  
Insurance \_\_\_\_\_ (property, damage, liability)  
other \_\_\_\_\_

What is the total usable square feet available for children? \_\_\_\_\_  
Please do not include bathrooms, kitchens, halls or storage space.

III. What is your total cost per month for food service? \_\_\_\_\_

Do you participate in the U.S.D.A. Child Care Food Program? \_\_\_\_\_

IV. What is your total cost per month for personnel? \_\_\_\_\_

Please specify:

1. Salaries \_\_\_\_\_
2. Employment benefits \_\_\_\_\_
  - a. annual leave \_\_\_\_\_
  - b. sick leave \_\_\_\_\_
  - c. training costs \_\_\_\_\_
  - d. health insurance \_\_\_\_\_
  - e. reduced fee for staff's children \_\_\_\_\_

What is your total number of staff? \_\_\_\_\_

full time \_\_\_\_\_  
3/4 time \_\_\_\_\_  
1/2 time \_\_\_\_\_  
1/4 time \_\_\_\_\_

How many staff work only with children?

100% of the time \_\_\_\_\_  
75% of the time \_\_\_\_\_  
50% of the time \_\_\_\_\_  
25% of the time \_\_\_\_\_

Does your staff receive specific training (workshops, consultants) during working hours? \_\_\_\_\_

How many staff have been with you less than 6 months? \_\_\_\_\_  
6 months to one year \_\_\_\_\_  
over one year \_\_\_\_\_

How many of your staff have?  
Child Development Associate \_\_\_\_\_  
AA Degree \_\_\_\_\_  
BA Degree \_\_\_\_\_  
Graduate work \_\_\_\_\_

V. What is your total cost per month for equipment? \_\_\_\_\_

If payments of loans for major purchases or annual purchases are made, what are the monthly payments? \_\_\_\_\_

How much was your initial investment in equipment? \_\_\_\_\_

VI. What is your total cost per month for supplies and materials? \_\_\_\_\_

VII. What is the total number of children per month whose fees are subsidized?  
\_\_\_\_\_

# in each program:

Day Care Assistance (DCAP) \_\_\_\_\_  
Division of Social Services \_\_\_\_\_  
CETA \_\_\_\_\_  
WIN \_\_\_\_\_  
BIA \_\_\_\_\_  
other \_\_\_\_\_

December 1980  
Moebius Corp.  
under contract to  
Dept. of Community Regional Affairs

APPENDIX C

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS  
 DIVISION OF LOCAL GOVERNMENT ASSISTANCE  
 DAY CARE ASSISTANCE PROGRAM  
 SUBSIDY SCHEDULE

Maximum Adjusted Monthly Net Income by Community

<u>Anchorage</u> <u>Ketchikan</u> <u>Juneau</u> <u>100.</u>	<u>Petersburg</u> <u>Sitka</u> <u>Wasilla</u> <u>1.0375</u>	<u>Kenai</u> <u>Kodiak</u> <u>1.0764</u>	<u>Cordova</u> <u>Fairbanks</u> <u>1.1587</u>	<u>Bethel</u> <u>Anderson</u> <u>Ft. Greely</u> <u>Delta Jct.</u> <u>1.3425</u>	<u>Kotzebue</u> <u>Nome</u> <u>1.3928</u>	<u>State Subsidy</u> <u>Day Care Costs</u>
\$ 533	\$ 553	\$ 574	\$ 618	\$ 716	\$ 742	100%
633	657	681	733	850	882	90%
733	760	789	849	984	1021	80%
833	864	897	965	1113	1160	70%
933	968	1004	1081	1253	1299	60%
1033	1072	1112	1197	1387	1439	50%
1133	1175	1220	1313	1521	1578	40%
1233	1279	1327	1429	1655	1717	30%
1333	1383	1435	1545	1790	1857	20%

APPENDIX D

AGENCY DESCRIPTION

Moebius is a profit research, education, and consulting corporation. It provides training through workshops and training contracts on a wide range of topics. Moebius contracts with a variety of specialists in order to perform training and research activities. The principle feature of Moebius projects is high standards drawn from measured, objective evaluation of its activities.

The research team assembled for this project had specific skills and applied a cooperative effort to enhance each other's ability.

LOAN PROGRAM - BEEN USED / WHY?  
NO. CENTERS H.H.S.S.

- DAY CARE COSTS.

- WORKSHOPS

- How many extra people/money for  
larger income level.

- Administrative costs to communities

Hill Burton Act.  
model for state

580-1861 - licensing

## Planning School-Age Child Care in Public Schools

MICHELLE SELIGSON SELTZER

*In Day Care and Early Education*

An important trend in day care is developing across the country, as parents, community agencies, and public school administrators meet to solve the growing need for school-age child care—before school, after school, and during vacations and on holidays when parents must work. To meet the need for information and technical assistance regarding the design and implementation of school-age child care programs, the School-Age Child Care Project, at the Wellesley College Center for Research on Women, in Wellesley, Massachusetts, has gathered data from some 125 school-age child care programs in 33 states. One of the outstanding emerging facts about school-age child care is the growing use of public schools by community groups (including parent groups) which team up with public schools to offer programs.

Public school involvement takes many forms, depending on available resources and the degree to which school personnel support the program. Some school systems find unused classroom space for a program, others permit the whole school to be used, and still others may allow only a cafeteria to be

used, with the understanding that, if the school needs that space, the day care program will move. Many programs use school space and custodial services at no cost; others are charged rent plus costs for additional energy use and custodial time. (Custodians are key individuals: Many program staff feel that the good will of the custodian is crucial in running a good program.)

Relationships between day care program staff and school personnel also vary widely. Information about a child having problems in school or in the day care program may be shared by the principal or classroom teachers with the day care program staff. This team approach benefits the child and makes it easier for the adults involved to work more productively to help solve problems. The prin-

.....  
*Michelle Seligson Seltzer is Co-Director, School Age Child Care Project, Center for Research on Women, Wellesley College, Massachusetts. Condensed from Day Care and Early Education, VIII (Fall 1980), 43-49. © 1980, Human Sciences Press.*

principal can act as the link between the program and classroom teachers who may resist sharing "their" school with an outside group and who may have concerns about how the after-school program will be designed and run. Without a principal's support, a program will have great trouble in establishing credibility in the school and may not succeed.

Reaction to public school involvement in school-age child care programs is mixed. Some parents and local agencies voice concern about public schools getting into the day care business—making day care just like school, with an emphasis on academics. They fear that local community social service agencies and community centers will lose their unique personality, reflecting the cultural diversity of their communities, if child care programs are moved into public schools. Elected school officials worry about increased costs to the school system.

The logistics of partnership arrangements between schools and "outsider" can be difficult to negotiate. Should schools seek rent from a community group providing day care to children in the school community? How much extra energy or custodial time is actually expended in the hours after school when a program occupies school space? Is the school system liable in case of injury to a child or staff person not on the school payroll? These and many other questions must be faced.

The School-Age Child Care Project receives many requests for information from groups interested in starting programs in public school space. Here are some of the most common questions, along with some suggested approaches which have been tested by others.

### Common Questions

*Who should be involved in planning a school-age child care program? A broad base of support should be built in the community. Successful school-age programs share this feature. Several community groups concerned with children meet to "brainstorm" and plan the program. This kind of coalition, which may include representatives from the school system and community school program along with parents and child advocacy groups, will be a definite asset in gaining support from school administrators and elected officials. Although there are some examples of successful parent-run programs throughout the country, community-based day care organizations can act on behalf of parents to develop programs in accordance with the needs and goals that parents express.*

*What's the best way to approach the public schools about sharing space and resources? A good way to start is to meet with the superintendent of schools in the district and the principal of the school (or schools) that are targeted for the program, explaining areas of concern and explaining the possibility*

of finding some unused space which would be the special home of the program. Many principals and other school officials are interested in school-age care programs and often are invaluable supporters.

Since it is important to know the extent of the need for child care in the school (or community), it is wise to ask that the school assist in mailing out a questionnaire to all parents of children in grades K-6 (K-8 if indicated). The questionnaire should include inquiries about parents' preferences for hours, since many children are still at home when their parents leave for early-morning jobs and may therefore need before-school care. The questionnaire should also ask parents to indicate how they will help in organizing the program or in contributing any special skills they may have. The school's classroom teachers should also be asked for their ideas, since these teachers may be interested in helping.

*After the support of the superintendent and the principals is secured, how can school board approval be obtained?* School board members are elected officials subjected to many pressures from their constituents. Often, conflicting needs must be heard and addressed. School boards need to know exactly what is needed from them and what the contribution of the child care program itself will be.

Specifically, it is important to let the school board know that the agency or group backing the pro-

gram will be responsible for the day-to-day operation of it—from hiring staff to collecting fees or negotiating with the welfare department on a Title XX contract. Details should be spelled out, including hours of operation, space requested, and whether transportation assistance from the schools will be needed. Much of this groundwork should be done with the superintendent and the principal before the school board is approached with a formal request. Their support will help significantly and may make the difference in getting school board approval. In some cases, school boards may be more supportive than the administration and will direct school personnel to cooperate with the child care program.

Putting together a proposal helps to clarify the program's ideas and provides a concrete structure with which to work. The proposal should be brief but should include a statement of the program's philosophy and goals—for example, "To provide a warm and caring environment for children with a variety of educational and recreational opportunities available."

*After the program has been approved and the use of a vacant classroom has been obtained, what should the program be like for the children?* As with all good child care programs, the staff is the most crucial ingredient in designing and providing a high-quality school-age program. Staff should be exper-

enced in working with children in the age range which will be served (typically grades 1-4, but some programs serve kindergarten and fifth- and sixth-graders as well). In addition to experience, staff should have some training in child development or child psychology. Even those programs which must rely on college work-study students as primary staff should consider developing a training program, possibly in cooperation with other school-age child care programs in the community, and perhaps tied in with the local college or university child development or education department.

Title XX training may provide some resources for such an effort, but, even without Title XX support, an attempt should be made to grapple with the fact that there are few opportunities available for staff to think about the goals of a school-age child care program and how to implement those goals to meet children's needs. It is important to create an environment where children's growing needs for autonomy will be respected along with their needs for nurturance. Staff should be able to initiate projects that are a reflection of their own skills and interests, and children really need to develop a sense of mastery with materials and ideas.

As one teacher/director put it, "We are learning to appreciate, respect, and nurture the children, and to have a good time together. The trouble for that is my and

crafts and circles and movies that have a point to them and discussions. So what you have is a whole environment which is supportive of that kind of learning experience where children can learn life skills. Some kids need a lot of limits and tell you that by their actions, and some kids don't need a lot and are entitled to as much freedom as they can handle. It is nice to have a stable pattern to the week. Kids relate well to that."

Many programs are exploring different activities for children. The possibilities are limitless. Some children wash cars and make pocket money for the program, others sing in groups to nursing home patients and senior citizens, children are learning chess and leathercraft, making spaghetti-supples for their parents, and going shopping with their program staff. Liz Prescott, a specialist in school-age children, has written movingly in her book, *School's Out*, about the possibilities of developing a special relationship between the children and the community by having children visit and participate in the workday life of the community around them.

These questions only began to address the many issues involved in starting or operating a school-age child care program based in public school space. Many other concerns remain to be explored, and the Project welcomes questions or special solutions, whether dealing with school-based programs or those carried out outside of schools.

CS ROGERS

HB 43

\* GRANT PROGRAM ADMINISTERED THROUGH C & RA RE: ENROLLMENT MONTHLY/MUST BE LICENSED  
\* POSSIBILITY OF STEP GRANT FOR IMPROVED CARE. MANY STRINGS ALREADY ATTACHED THROUGH HISS LICENSING.

\* RAISING LEVEL FOR MODERATE INCOME DAY CARE ASSISTANCE BY STATUTE

\* HISS MANDATED BY STATUTE TO PROVIDE TRAINING PROGRAM — BUT NO BUCKS

LOSING CETA EMPLOYEES AND FOOD SUBSIDY (83¢/MEAL) DETERMINED THAT 200K/MONTH IN ANCH. WILL ONLY COVER COST OF REPLACING CETA SALARIES.

\* CHANGE REVOLVING GRANT FUND IN STATUTES TO INCLUDE NON-PROFIT ORGANIZATIONS

I attended Paula Hess  
meeting this am. re: Daycare.  
Their decision was to combine  
all assistance to providers  
and parents in lump form and  
this needs to pass this session  
or Centers will be in big  
trouble because of Reagan's  
cuts (CERA & LINC program)  
There are lots of problems  
particularly with the idea of  
step grants & administration  
of such. I've outlined HB43  
and Rogers draft which will  
be a CS.

Nancy

HB 45

- 1) DCAP EXTENDED TO MODERATE INCOME
- 2) Pay  $\frac{1}{2}$  ADMINISTRATIVE COST TO MUNICIPALITY
- 3) Pay 10% OF COSTS TO SUPPLEMENT PROGRAM MANAGER'S SALARY.
- 4) Parent can choose payments to facility
  - a) no. of enrolment days OR;
  - b) no. of attendance days.

ROGERS Bill (going to be CS)

- include private non-profit child care facilities IN CHILD CARE facility revolving loan fund.
- EARLY Childhood FOUNDATION Program Grants grants through C's RA based on average daily enrolment NOT TO EXCEED \$200/CHILD/MONTH. Applied for monthly by licensed facilities & DAY CARE HOMES.

the impact of loss of CETA-funds & hot lunch program could mean that the Day Care Grants will merely maintain level of service AND NOT improve quality. The House will consider adding to CS. AT YIMOTON'S SESSION:

- 1) POSSIBILITY OF CETA GRANTS - more money for better care with licensing people from HISS doing evaluations - submit to C's RA for payments
- 2) Providing money to HISS for training programs

(that are already in statutes) for day care workers  
AND ADMINISTRATORS

**WOMEN FOR POLITICAL ACTION**

**RESOLUTION ON CHILD CARE**

**WHEREAS, licensing standards are minimal for health and safety, and the quality of care of children needs improvement, and training in child care and trained child care providers are limited; and**

**WHEREAS, adequate funding has not been available to meet the requests for participation in programs that provide, or assist in providing care for children,**

**THEREFORE, we recommend significant increases in funds to the Day Care Assistance Program and to Head Start. We recommend increased funds to the Division of Youth and Family Services to provide additional licensors to better meet the requests for licenses and to provide some training to child care providers.**

**We recommend the establishment of a Child Care Grants Program to allow organizations and centers to receive funds other than for capital improvements.**

**We recommend the development of a set of preferred standards for quality of care beyond minimal licensing standards.**

Proposed  
Academic Career Ladder  
in  
Early Childhood  
through the colleges of ALASKA

B.Ed. (Early Childhood)  
A.A. degree  
(Early Childhood major)  
Early Childhood  
certificate  
CDA certificate



The majority of potential students in Early Childhood in Alaska are already employed. They are currently responsible for assisting with the safe and healthy development of thousands of pre-school children in group settings with minimal or no training, unfortunately, for most, there is no opportunity to receive on-the-job training, and to advance through an academic career ladder.

- The purpose of this paper is to propose a career ladder for child care personnel, to improve the care of young children, recognize the profession of Early Childhood, and expand the opportunities for working Alaskans to pursue their education through a reciprocal and generic Early Childhood program.

The contents of this paper are: a) a documentation of established need, b) a description of the colleges' role in an Early Childhood career ladder, and c) a deliniation of the components of a career ladder.

### ESTABLISHED NEED

Exact figures of staff and children will be available by June 30, 1981 from the State Head Start Directors' Association Coordinatio Project and a study being conducted by Community and Regional Affairs. Anchorage statistics have been provided by Richard Ender, Ph.D., Anchorage Urban Observatory from the 1980 census. Rural statistics have been collected informally by statewide Early Childhood professionals.

#### Child Care Program Statistics

In 1978-79, 19% of the children nationally were from single parent families. Although Alaskan data is unavailable, the expected percentage is even higher. There are approximately 14,350 children in Anchorage under five years of age. There are 4,100 households where both parents are employed full time with at least one child needing day care.

There are 2,675 spaces available for full time care in the 52 day care/pre-school centers licensed in Anchorage. There are an undetermined number of family day care mothers and unlicensed day care centers. Based on the 2,675 spaces available for children and staff ratios of 1/5, 1/7, 1/10 (depending on ages of the children), a rough estimate of staff numbers in Anchorage is between 134 and 268.

In the Bethel region, approximately 600 children in more than twenty villages are enrolled in Head Start, day care, infant stimulation programs, home-base programs or school sponsored pre-schools. There are minimally 76 staff caring for these children.

The Nome region has more than 305 children enrolled in nineteen villages with staff numbering approximately 57. Children are served in Head Start, day care, cooperative pre-schools, and JOM pre-schools within Rural Education Attendance Areas.

Thirty-four children in Kotzebue are in day care programs. An unknown number are enrolled in REAA school supported pre-schools.

Quality day care is no longer a concern only for urban areas. Centers have opened recently in such rural extremes as Alakanuk to the west and Nuiqsut to the north. Barrow is planning a child care center of 125 children.

### Training Needs

In 1976, 8% of the child care/pre-school personnel received Anchorage Municipality child care training. Municipality questionnaires distributed in 1977 indicated that 85% of the responding programs wanted training. A 1980 survey conducted by the Anchorage Association for the Education of Young Children (AAEYC) indicated that one-third of the respondents had a plan and/or desire for training.

In a 1980 needs assessment of child care personnel in the Kuskokwim Community College region, thirty of the forty-two respondents said they would like to get a certificate that proved they were qualified to work in a child care program.

During the 1980 Rural Alaska Community Action Program's Parent Conference, Head Start parents from all over the state prepared a list of 81 training need items felt necessary for quality child care.

The Task Force on Early Childhood has as two of its three major goals: 1) "to support competency-based training for child care workers, and 2) to educate the public and the legislators on child care issues."

### Present Training Availability

Academic courses, degrees and certificates are available through community colleges in some parts of the state. (See Attachment #1)

Presently, most on-the-job training is funded by State, Municipal and/or Federal grants. Monies generated by those programs could extend the outreach capabilities of college course work and provide opportunities for career ladder advancement. Currently, this is being done through Rural CAP Head Start statewide, Department of Health and Social Services in Bethel and AAEYC in Anchorage.

Some examples are:

Head Start in Alaska provides training and coordinates with colleges for their 230 staff people in more than 53 sites statewide.

The Department of Health and Social Services sponsored a weeklong workshop in Ketchikan. The Department hired a trainer to do on-site academic training at Bethel Day Care in cooperation with Kuskokwim Community College.

The Legislature in 1980 awarded AAEYC \$72,000 to train day care people in Anchorage. Much of that grant is used to pay scholarships and to provide trainers for accredited work through Anchorage Community College. A Parent Training Center

also operates in Anchorage with state monies.

The Anchorage Municipality funds one staff member to provide training in selected day care sites.

CETA programs contract for on-the-job training. Chuqiak CETA day care personnel were recently given an intensive week of training via local consultants.

### COMMUNITY COLLEGE ROLE

The courses offered by community colleges in the field of Early Childhood have to carefully balance three possible (but not necessarily conflicting) needs: 1) skill training for on-the-job, 2) academic certificate or terminal degrees, and 3) options for matriculating into a four-year program.

The colleges must also consider the realities of Alaska's unique delivery system in rural areas, the transient nature of Alaskans, the relatively new emphasis on training, education and certificates or degrees, the perception of Early Childhood as a profession, and the fact that the majority of potential students are employed.

To guarantee that the existing needs do not conflict with available training and college offerings, it is proposed that the Early Childhood program allow for individuals to progress through a CAREER LADDER, each step giving guidance for salary increments and/or career advancement opportunities. It is also proposed that the Early Childhood program be sufficiently consistent throughout the state and within the University system so as not to penalize students for moving, but allow them to transfer credits and progress through the career ladder.

The proposed career ladder speaks to each of the previous y suggested needs and realities. Step I: A CDA Certificate makes it possible for people on-the-job to gain quality child care skills and to receive a nationally recognized certificate of competence. Step II: An Early Childhood Certificate could set standards for credentialing child care workers within the state, should this become necessary or desired. Step III: The AA Degree recognizes the professional field of Early Childhood and provides an academic degree that is valued in this state, as well as a stepping stone toward a four year degree. Step IV: A B.Ed. in Early Childhood, although not covered in this proposal, is considered carefully in the suggested courses in each preceding step to move easily facilitate matriculation into a four year program.

## CAREER LADDER COMPONENTS

### Step I: Child Development Associate (CDA) - Nationally Awarded - 15 - 18 credits (Skill training on-the-job)

The Child Development Associate (CDA) is a nationally awarded credential and signifies to professionals in the early childhood/child development field that the holder of this certificate is competent to work with young children in a group setting. The CDA credential is a professional award, not a license. The significance of this certificate is that 50% of the training must be on-the-job or in a child-care setting and the candidate must not only learn the principles of quality child care, but must demonstrate competence with children.

Colleges do not award CDA certificates. This award comes from a national agency, contracted by the Department of Health and Human Services. Presently, Bank Street College has that contract. Colleges can offer courses for credit that allow students to gain competencies.

### Field Centered, Competency Based Courses (CDA Courses)

To meet the needs of both rural and urban Alaska, the varied college delivery systems and potential students that are already employed, a curriculum consisting of 18 one-credit courses, written specifically to give students the knowledge and competencies necessary to attain a CDA, was designed. (See course descriptions - Attachment #2)

These courses were written to provide individualized instruction in field centered locales but with a course outline that allows group instruction through lectures and discussion to supplement on-the-job training where urban opportunities allow. These courses are currently being offered through adjunct staff at Anchorage, Kusokwim, Northwest, Sitka, Ketchikan, University of Alaska - Juneau and through Rural Education.

### Two-Track System

For the academically oriented student or the part-time nonmatriculated student, and/or where an established program exists or where sufficient numbers of students would warrant, a two-track system is suggested. This two-track system needs to be flexible to allow students to move between both tracks as needed. This has been done at U of A - Juneau and has been proposed in Anchorage. (See Attachments #3 and #4)

**Step II: Early Childhood Certificate - College Awarded - 27 - 30 credits**

**(Possible Credentialing Standard and/or Academic Certificate)**

This is a one-year certificate awarded by the college with coursework to supplement and CDA and to provide the major specialty for an A.A. Degree. By requiring additional theory courses from other divisions, these courses are more easily articulated into requirements for an A.A. Degree.

**PROPOSED EARLY CHILDHOOD CERTIFICATE**

**I. EARLY CHILDHOOD COURSES (See Step I) 15 Credits**

**II. (Choose 3 of the following:)**

Child Development	3 Credits	
The Family	3 Credits	
Intro. to Learning	3 Credits	
Culture and Learning	3 Credits	
Children Lit.	3 Credits	. 9 Credits

**III. Electives**

**(Recommended:**

EC 231, Screening	
EC 232, Assessing and Recording	
EC 233, Mainstreaming Special Needs Children)	3 - 6 Credits

**27 - 30 TOTAL CREDITS**

Step III: Associate of Arts (Early Childhood) - College Awarded - 60 credits .

(Academic Degree, Bridge to Bachelor's Degree)

Associate degrees with Early Childhood specialties are presently available at some colleges as an A.A. in Education or A.A.S. in Education. (See Attachment #1) The intent of this proposal is not to eliminate latitude to individual campuses. Individual campuses should maintain freedom to make additional requirements. This generic degree is proposed as an alternative to campuses without existing programs and to provide the optimum potential for achievement for transferring and/or field based students.

PROPOSED ASSOCIATE DEGREE

I. General Requirements:

Written Communication 6 Credits

Oral Communication 3 Credits

Six credits from each of  
three areas: Humanities,  
Social Sciences, Math,  
Science, Other 18 Credits

II. Major Specialty Requirements:

EARLY CHILDHOOD COURSES  
(See Steps I and II) 20 - 24 Credits

III. Electives 6 - 12 Credits  
(May be Educ/EC)

60 TOTAL CREDITS

PRESENT EARLY CHILDHOOD TRAINING OPPORTUNITIES  
FOR CAREER LADDER ADVANCEMENT IN ALASKA

COLLEGE	OFFER COURSES	CDA	FIELD-BASED COURSES	EARLY CHILDHOOD CERTIFICATE	ASSOCIATE DEGREE	BACHELOR'S DEGREE	PROVIDE REGULAR STAFF
ANCHORAGE CC	YES *		YES *	NO	DISCONTINUED		ON LEAVE
KENAI CC	NO		NO	NO	NO		NO
KETCHIKAN CC	YES *		*YES *	NO	NO		CONTRACT U OF A - JUNEAU
KODIAK CC	NO		NO	NO	NO		NO
KUSKOKWIM CC	YES *		YES *	NO	AA IN EDUC/EC		YES
NAT-SU CC	NO		NO	NO	NO		NO
NORTHWEST CC	YES *		YES *	YES	AAS IN EDUC/EC		ADJUNCT
PRINCE WILLIAM SOUND	YES *		NO	NO	NO		NO
SITKA CC	YES *		*YES *	NO	NO		CONTRACT U OF A - JUNEAU
TANANA VALLEY CC	YES *		NO	NO	AA IN ECD		YES
U OF A - ANCHORAGE	NO		NO	NO	NO	BED MINOR IN EARLY CHILDHOOD	NO
U OF A - FAIRBANKS	NO		NO	NO	NO	BED IN EDUC/EC	NO
U OF A - JUNEAU	YES *		YES *	YES	AA IN EARLY CHILDHOOD EDUCATION	BED IN ELEMEN-TARY/EARLY CHILDHOOD EDUCATION	YES

\*COMMUNITY COLLEGE GETS CREDITS TAUGHT VIA ADJUNCT OF U OF A - JUNEAU

BED: BACHELOR OF EDUCATION  
 AA: ASSOCIATE OF ARTS  
 AAS: ASSOCIATE OF APPLIED SCIENCE  
 EC: EARLY CHILDHOOD  
 ECE: EARLY CHILDHOOD EDUCATION  
 ECD: EARLY CHILDHOOD DEVELOPMENT

7/1/6/31

# Rural Alaska Community Action Program, Inc.

## Early Childhood Course Descriptions

### Early Childhood III - A Safe Learning Environment

This course stresses the importance of a safe learning environment and includes the competencies which enable students to provide a safe environment for young children. Emphasis is placed on the measures necessary to reduce and prevent accidents. Must be taken concurrently with supervised experience in a child development center.

### Early Childhood 112 - A Healthy Learning Environment

This course prepares the student to provide a learning environment for young children which is free of factors which may contribute to or cause illness. Must be taken concurrently with supervised experience in a child development center.

### Early Childhood 113 - Learning Environment

This course emphasizes the arrangement of an environment which is conducive to learning and appropriate to the developmental level and learning style of the children. It includes selection of materials and equipment, room arrangement, and scheduling. Must be taken concurrently with supervised experience in a child development center.

### Early Childhood 121 - Physical Activities for Young Children

This course stresses the essentials of planning a center which provides space, materials, equipment, and activities which promote the physical development of children. It includes scheduling, planning activities, and selection of equipment and materials. Must be taken concurrently with supervised experience in a child development center.

### Early Childhood 122 - Cognitive Activities for Young Children

This course stresses activities and experiences which encourage questioning, probing, and problem-solving skills which are appropriate for different developmental levels and various learning styles of young children. Must be taken concurrently with supervised experience in a child developmental center.

### Early Childhood 123 - Language Activities for the Young Child

This course stresses activities that will help children acquire and use language as a means of communicating their thoughts and feelings. It also includes non-verbal communication and understanding others. Must be taken concurrently with supervised experience in a child development center.

#### **Early childhood 124 - Creative Activities for Young Children**

This course stresses activities which provide a variety of experiences and media that stimulate children to explore and express their creative ability.

#### **Early Childhood 131 - Group Management With Young Children**

This course emphasizes both indirect and direct guidance techniques. Theories of guidance, including body language effects, reinforcement, and logical consequences are discussed for cultural relevance and practical application. Must be taken concurrently with supervised experience in a child development center.

#### **Early Childhood 132 - Social Development for the Young Child**

This course stresses the development of social skills which enables children to function as productive members of a group. Emphasis is placed on the development of mutual respect and cooperative work/play between child/child and child/adult. Must be taken concurrently with supervised experience in a child development center.

#### **Early Childhood 211 - Developing Positive Self-Concepts in Young Children**

This course stresses helping each child develop a sense of awareness and Self-esteem. Emphasis is placed on providing success-oriented activities, encouraging acceptance and expression of children's feelings and developing pride as an individual and as a member of a cultural/ethnic group. Must be taken concurrently with supervised experience in a child development center.

#### **Early Childhood 212 - Developing Individual Strengths in Children**

This course stresses the use of activities, techniques and planning that will help each child function to his maximum potential. Must be taken concurrently with supervised experience in a child development center.

#### **Early Childhood 221 - Developing Positive Home - Center Relationships**

This course stresses the importance of a positive and productive relationship between families and child development centers. Emphasis is on using this relationship to coordinate the child-rearing efforts of both the family and the classroom. Must be taken concurrently with supervised experience in a child development center.

#### **Early Childhood 222 - Staff Relations and Associated Responsibilities**

This course stresses the importance of coordination and communication among staff in the classroom. Emphasis is placed on effective group planning, using resources, improving communication, sharing information about children, maintaining records, establishing and following policies, procedures, rules and regulations. Must be taken concurrently with supervised experience in a child development center.

**Early Childhood 223 - Exploring and Developing Your Own Personal Capacities in Teaching**

This course stresses awareness of one's own personal qualities, feelings and values that affect the teaching atmosphere, one's relationships with children, one's own teaching style. Must be taken concurrently with supervised experience in a child development center.

**Early Childhood 231 - Screening**

This course stresses activities which will help the teacher to understand the purpose of screening young children and to know how to use good screening procedures. Must be taken concurrently with supervised experience in a child development center.

**Early Childhood 232 - Assessment/Recording**

This course stresses activities that will help the teacher to understand assessment of young children, recording of assessment information, and staffing procedures. Must be taken concurrently with supervised experience in a child development center.

**Early Childhood 233 - Mainstreaming Preschool Children With Special Needs**

This course stresses activities that will help the teacher to understand the concept and purpose of mainstreaming special needs preschool children into the regular classroom. Emphasis is on the rights of the special needs child to service and the necessary procedures for providing that service under P.L. 94-142. Must be taken concurrently with supervised experience in a child development center.

**Early Childhood 289 - CDA Assessment**

To be written.

UNIVERSITY OF ALASKA - JUNEAU**EARLY CHILDHOOD EDUCATION  
ASSOCIATE OF ARTS DEGREE**

Students have a choice of a two-year Associate of Arts degree or a Certificate program in Early Childhood Education. The A.A. degree requires general courses such as English, science, and history in addition to specific courses in the major field of study, for a total of 60 credits. The Certificate program requires only the Early Childhood courses, for a total of 27 credits. It is possible to pursue the Child Development Associate (CDA) award simultaneously with the A.A. degree and Certificate study. All CDA training requirements can be fulfilled through the courses required in the Early Childhood Education program.

Early Childhood Education courses are designed to prepare teachers for work in preschools, day care centers, and Head Start schools. The A.A. degree program can be the beginning of a four-year Bachelor's degree in Education which allows students to teach in the public school primary grades as well.

Courses	CDA Functional Areas
Ed 105 Introduction to Early Childhood Education A. Approaches B. Philosophies C. Teaching role	Personal Capacities
Ed 119 Child Nutrition and Health	Healthy
Ed 156 Language and Literature Activities - - for Young Children	Language
Ed 157 Arts and Crafts Activities for Young Children	Creative
Ed 158 Science and Math Activities for Young Children	Cognitive
Ed 159 Music and Movement Activities for Young Children	Physical
Ed 210 Positive Approaches to Discipline	Group Management
Soc 242 The Family A. Contemporary Dynamics B. Interpersonal Relations C. Practical Application	Staff Relations Home Center
Ed 250 Practicum in Early Childhood Education I A. Effective Learning Environment B. Safe Learning Environment C. Self-Evaluation or Assessment	Learning Environment Safe CDA Assessment
Ed 251 Practicum in Early Childhood Education II A. Self-Concept B. Expression of Feelings C. Social Skills	Self-Concept Individual Strength Social
Ed 270 Children With Special Needs A. Screening Techniques B. Assessment and Recording C. Individual Learning Plan	Screening Assessment Mainstreaming
Psy 244 Early Childhood Development A. Infants B. Toddlers C. Preschoolers	
BS 220 Culture and Learning A. Culture and Personality B. Minority Groups C. Practical Application	

**ATTACHMENT #4**

**ANCHORAGE COMMUNITY COLLEGE (Proposed)  
EARLY CHILDHOOD CERTIFICATE**

**TRACK 1 (Traditional Campus-based Program)      TRACK 2 (Field/Competency-based Program)**

<u>Course</u>	<u>Credits</u>	<u>Credits</u>	<u>Course</u>
ECD 105 Survey	3	1	EC 223 Personal Cap.
		1	EC 221 Home/Center
HE 120 (To be Revised)	3	1	EC 112 Health
ECD 155 Activities	3	1	EC 121 Physical
		1	EC 122 Language
		1	EC 123 Cognitive
		1	EC 124 Creative
ECD Practicum	3	1	EC 111 Safety
		1	EC 113 Environment
		1	EC 132 Soc. Dev.
		1	EC 211 Self Concept
ECD 251 Practicum	3	1	EC 131 Group Management
		1	EC 212 Ind. Strength
		1	EC 222 Staff Relations
		1	EC 289 CDA Assess.

-----  
(Recommended or Elective)

3 - 6 Credits

ECD 203 Spec. Ed.	3	1	EC 231 Screening
		1	EC 232 Assess.
		1	EC 233 Mainstream.

-----

SOC. 242 Family	3
PHY. 244 Develop.	3
ECD 220 Socializ. Pro.	3

**TOTAL CREDITS                      27 - 30**

**Camp Fire • Chugach Council**



**328 H Street Anchorage, Alaska 99501 • (907) 279-3551**

**PROPOSAL FOR IMPROVING THE QUALITY OF CARE**  
**IN DAY CARE CENTERS**

**March 20, 1981**

**PREPARED BY CAMP FIRE-CHUGACH COUNCIL**



**A United Way Agency**

**PROPOSAL FOR IMPROVING THE QUALITY OF CARE**  
**IN DAY CARE CENTERS**

**PURPOSE:** To improve the quality of care provided for children enrolled in day care centers.

**METHOD:** Based on identified criteria, provide funds for day care centers to raise the quality of care above the current day care licensing minimum requirements. Participation in the grant program by day care centers is optional.

**FACTORS AFFECTING THE QUALITY OF CARE:**

- Personnel
- Staff-Child Ratio
- Administration
- Program
- Nutrition
- Equipment
- Available Program Space
- Cost of operating versus fee income
- The current state and local licensing codes require a minimum quality of care.
- Financial constraints limiting the ability of a day care center to improve quality of care above the licensing minimums.

**GRANT REQUIREMENTS:**

- Day care center must be currently licensed by the State of Alaska and, if applicable, by the local licensing agency.
- Grant application must include a plan for meeting the established criteria.
- Established grant criteria must be met within the specified time.
- Compliance with documentation and reporting requirements.

**GRANT FUNDS:**

- Grants will be awarded based on:
  - Established per capita of each step
  - Enrollment
  - Step placement

- Grant payments will be made quarterly with the first payment due upon awarding of the grant. Payments will be based on the step and the semi-annual enrollment reports. Payments are adjusted the quarter following the submission of the enrollment reports.

#### **PROGRAM IMPLEMENTATION:**

The program is based on three (3) steps. The established criteria for each step is designed to sequentially improve the center's quality of care.

A center enters the program at the step above their current compliance with the step criteria. Base entry is being currently licensed. If a center meets all of the Step 1 criteria it may enter at Step 2. If all of the Step 2 criteria are met, it may enter Step 3.

All of the step criteria must be met to move to the next step. Upon compliance with the criteria for a step the center may opt to stay at that step or move into the next step. If the center stays in a step, payments continue at that level upon approval of annual application.

To move to the next step requires compliance with all current step criteria and submission of a plan to meet the criteria of the next step with the annual grant application.

Failure to meet or maintain the criteria for a step will result in:

- Being moved to the step where criteria are met
- or
- Discontinuation of the grant

After discontinuation of a grant, the center may re-enter the program upon compliance with the criteria for Step 1. The center would remain at Step 1 for one year before being allowed to move to Step 2.

The Grant Program will be administered by the Department of Community and Regional Affairs, Day Care Assistance.

Applications will include:

- Proof of current licensing
- Documentation of the center's current operations as related to the grant program criteria.
- Enrollment report for the past twelve (12) months.
- A plan for meeting or maintaining the step criteria.

**Program Monitoring Will Include:**

- Submission of quarterly reports by the center.
- Submission of semi-annual enrollment report (Jan./July)
- Submission of semi-annual site visit reports as related to the grant program criteria.

**GRANT FORMULA:**

Based on per capita full time equivalent per child

- Step 1 - \$1100/year
- Step 2 - \$2200/year
- Step 3 - \$3300/year

**CATEGORY****STEP 1****STEP 2****STEP 3****Personnel****Center Director  
and/or  
Program Director**

Minimum of 65 credits toward  
Bachelor of Science Degree  
in Early Childhood Education  
and  
Minimum of 3 years experience  
as a Director, Program Direc-  
tor, or Lead Teacher in a day  
care center.

Bachelor of Science Degree  
in Early Childhood Education  
and  
Minimum of 1 year experience  
as Director or Program Director.

Bachelor of Science Degree  
in Early Childhood Education  
and  
Minimum of 1 year experience  
as Director or Program Direc-  
tor.  
and  
Minimum of 6 additional  
credits or equivalent in  
Early Childhood Education  
Administration, or related  
field.

**Teacher**

Minimum of 35 credits toward  
AA degree in Early Childhood  
Education  
or  
Child Development Associate  
Certificate (CDA)

AA Degree in Early Childhood  
Education  
or  
Child Development Associate  
Certificate (CDA)  
and  
Minimum of 6 additional credits  
or equivalent in Early Child-  
hood Education

AA degree in Early Childhood  
Education  
and  
Minimum of 6 additional cred-  
its or equivalent in Early  
Childhood Education  
or  
Minimum of 65 credits toward  
B.S. degree in Early Child-  
hood Education  
or  
Child Development Associate  
Certificate (CDA)  
and  
Minimum of 12 additional  
credits or equivalent in  
Early Childhood Education

CATEGORY	STEP 1	STEP 2	STEP 3
<b>Personnel</b> (cont.)  <b>Aide</b>	Minimum of 6 credits toward Child Development Associate Certificate (CDA)	Minimum of 6 credits toward Child Development Associate Certificate (CDA) and Minimum of 50% of aides with minimum of 6 additional credits toward Child Development Asso- ciate Certificate (CDA)	Minimum of 6 credits toward Child Development Associate Certificate (CDA) and Minimum of 50% of aides with minimum of 6 additional cred- its toward Child Development Associate Certificate (CDA) and Minimum of 20% of aides with Child Development Associate Certificate (CDA)

**NOTE:** 1 credit equivalent = 16 session hours in a workshop, conference, or seminar

<b>Staff-Child Ratio</b>	Children are divided into groups with a minimum of 2 adults assigned to each group. and Minimum staff-child ratio for each group of:  2 year olds - 1:7 3-6 year olds - 1:10 and Each group has an assigned space which is physically divided from other groups.	Children are divided into groups with a minimum of 2 adults assigned to each group and Minimum staff-child ratio for each group of:  2 year olds: 1:6 3 year olds: 1:7 4-6 year olds: 1:8 and Each group has an assigned space which is physically divided from other groups.	Children are divided into groups with a minimum of 2 adults assigned to each group and Minimum staff-child ratio for each group of:  2 year olds - 1:5 3 year olds - 1:5 4-6 year olds - 1:6 and Each group has ar. assigned space which is physically divided from other groups.
------------------------------	---	---	---

**CATEGORY****STEP 1****STEP 2****STEP 3****Program**

Lesson plans are prepared daily for group program times.  
and  
Daily plans are prepared for interest center enrichment times.  
and  
Variety is provided through a minimum of 5 interest centers.  
and  
A minimum of 1 interest center is enriched weekly.

Weekly lesson plans are prepared for group program  
and  
Weekly plans are prepared for interest center enrichment times.  
and  
Variety is provided through a minimum of 6 interest centers.  
and  
A minimum of 2 interest centers are enriched weekly.  
and  
A minimum of 1 interest center is enriched daily.

Weekly lessons plans are prepared for full day (total) program.  
and  
Variety is provided through a minimum of 7 interest centers.  
and  
A minimum of 4 interest centers are enriched weekly.  
and  
A minimum of 2 interest centers are enriched daily.  
and  
Interest centers are in defined or physically divided spaces.

**Space**

Minimum of 35 square feet of useable space per child.

Minimum of 50 square feet of useable space per child.

50 or more square feet of useable space per child.

**CATEGORY****STEP 1****STEP 2****STEP 3****Nutrition**

Menus are prepared weekly with variety provided through a minimum 2 week cycle.

and

A minimum of 1 fresh fruit and 1 fresh vegetable are served daily.

and

Children are encouraged to try a minimum of 1 new food each month.

and

A minimum of 2 snacks per week are sugar free.

Menus are prepared for 2 week periods with variety provided through a minimum 3 week cycle.

and

A minimum of 2 fresh fruits and 1 fresh vegetable are served daily.

and

Children are encouraged to try a minimum of 1 new food each month.

and

A minimum of 3 snacks per week are sugar free.

and

Learning activities are planned to provide children learning experiences in nutrition and it's relation to good health.

Menus are prepared monthly with variety provided through a minimum 4 week cycle.

and

All menus adhere to the licensing requirements.

and

A minimum of 2 fresh fruits and 1 fresh vegetable are served daily.

and

Children are encouraged to try a minimum of 2 new foods each month.

and

A minimum of 1 snack daily is sugar free.

and

Activities are planned to provide children learning experiences in nutrition and it's relation to good health.

and

Opportunity is provided for the involvement of children in activities related to meal service, i.e. family style service, table setting, clean-up).

Dr. Casselle

From: Nancy

Re: Day Care

Day Care Centers and Family homes in Alaska are having difficulty maintaining the level of service currently provided with little hope of expanding the quality of care. Some factors:

- 1) high staff turnover because of low salaries
- 2) lack of training for administrators and staff
- 3) inflation
- 4) loss of CEBA positions
- 5) loss of USDA money for lunches, snacks, and nutritional training
- 6) cutback in Medicaid funds for health and dental screening

The Department of Labor projections for the 80's estimates 9.9% (third highest) of the population will be in the 0 to 4 age group. At present 19% of the work force in Alaska are single parents, and the demand for day care is high. The business is not a sound financial investment, in fact, most of the centers are solidly in debt while providing the most minimal care.

The pre-school child is at a crucial time in his development, the personality is developed by the age of three, as well as the basis for socialization skills and personal responsibility. Women now make up over half of the work force, and coupled with the youth of our population base, the demand for day care will continue to rise (Alaska has the highest birth rate per capita in the country).

For these reasons, I've written up some ideas on making Day Care both available/affordable and of a better quality.

Establish a Day Care Grant Program to provide to all licensed day care centers and homes \$100/month/child enrolled to be administered through the Department of Community and Regional Affairs.

Regulations for the distribution of funds should specify the percentage of funds to be used for a specific purpose. Recommended are:

- 1) staff salaries
- 2) staff training/ inservice
- 3) nutritional assistance
- 4) equipment purchasing
- 5) debt retirement (this is a real need but I'm unsure about providing state funding for this purpose)

Establish Day Care Step Grants to encourage quality of care in day care centers and family homes. Extra money above the \$100 grant to be appropriated per child enrolled by a point system considering the following topics:

- 1) staff training/in-service
- 2) parent involvement
  - a) policy making
  - b) school programs
- 3) curriculum development/planning/philosophy
- 4) holistic approach
- 5) Nutritional development
  - a) based on menus: food variety, sugarless snacks etc.
- 6) health screening
- 7) staff/child ratio
- 8) space available per child
- 9) outdoor activities/field trips
- 10) age-appropriate activities/learning center concept
- 11) fund raising activities

Grant subsidy for the establishment of an intensive training workshop to be offered regionally as inservice training. (possible use of the U of A, H & S S training, or possibly lock into the Head Start training)

**1. Administrative/Social Work**

- a) planning/budgeting
- b) grant preparation
- c) information/referral for family support services
- d) group dynamics

**2) Staff**

- a) establishing a learning environment
- b) classroom dynamics/activities
- c) language development
- d) gross and fine motor skills
- e) socialization/self concept
- f) planning

**Day Care Assistance Program (DCAP)**

- 1) raise income level guidelines to provide DCAP on a sliding scale for moderate income families
- 2) provide 50% administrative costs to the municipalities through C&RA
- 3) if municipality has a Program Manager, provide 10% of that salary.

**Expand the Revolving Loan Fund to include non-profit organizations**



# Alaska State Legislature

## House of Representatives

Committee on

Health, Education & Social Services

Rep. Don Cloekin, Chairman  
465-3797

Fourth V  
State Capitol  
Juneau, Alaska 99811

### Proposed Committee Substitute to SSHB 43 (Conceptual Language):

#### Amendments:

1. 44.47.300(b) is amended to read:

Each day care facility receiving a grant under Secs. 44.47.250-.310, shall, when payment of benefits is based upon the number of days a child is enrolled at the facility, provide for full-time and part-time enrollment. Each such facility shall provide for payment of benefits based upon the number of days a child attends the facility. The number of children who may utilize the attendance payment policy shall be as determined by the department, based upon the need for such a policy and the economic impact on the facility.

2. Amend 44.47.270 - after "freed to work" insert ", seek work."
3. 44.33.245 (a)(1) and .255(a) (delete lines 11-23, findings and purpose).
4. Sec. 1. The Early Childhood Development Grant Program is established in the Department of Community and Regional Affairs to provide state assistance in the operation of child care facilities. The program shall provide grants for the operation of day care centers, including private, non-profit child care facilities. Participation in the program is optional.

Sec. 2. (a) Grants will be available to day care centers if the following conditions are met:

△a>be currently licensed under 47.35.010-.080 and any appropriate municipal licensing requirements.

(b) be participating in the day care assistance program under AS 44.47.250-.310.

(c) be providing care under both enrollment and attendance policies as provided in 44.47.300(b).

(d) minimum grants will be \$150.00/month for each licensed day care slot as determined by the Department of Health and Social Services. The grants shall vary by geographic region and COLA.

Sec. 3.

(a) Application for a grant under this section shall be made in the form established by the commissioner.

(b) A grant under this section shall be made monthly, and shall be based on the average daily enrollment in the child care facility during the calendar month preceding the date on which application for a grant is made.

Sec. 4.

(a) Grants in addition to those in Sec. 2 may be provided to day care centers which provide a quality of care in excess of that required by the licensing requirements of AS 47.35.010-.080. To receive the supplemental grant, all conditions of Sec. 2(a) must be met and in addition, the center shall meet or exceed criteria established by the Department of Health and Social Services. Those criteria will include personnel training and experience, staff-child ratio, establishment of programs designed for early childhood development, improved nutrition, equipment and space.



(b) A center meeting requirements of Sec. 2 (a) and the requirements of this section as well will receive at least an additional \$100/per child per month. Grants shall vary based on the geographic region and COLA.

DC:am

2500

Dept. CED.  
(SABRA)

4-6

Child Care facility loan

1 application in review

7 loans granted - most  
for buying equipment to  
set up a program.

or - non-profit organization

---

Admin. Costs

DCAP Survey

10% of their time in  
administering DCAP

LOCATION	DCAP CHILDREN	CENTERS		HOMES	
		DCAP	LICENSED	DCAP	LICENSED
Anchorage	789		32/38		126/128
Anderson	4		1/1		0/0
Bethel	25		2/2		0/0
Cordova	11		1/1		0/0
Delta	14		1/1		0/0
Fairbanks	261		15/15		37/70
Ft. Greaseley	55		1/1		0/0
Juneau	123		8/8		13/32
Kenai	11		2/4		0/1
Ketchikan	48		3/3		11/18
Kotzebue	7		1/1		0/0
Nome	16		1/1		0/0
Petersburg	20		1/1		0/3
Sitka	29		3/4		1/8
Wasilla	20		3/3		1/8
Wrangell			/1		/0
Haines			/1		/0
Valdez			/1		/1
Tvonek			/1		/0
Dillingham			/0		/1
<b>TOTAL</b>	<b>1656</b>		<b>7./91</b>		<b>197/288</b>

POSITION PAPER ON SSB 43  
"An Act relating to day care assistance."  
by  
Department of Community and Regional Affairs

The Department supports the three major concepts of this bill:

- 1) raising the day care subsidy scale to the state median income. This concept is proposed as a use of the grant budget increase in FY '82.
- 2) administrative relief for local municipalities, or in the absence of a local municipality a local group, who administers the day care assistance program.
- 3) the parental choice of having children either attend or enroll at a day care facility, if they are covered under the day care assistance program. This concept is currently being utilized by parents.

The cost of implementing these three concepts is estimated to be \$4,542,580 in FY 1982. This is ~~\$1,427,580~~ over the Governor's Budget request for the coming fiscal year. *466,186*

STATE MEDIAN INCOME AS 44.47.156(a)(1)

The state median income is estimated for FY 1982 at \$31,037. Using this figure, adjusted, as the upper limit of income subsidy, we project that this will serve a monthly average of 1942 families. The families are projected to have 2317 children who will participate in the program of which 463 of these would be infants.

Currently, the program is serving a monthly average of 833 families, 1250 children of which 250 are infants. Thus, there would be an additional 700 families served, if the subsidy level were increased to include state median income families.

Eighty percent of the families that are currently being served would be receiving a 100 percent subsidy. Presently, the upper limit income is \$20,000. However, 80 percent of the families currently being served earn \$15,000 per year, or less. These same families have state subsidy for child care ranging from 50-100 percent, depending upon their income.

The cost projections and the number of families served are derived from using a subsidy scale that has been used by the Department for a number of years. We are not confident that this scale takes into consideration the various costs for families, family configuration, and budgets. As is suggested

by the Day Care Study, the Department does plan a thorough review of the subsidy scale, including poverty weighting.

A limitation on both the projected dollars and people served is the straight line projection we have done based on current client usage. Our current clients are low income wage earners and are frequently the most volatile in the labor market. That is, they are the last to be hired, work irregular hours, and are the first to be dismissed. These employment characteristics are generally not held to be true of moderate income wage earners. We may find that the new group of families to be served are more stable in the work force and thus the per child cost may be dramatically understated.

**CONTRACT ADMINISTRATION: AS 44.47.260**

As the day care assistance program has expanded to include more and more families, and with the advent of the enrollment policy, the demand on local administrators' time has also increased.

While we concur that contractors (local municipalities, day care facilities outside of municipalities or other organizations) should have some administrative relief, we believe the present language could be a burden both to the local contractor and the state.

We are also concerned that grants to municipalities for administration not come from program dollars for child care.

Therefore, we suggest that the language be changed to read:

(line 15)"...the department shall pay the local contractor an amount equal to ten percent of the total contract award. This payment will be on a monthly basis. However, under no circumstances will the payment be less than \$500.00 per year.

Further, a separate grant award will be made to the department to pay this portion of the contractor's cost, but in no circumstances is this payment to come from grants appropriated for family day care."

**ENROLLMENT OR ATTENDANCE AS: 44.47.300(B)**

Currently, parents do have the option of having their children cared for by facilities that use either an attendance or an enrollment policy. As of December, 1980 approximately 80 percent of the children in the day care assistance program were in a facility that had an enrollment policy.

However, we do have some concerns regarding the proposed language. Parents are authorized to have child care subsidy based on units of care. These units may be by the hour, full time, part time or a combination. The proposed language speaks

of days, and perhaps may be construed to be the only form of authorization. We would prefer substituting "units of care" for days.

Parents now have their authorization for day care renewed every three months, unless there has been a change in family income, size, marital status, working or training hours. The proposed language appears to say that the parent must come each month for reauthorization. We would hope this burden was not placed on parents.

The proposed language appears to say that the parent can specify to the facility what type of policy the facility may have. We propose a change in the language to clarify that parents have the option of attendance or enrollment, as does the facility have the right to make that determination.

Therefore we would suggest the following as substitute language:

"The payment of benefits shall be based on the number of units of care when a child is authorized for care in a facility that has an enrollment policy or the number of units of authorized care in a facility that has an attendance policy. The parent may elect a facility that has an attendance policy or a facility that has an enrollment policy."

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE (revised 3/4/81)

**I. REQUEST**  
 Bill/Resolution No. SSHB 43  
 Title "An Act relating to day care"  
 Requested by House Health & Social Services Date 2/27/1981

**II. FISCAL DETAIL**  
 Agency Affected Department of Community & Regional Affairs  
 Program Category Affected Community Development  
 BRU, Program, or Subprogram(s) Affected Day Care Assistance Program  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)  
**EXPENDITURES** (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	-0-	466.2	503.5	543.8	587.3	634.3
<b>TOTAL</b>	<b>-0-</b>	<b>466.2</b>	<b>503.5</b>	<b>543.8</b>	<b>587.3</b>	<b>634.3</b>

**FUNDING** (Thousands of Dollars)

GENERAL FUND	-0-	466.2	503.5	543.8	587.3	634.3
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

LOCATION	DCAP CHILDREN	CENTERS		HOMES	
		DCAP	LICENSED	DCAP	LICENSED
Anchorage	789	32/38		126/128	
Anderson	4	1/1		0/0	
Bethel	25	2/2		0/0	
Cordova	1	1/1		0/0	
Delta	14	1/1		0/0	
Fairbanks	261	15/15		37/70	
Ft. Greeley	55	1/1		0/0	
Juneau	123	8/8		13/32	
Kenai	11	2/4		0/1	
Ketchikan	48	3/3		11/18	
Kotzebue	7	1/1		0/0	
Nome	16	1/1		0/0	
Petersburg	20	1/1		0/3	
Sitka	29	3/4		1/8	
Wasilla	20	3/3		1/8	
Wrangell		/1		/0	
Haines		/1		/0	
Valdez		/1		/1	
Tyonek		/1		/0	
Dillingham		/0		/1	
Kodiak	43	2/3		5/17	
TOTAL	1656	77/91		194/287 <del>104/307</del>	

The Child Care Facility Revolving Loan Fund administered by the Department of Commerce and Economic Development has issued 7 loans to day care centers, mostly for the purchase of equipment, since the inception of the program. There is one application currently on file.

Administrative Costs for DCAP-A survey by DCAP indicated that the administration of the program takes about ten per cent of the administrator's time.

The increased income limits for DCAP has not been advertised statewide, only in Juneau has this extended program been put into use.

**PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT.**

THE FOLLOWING DOCUMENT(S) MAY NOT FILM  
LEGIBLY BECAUSE OF POOR QUALITY OF THE  
ORIGINAL.

13-5-81

March 13, 1981

Honorable Donald E. Clocksin  
Alaska State Legislature  
House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Clocksin:

During the recent evening hearing on House Bill No. 43 relating to Day Care Assistance, you asked if I could indicate how many communities may be interested in participating in the Day Care Assistance Program if local administrative costs are covered. I responded that I didn't know, but it was my opinion additional communities would be attracted to participate if administrative costs are allowed.

Since I believe that expansion of the Day Care Assistance Program to non-participating communities is important to funding stability for providers of care and to parents needing subsidized care, I asked for a computer run of licensed facilities. The enclosed chart indicates communities where there are licensed day care facilities, but there is no participation in the Day Care Assistance Program. Obviously, this chart does not mean that all these communities would be interested, but does indicate where the expansion might be.

I hope this information is useful.

Sincerely,

John R. Pugh  
Director

Enclosure

cc: Palmer McCarter ✓  
Dept. of Community and  
Regional Affairs

JRP:PH:kt

RECEIVED

MAR 18 1981

DEPT. OF COMMUNITY  
AND REGIONAL AFFAIRS

ALASKAN COMMUNITIES HAVING LICENSED  
 DAY CARE FACILITIES WITH NO PARTICIPATION  
 IN THE DAY CARE ASSISTANCE PROGRAM

<u>Community</u>	<u>Day Care Center</u>	<u>Center Capacity</u>	<u>Day Care Home</u>	<u>Home Capacity</u>	<u>Facility Total</u>	<u>Capacity Total</u>
Dillingham	-0-	-0-	1	6	1	6
Homer	1	20	1	4	2	24
Palmer	1	44	4	21	5	65
Seward	1	30	-0-	-0-	1	30
Soldotna	1	43	-0-	-0-	1	43
Tyonek	1	10	-0-	-0-	1	10
Valdez	1	24	1	1	2	25
Haines	1	20	-0-	-0-	1	20
Wrangell	1	45	-0-	-0-	1	45
Barrow	One Planned		-0-	-0-		
TOTALS					15	268

2.

*Uakleka*

*Talkeetna*

March 13, 1981

Representative Sam Cotton, Chairman,  
House Finance Committee  
House of Representatives  
Pouch Y  
Juneau, Alaska 99801

Dear Representative Cotton:

*Sam*  
FY 82 OPERATING BUDGET - HEAD START PROGRAM

At a recent hearing conducted by the sub-committee of the House Finance Committee on the Social Services category of the FY 82 Operating Budget, you requested that the Department prepare recommendations on a request made to the Legislature from the Alaska Head Start Director's Association to increase the Governor's Budget request of \$1,227,000 to \$3,900,000. As you will recall, we indicated that in preparing the Governor's budget request, the Department used the FY 81 appropriation of \$1,061,000 (which was a significant increase over FY 80 funding) and simply added an 8% inflationary factor to bring the proposed Governor's funding level up to the \$1,227,000 contained in the Governor's FY 82 Budget request. During preparation of the Departmental submission to the Governor, we had no other input, nor did we solicit input from the Alaska Head Start Director's Association indicating that additional funding might be needed.

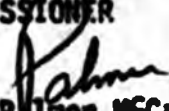
Attached to this letter is a memo dated March 3, 1981, prepared by Laro, Child Care Coordinator to Deputy Director, Pat Poland offering a justification and support for the funding level of \$3,900,000 as requested by the Alaska Head Start Director's Association.

Neither Commissioner McKinney, Deputy Commissioner Matsuno, nor I have had an opportunity to see the funding request as submitted by the Alaska Head Start Director's Association; however, Laro, Child Care Coordinator within the Local Government Assistance Division, has worked with the Head Start Directors in drafting formulas and policies which, apparently substantiate the requested funding and we express our faith in her abilities to fairly respond to the funding request on behalf of the Department. Further, we have not discussed any increased funding with the Office of Budget and Management or the Governor's office to determine what level of support, if any, the Governor might be willing to offer in excess of the amount contained in his budget request to you. By copy of this letter, we are transmitting a copy of the attached memo to Keith Specking, Legislative Assistant to the Governor and to Ron Lehr, Director of the Office of Budget and Management.

If we can provide you with additional information or further analysis of the Alaska Head Start Director's Association request for funding in the amount of \$3,900,000 for the FY 82 Head Start Program, please advise.

Sincerely,

LEE McANERNEY  
COMMISSIONER

  
By Palmer McCarter  
Director

cc: Keith Specking, Legislative Assistant  
Office of the Governor (w/attachment)

Ron Lehr, Director  
Office of Budget and Management (w/attachment)

**THE PRECEDING DOCUMENT(S) MAY NOT FILM  
LEGIBLY BECAUSE OF POOR QUALITY OF THE  
ORIGINAL.**

TO: Pat Poland  
Deputy Director

DATE: March 3, 1981

FILE NO:

TELEPHONE NO:

FROM: Lane  
Child Care Coordinator

SUBJECT: Justification -- Head Start  
FY 82 Budget Request

The Alaska Head Start Directors Association (AHSDA) is requesting a State share appropriation from the Alaska legislature of \$3,900,000. The Governor's FY 82 budget request is \$1,227,000. FY 1981 appropriation was \$1,061,000. Federal dollars for Head Start in Alaska, FY 1981, is \$3,183,062. Head Start services 1200 children and parents in 39 locations from Ketchikan to Nome, in both urban and rural centers and homes. While this is a dramatic requested increase, there are mitigating circumstances which make this request justified.

The circumstances are:

- 1) National budget
- 2) Frozen appropriations
- 3) Formula appropriate to funding

#### National

The national budget request for Federal FY 1982, under the Carter administration, was \$835 million, an increase of \$100 million over the FY 1981 appropriation for Head Start. While the Reagan administration has indicated the program will not be cut from the budget, there is a question about the level of funding. At this time it is projected to be somewhere near the FY 1981 appropriation. This decision is due before the U.S. Congress sometime this spring, and may be known before the Alaska legislature adjourns. It is also possible that the program will be carried on a continuing resolution until fall.

Another federal program widely used by the Head Start program in Alaska, Comprehensive Education and Training Act (CETA), is programmed to be abolished. This program has funded cooks, teachers aides and custodial workers. Frequently, these positions account for three-fourths of all personnel at the local level. The AHSDA members programmed this potential into their total budget when developing the per-child formula funding.

#### "Frozen" Appropriations

In 1979, when reviewing the national Head Start program, it was found that some states had been under-funded and some were over-funded. As usual, this national assessment did not take into consideration the higher cost of delivering services in Alaska. Nevertheless, Fairbanks, Chugiak and Rural CAP were told there would be no additional funds until all states were on a parity. Thus, these programs which account for 70 percent of all the federal funds received for Head Start in Alaska have been static during a time when inflation has been the highest in this century.

### Formula

When the Alaska legislature first began to assume some of the costs for Head Start in the state there were only four grantees. The three mentioned above (Fairbanks, Chugiak, Rural CAP) and Metlakatla. The legislature appropriated 20 percent of the then basic grant to assist these programs that were confronted with a requirement for raising a match of federal dollars.

The second year of state funding, 7 new grantees were funded by the Indian Migrant program (IIPD) and the state increased its allocation to Head Start. The legislature has funded all Head Start programs, slightly in excess of the required local match of 20 percent. However, the smaller programs have continued to gain a slight increase in federal dollars while their larger sister programs have been "frozen".

Noting the changes and potential changes at the federal level, and the inequity of "frozen" vs. slightly increased funding from the federal government, the AHSDA, in an October meeting decided to develop a more equitable approach to state funding.

Working on this proposal, this group developed a formula. This formula is based on the cost of delivering health, nutrition, and education to children and their parents enrolled in the Head Start program as well as training of staff. AHSDA then added a remoteness factor (derived from the Department of Administration's personnel salary scale) and developed the budget that has been submitted.

The budget as requested is not an expansion budget but a maintenance budget. This will permit the programs to not only deliver quality services to children but meet the federal program performance standards. If the programs become significantly out of compliance, the program will no longer be funded by the federal government.

### Recommendation

1. The Department support the formula concept for distribution of state Head Start funds.
2. With the justifications outlined above, the Department support the Alaska Head Start Directors Association state budget request for \$3.9 million.

cc: Palmer McCarter, Director

Association of Village  
Council Presidents

Central Council of  
Tlingit & Haida Indians

Chugach Children's  
Services

Cook Inlet  
Native Association

Fairbanks Head  
Start Association

Kawerak, Inc.

Metlakatla  
Indian Community

Rural Alaska  
Community Action Program

Tunanga Chiefs Conference

Eastern Seal Society  
Resource Account Project

Alaska Federation  
of Natives, Inc.

## ALASKA HEAD START DIRECTORS' ASSOCIATION

On March 17, 1980, the Alaska Head Start Directors' Association was formed and a set of by-laws was developed and approved.

Purpose of the Alaska Head Start Directors' Association is to:

- 1] Serve as an advocate of Head Start children, families and staff;
- 2] Facilitate communication between Head Start programs throughout the State of Alaska, keeping members informed about State and national issues relating to Early Childhood Education, Health and Social Services, be they members or non-members of this Association;
- 3] Establish eligibility to participate and vote in the Regional and National Head Start Directors' Associations;
- 4] Represent the Alaska Head Start programs concerning identified issues;
- 5] Facilitate communication and coordination between Head Start programs and appropriate State and local agencies and organizations;
- 6] Promote and design State legislation for the benefit of the programs represented by members of this Association;
- 7] Represent the interests and concerns of the Grantee Organizations represented by the members of this Association.

**A  
L  
A  
S  
K  
A  
  
H  
E  
A  
D  
  
S  
T  
A  
R  
T**

# DIRECTORS ASSOCIATION

ALASKA HEAD START DIRECTORS' ASSOCIATION

RESOLUTION #81-1

- Association of Village Council Presidents
- Central Council of Tlingit & Haida Indians
- Cook Inlet Native Association
- Fairbanks Head Start Association
- Kawerak, Inc.
- Metlakatla Indian Community
- Rural Alaska Community Action Program
- Tanana Chiefs Conference
- Upernivik Society Resource Action Project
- Alaska Federation of Natives, Inc.

ENTITLED: "REQUESTING THE STATE OF ALASKA TO APPROPRIATE THE SUM OF \$3,984,384 TO ALASKA HEAD START PROGRAMS IN FISCAL YEAR 1982"

WHEREAS, it has been proven\* that children participating in comprehensive child development programs with close parental interaction:

- perform better in school
- are held back less often
- are less likely to need remedial programs; and

WHEREAS, Head Start is the recognized model for comprehensive child development programs throughout the nation; and

WHEREAS, Alaska Head Start programs coordinate and provide parent involvement, parent education, career development, education, medical, dental, mental health, nutrition and social services for more than 1,200 children in 48 urban and rural Alaskan communities each year; and

WHEREAS, Alaska Head Start programs provide more than 250 jobs within these communities; and

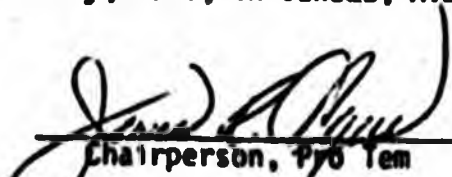
WHEREAS, the Alaska Head Start Directors' Association has established a cost-per-child formula that will provide adequate funding for all Alaska Head Start programs to maintain, improve and expand the current level of services to children and families; and

WHEREAS, the anticipated level of Federal funding and local in-kind support falls \$3,984,384 short of this goal; and

WHEREAS, our children are Alaska's most valuable resource; now, therefore be it

RESOLVED, that the Alaska Head Start Directors' Association does hereby request the Alaska State Legislature to appropriate \$3,984,384 through the State Fiscal Year 82 Department of Community & Regional Affairs' budget for the support of Head Start during FY82.

Dated this 15th day of January, 1981, in Juneau, Alaska.

  
 \_\_\_\_\_  
 Chairperson, PPO Tem

\* Report to Congress, February 6, 1977, from the Comptroller General of the United States.

ALASKA HEAD START

DIRECTORS ASSOCIATION

**RECEIVED**  
 MAR 10 1981  
 DEPT. OF COMMUNITY AND REGIONAL AFFAIRS

ALASKA HEAD START DIRECTOR'S ASSOCIATION

AGENCY	VOTING MEMBER	# CHILDREN	CLASS ROOM SITES
Assoc. of Village Council Presidents, Inc. P. O. Box 219 Bethel, AK 99559	Marge Larsen	79	Bethel Kodiak Kotlik Pilot Station
Central Council of Tlingit & Haida Indian Tribes of AK One Sealaska Plaza-Suite 200 Juneau, AK 99802	Marilyn Akiyama	104	Craig Hoonah Juneau Klawock Yakutat
Chugiak Children's Svcs, Inc. P. O. Box 233 Chugiak, AK 99567	Nancy Beckstrom	34	Chugiak
Cook Inlet Native Assoc, Inc. 670 West Firwood Lane Anchorage, AK 99503	Mary Dalton	39	Anchorage
Fairbanks H/S Association Box 724 Federal Station Fairbanks, AK 99701	Phil Gilbert	80	Fairbanks
Kawerak, Inc. P. O. Box 948 Nome, AK 99762	Jo Putman	43	Nome
Metlakatla Indian Community P. O. Box 8 Metlakatla, AK 99926	Margaret Bolton	31	Metlakatla
RURAL CAP, INC. P. O. Box 3-3908 Anchorage, AK 99501	Jim Ayers Marilyn Webb Sandi Haynes	732	Alakanuk Anchorage Chavak Eimnak Fortuna Lodge Galena Gambell Haines Hooper Bay Iliamna Hydaburg Kake Ketchikan Kodiak Kotlik Mt. Village Napaskiak Seward Stebbins Tuksook Bay Unalakleet

AGENCY	VOTING MEMBER	# CHILDREN	CLASS ROOM SITES
Rural CAP Upper Tanana Parent- Child Program P. O. Box 415 Tok, AK 99780	Kelsey Chalker		Northway Tanana Tatlin Tok
Rural CAP Yukon-Kuskokwim Parent- Child Program P. O. Box 925 Bethel, AK 99559	Sharon Hodgins		Akiachak Bethel Eak Kasigliak Pilot Station Scammon Bay
Tanana Chiefs Conf., Inc. 201 1st Avenue - Doyon Bldg. Fairbanks, Alaska 99701	Sandra Juneby	57	Grayling Holy Cross Kaitag Ruby
Easter Seal Society of AK Respirce Access Project 700 'H' Street - Suite 09 Anchorage, AK 99501	Marion Bowles		Handicap resources to all of the above programs
Alaska Federation of Natives 1577 'C' Street - Suite #304 Anchorage, AK 99501	Vacant		Training and Technical Assistance To: -Association of Village Council Presidents, Inc. -Central Council of Tlingit & Haida Indian Tribes of Alaska -Cook Inlet Native Association, Inc. -Kawerak, Inc. -Metlakatla Indian Community -Tanana Chiefs Conference, Inc.

AGENCY	EX-OFFICIO MEMBERS
Early Childhood Coordination Project 700 'H' Street-Suite 09 Anchorage, AK 99501	Joann Contini

AGENCY	AD-HOC MEMBERS
Department of Community & Regional Affairs State of Alaska 225 Cordova St, Bldg B Anchorage, AK 99501	Ms. Lars Janet Thompson  Linda Vasko

DIRECT PROGRAMS	# CHILDREN	FY82 COST PER CHILD	TOTAL DOLLARS NEEDED FY82	FED. FUNDS ANTICIPATED FY82	IF-ACRD EXPECTED	DIFFERENCE (BALANCE NEEDED FF STATE SHAF
CINA	39	5,001	195,039	141,181	16,107	37,751
TOC	57	6,966	397,062	207,028	25,123	164,911
T & H	36 68	5,001 5,383	546,080	375,953	40,000	130,127
KOMERAK	43	6,966	299,538	174,972	20,000	104,566
FAIRWAYS	80	5,796	463,680	216,000	15,000	232,680
CHUGIAK	34	5,001	170,034	77,320	32,123	60,591
METLAGATA	31	5,383	166,873	108,529	23,149	35,195
AVCP	79	6,715	530,485	285,901	24,000	220,584
RURAL CAP	351 133 130 92 26	6,715 6,966 5,001 5,383 5,796	4,579,505	1,528,198	190,000	2,861,307
SUBTOTAL: DI RECT PROGRAMS	1,199		7,348,296	3,115,082	385,502	3,847,712
SUPPORT PROGRAMS		FEDERAL FY81 MONEY		STATE FY81 MONEY		FY82 STATE SHARE (8% INCREASE)
AFN		113,600		24,854		26,842
RAP		150,793		32,250		34,830
EOCP		-0-		75,000		75,000
SUBTOTAL: SUPPORT PROGRAMS		264,393		132,104		136,672
TOTAL SUPPORT PROGRAMS						136,672
TOTAL DIRECT PROGRAMS						3,847,712
						<u>3,984,384</u>

FY'82 State funding in the amount of \$3,984,384.00 will, for the first time, enable all Alaskan Head Start programs to provide complete, comprehensive services for Head Start children and their families.

A cost per child formula has been established that will distribute the funding on a consistent and equitable basis statewide. See attachment to resolution.

The unique needs and interests of each program and community must determine the specific ways in which adequate funding will be used to improve and expand existing services within the following Head Start components.

## HEAD START

Head Start is a comprehensive child development program that has been meeting the needs of young children and their families since 1965. It began as a poverty program and since that time has become a model for early childhood programs.

Comprehensive, in the eyes of Head Start, refers to the fact that all areas of human growth and development must be included in program planning and implementation in order for the TOTAL CHILD to get a "head start" on years to come.

Head Start guidelines are designed to provide for services to children, families and their communities in the areas of:

- 1) Parent and Community Involvement
- 2) Education and Special Needs
- 3) Health and Nutrition
- 4) Social Services
- 5) Training and Career Development

## Parent and Community Involvement

Parent and community involvement means direct participation by parents, family and community in planning, implementing and evaluating all phases and components of the Head Start program. Also, parents and families are provided with information and education on their children's development. This stems from the philosophy that parents and family are the primary educators and principal influence in their children's growth.

WITH ADEQUATE FUNDING Alaskan Head Start programs could:

- provide increased parent workshops and training in child development and communication skills, personal growth and community involvement
- establish a State Head Start Parents' Association to engage in planning and decision-making on regional, state and national levels and, to represent Alaska parents on a national level.

## Education and Special Needs

Head Start enhances the growth and development of pre-school children through a variety of activities that reflect the culture and heritage of the children and their communities. These activities encourage children to develop new skills and increase self-confidence.

In order to insure that an education program meets individual needs, each child is evaluated to find his/her developmental level. Children identified by screening to have special needs are referred to appropriate specialists who work on a team with parents and teachers to plan a program of learning activities for home and classroom. At least 10% of the children enrolled in Head Start have special needs.

WITH ADEQUATE FUNDING, Alaskan Head Start programs could:

- upgrade facilities, equipment and supplies to provide a safe, healthy and stimulating environment
- improve the adult/child ratio by employing additional staff
- acquire and develop curriculum materials reflective of indigenous culture and heritage
- increase the number of children served
- insure maximum success and opportunities to special needs children through support for regional coordination groups such as PATOI and the Bering Straits/Inupiat Services Council.

- provide additional support staff
- provide additional training opportunities for all program staff

#### Health and Nutrition

Head Start children receive comprehensive health services including, but not limited to; medical, dental, mental health and nutrition. Follow-up treatment and delivery of services are provided by coordinating local, state and federal resources. Each program has a health advisory committee, comprised of parents, health professionals and health agency representatives.

WITH ADEQUATE FUNDING, Alaskan Head Start programs could:

- implement a statewide preventative dental program
- take a more active role in promoting sound nutrition and preventative health practices
- insure that all children receive all comprehensive health services and appropriate follow-up such as: growth assessment, nutritional assessment, vision screening, speech screening, hearing screening, language screening, psychological evaluation when appropriate, dental examination, physical examination and immunizations.

#### Social Services

Head Start staff work closely with community and state agencies to link services to children and families and to coordinate the follow-through on services the family needs.

Every effort is made to help families of Head Start children identify their own needs and to help them find solutions to their problems.

WITH ADEQUATE FUNDING, Alaskan Head Start programs could:

- increase support staff to allow for more active role in areas affecting the lives of children, such as child abuse and neglect, alcoholism, parenting skills and communication, and to provide for increased staff training in these areas.
- increase support staff to allow more coordination with local, regional, state and federal agencies

#### Training and Career Development

Employing local, community and family members as classroom, administrative and specialized support staff is the goal of Head Start. This is achieved through a competency-based career development and training program that provides both formal study and actual supervised work with children.

**WITH ADEQUATE FUNDING, Alaskan Head Start programs could:**

- support a statewide competency-based college-accredited early childhood certificate and provide necessary trainers, materials, travel and tuition
- increase the quality and quantity of on-site, regional and statewide training for teachers, cooks and maintenance personnel
- upgrade staff salaries and benefits to achieve local wage comparability so qualified staff can be retained

#### Resource Access Project

The Easter Seal Society Alaska Special Services Resource Access Project, provides training, technical assistance and resource materials concerning the special needs of handicapped children. These Services are provided, without charge, to all Alaskan Head Start programs through workshops, conferences, specialized consultant services, coordination efforts with appropriate agencies and, the publication and distribution of materials.

ADEQUATE FUNDING would enable these services to continue by absorbing the increased cost of operation due to inflated cost of living.

#### Training and Technical Assistance

The Alaska Federation of Natives Training and Technical Assistance program provides training, technical assistance and resource materials to six of the nine Alaskan Head Start programs, (three are funded directly) in administration and all other components of Head Start. These services are provided, without charge, through workshops, on-site training, specialized consultant services and the publication and distribution of materials.

ADEQUATE FUNDING, would enable these services to continue by absorbing the increased costs of operation due to inflated cost of living.

#### Early Childhood Coordination Project

The Early Childhood Coordination Project was funded in State FY'81 to identify existing direct services, support services, human resources and material resources in the field of early childhood and, to determine the number, ages and location of birth through five year old children throughout the State of Alaska.

ADEQUATE FUNDING for FY'82 would establish an Early Childhood Resource and Referral System. This would provide both a storehouse and clearinghouse for pertinent information about early childhood programs and resources on a statewide level. The information would be readily available to both the public and private sector, both programs and parents, and would allow for maximum utilization of existing materials and human resources.

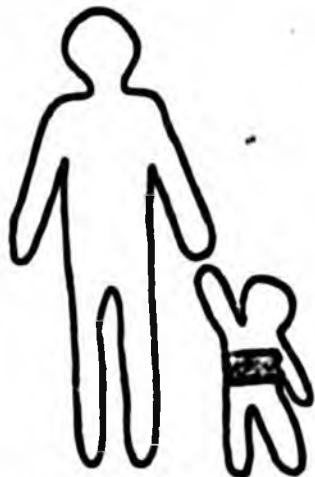
The system would utilize and update the information collected in the Early Childhood Coordination Project. It would expand the base of information and make it available to a greater population.

WHERE HEAD START FUNDS WILL COME FROM IN FY 82



FEDERAL SHARE

+



LOCAL COMMUNITY CONTRIBUTIONS

+



USDA, CETA, JOM  
and other support  
agencies

+



STATE SHARE

=



THE  
TOTAL  
CHILD

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT,**

It is the finding of this Legislature that available, quality Day Care is a vital service to Alaskan children and their working parents. Day Care centers are being affected by inflation and the impact of the Federal budget cuts, particularly in the areas of CETA employees and USDA nutritional funds.

**PURPOSE** It is the purpose of this Legislature to create a CHILD CARE GRANT PROGRAM to assist licensed day care centers and day care homes in operational costs; to expand the Day Care Assistance Program to include moderate income families; and to provide funding to municipalities for administration of the Day Care Assistance Program.

#### **CHILD CARE GRANT PROGRAM**

There is established in the Department of Community and Regional Affairs a Child Care Grant Program to provide state assistance in the operation of day care facilities.

- a) application for the grant shall be made monthly on a form established by the Commissioner.
- b) any facility applying for grants must maintain licensing in accordance with the provisions of AS 47.35.010 - 47.35.080. Any facility which loses its licensure shall refund to the department any unexpended and unobligated money received as a grant under this section.
- c) A child care facility receiving grants under this section must comply with the Department of Community and Regional Affairs regulations for the Day Care Assistance Program.
- d) The Commissioner shall promulgate regulations to carry out the purposes of this section.
- e) Grants under this section shall be based on the average daily enrollment of the facility for the month preceding the application.
- f) grants shall not exceed \$100 per month per child as determined by the department, and shall vary by geographic region and COLA.
- g) It is the intent of this Legislature that the money be spent by the facilities on the following basis:
  - 1) 75% for staff salaries.
  - 2) meeting nutritional requirements.
  - 3) purchase of age appropriate equipment.
  - 4) staff training and/or inservice training.

## **DAY CARE ASSISTANCE PROGRAM**

**Sec. 44.47.250 POWERS AND DUTIES** a) the department shall

- 1) implement and administer a program to assist in providing day care for the children of low income and moderate income families according to the requirements of AS 44.47.250 - 44.47.310;

**AMEND Sec. 44.47.260. LOCAL PARTICIPATION.** When a contract is made under AS 44.47.250 (b)(2) between the department and a municipality, the department shall pay 10% of the Day Care Assistance Program monthly total to the municipality on a monthly basis, and not less than \$500 a year, for the administrative costs of the Day Care Assistance Program.

**Sec. 44.47.270 CONDITIONS OF RECEIPT OF BENEFITS.** Benefits may be paid for the care of children of a low income or moderate income family only if a parent or guardian, because of the day care, is freed to work, seek work or attend school. In no event shall benefits be paid for the care of children of a family where one parent or guardian is not working, seeking work, or attending school and is physically and mentally capable of caring for the children.

### **DEFINITIONS**

"Commissioner" means the Commissioner of the Department of Community and Regional Affairs.

"Department" means the Department of Community and Regional Affairs.

## **APPROPRIATION**

To the Department of Community and Regional Affairs, is appropriated the amount of four million dollars for the Child Care Grant Program, to be distributed by that department to licensed day care facilities in accordance with the regulations of the Department.

To the Department of Community and Regional Affairs, is appropriated the amount of fifty thousand dollars to be distributed to municipalities participating in the Day Care Assistance Program for administrative costs.

*Sanford*  
MARCH 1981



# NEWSLETTER

VOLUME IX

NUMBER 3

## PRESIDENT REAGAN AND THE DAY CARE CAMPAIGN

March 6 - 7 in Detroit.

The Day Care Campaign platform will be used to measure proposed revisions of government programs.

### Preamble

CHILD DAYCARE IS NOW A NECESSITY FOR AMERICA'S ECONOMY, ITS FAMILIES AND ITS CHILDREN:

- The economy needs productive self-supporting citizens.
- Families need to be self-sufficient so they can provide well for their children.
- Children need to grow with and learn from caring adults.

Therefore, the National Campaign for Child Daycare for Working Families has as its central objective:

QUALITY CHILD DAYCARE FOR CHILDREN MUST BE AVAILABLE FOR ALL WORKING PARENTS WHO NEED IT AND WANT IT AT A PRICE THEY CAN AFFORD.

### Platform Statement

WHEREAS, AMERICA'S ECONOMY NEEDS PRODUCTIVE SELF-SUFFICIENT CITIZENS, AND WHEREAS IT HAS BEEN DETERMINED THAT:

(Continued on page 2)

## **PRESIDENT REAGAN AND THE DAY CARE CAMPAIGN (continued)**

- Child daycare contributes to a productive work force.
- More families could be contributing to the economy if government policies encouraged economic self-sufficiency by supporting child daycare.
- Child daycare contributes to the self-sufficiency of one-parent families.
- Child daycare contributes to the self-sufficiency of two-parent families.

**AND, WHEREAS, AMERICA'S FAMILIES NEED TO BE SELF-SUFFICIENT SO THEY CAN PROVIDE THEIR BEST TO THEIR CHILDREN, AND WHEREAS IT HAS BEEN DETERMINED THAT:**

- Economic availability is necessary for families to survive.
- American families need and want to work.
- Child daycare should be available at a price working families can afford.
- Child daycare is a community-based support for American families.

**AND, WHEREAS, AMERICA'S CHILDREN NEED TO GROW WITH AND LEARN FROM CARING ADULTS AND WHEREAS IT HAS BEEN DETERMINED THAT:**

- Child daycare is a responsible supplement to the care of a child received from parents.

**BE IT THEREFORE RESOLVED THAT DURING THE 1980'S, WE, THE UNDERSIGNED WILL ACTIVELY AND DILIGENTLY WORK THROUGH ALL LEGITIMATE MEANS TO AFFIRM THE FOLLOWING IN THE NATIONAL CONSCIOUSNESS LAWS, REGULATIONS, BUDGETS AND PROGRAMS:**

1. That the healthy growth of American children is crucial to the future of our nation.
2. That working parents have the primary responsibility for the care of their children and must have the freedom to choose the supplemental child daycare they believe is most appropriate for their children as well as meeting the obligation to pay what they can afford for the care.
3. That the community in both its private and public sectors, has the responsibility to assist working parents as they fulfill their child daycare responsibilities through:
  - Insuring that quality daycare for children is available for all working parents who need it and want it at a price they can afford.
  - Providing to working parents consumer information and protection and/or financial subsidy, when needed, based on parent's ability to pay.
  - Stimulating the development of the supply of a broad range of child daycare providers, both home-based and center-based, from which parents can purchase care acceptable to them.

(Continued on page 3)

## **PRESIDENT REAGAN (continued)**

- Guaranteeing to parents, through consumer protection standards, that child daycare environments are safe and sound for their children.
- Improving the quality and continuity of child daycare through caregiver wages commensurate with their education and skill and the importance of their profession.
- Assuring a wide range of training and technical assistance services for child daycare providers as a means for continuing improvement in the quality of care.
- Finally, developing public policies ensuring that child daycare systems, both private and public, meet the longstanding American values of:
  - ♦ family stability
  - ♦ economic opportunity for families
  - ♦ parental choice
  - ♦ optimal development of children
  - ♦ continuity of care for children
  - ♦ socio-economic mix of children
  - ♦ equal regard for all persons and families."

Hundreds of individuals from all across the nation have pledged to support these principles and to "work through all legitimate means to affirm them in the national consciousness, laws, regulations, budgets and programs." Examined in the light of the President's proposed changes, these basic agreements may be found to be extremely valuable, as states examine their new roles of responsibility. New ways of delivering child care assistance to families will be developed in the coming months. The effort of the Day Care Campaign, begun

over a year ago, has been to identify basic beliefs on which most people agree, and limit the statement to day care as economic necessity, a support service needed by working families who, for the most part, can pay something for their own child care. The campaign defines the role of parents, of government, and of the community.

A system of providing child care financial assistance in any community which is consistent with the principles of the campaign platform must surely be one which gives parents a choice of caregivers and responsibility for decision making. It also would include consumer protection, consumer information and financial help when needed, all designed and arranged at the local level.

Campaign Supporters will meet in Detroit next week to discuss the coming changes, campaign principles and the state of the Nation's economy, and to make plans for influencing new programs so that they reflect the campaign's principles. You are invited. Make your reservations at the Book Cadillac Hotel.

(Continued on page 4)

\*\*\*\*\*

## **SACUS #32 — MARCH 18-21**

With a theme of "Commitment to a World in the Making" delegates from the Southeastern United States will gather at Biloxi, Mississippi for the 32nd Annual Conference of the Southern Association on Children Under Six. Featured speakers are noted psychologist, Dr. Urie Bronfenbrenner, Dr. Brian Sutton-Smith and Dr. Barbara Bowman. Some themes are: Current Issues in Licensing, Child Care for the 80's: Problems and Pleasures, Think Professional!! You've Come A Long Way Baby!, Participation Stories Won't Stop Runny Noses...But, and an Ounce of Prevention or Pound Foolish(Materials).

See page 6 for contact persons.

**PRESIDENT REAGAN AND THE DAY CARE CAMPAIGN (continued)**

## Day Care Campaign Meeting

Friday, March 6, 1981

and

Saturday, March 7, 1981Registration 7:00 p.m.  
Meeting 7:30-10:00 p.m.Registration 8:00 a.m.  
Meeting 9:00 a.m.-5:00 p.m.

Registration fee (includes up-to-date campaign materials):

\$15.00 (If you have not paid any registrations or contributions  
previously)\$10.00 (If you have made a contribution or paid a registration  
fee previously)Book Cadillac Hotel  
1114 Washington Boulevard  
Detroit, Mi. 48226

Hotel reservations: 313/256-8145

Single - \$36.00 Triple - \$54.00  
Double - \$44.00 Quad. - \$64.00

Checks should be made payable to the National Campaign for Child Daycare. You may register at the door.

If you cannot attend but want to remain on the mailing list and have not made any contribution in the past, you may do so by sending a check or money order for \$3.00.

For information contact: John E. Kyle, Chairperson (Home) 313/485-7768  
Interim Steering Committee (Office) 313/485-2000  
600 N. River Street  
Ypsilanti, Mi. 48197-----  
Name \_\_\_\_\_ Telephone# \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Amount enclosed \$ \_\_\_\_\_

**DAY CARE DIRECTORS**

**MEETING MARCH 4TH**

Directors of child care centers will meet from 9:00 a.m. - 11:30 a.m. on Wednesday, March 4, 1981, at Park Lake Presbyterian Church Fellowship Hall, Highland and Colonial Drive in Orlando.

Phoebe Carpenter, 4C Administrator, will review program and funding plans for 1982. In 1980, 4C spent \$4,481,509.65 buying child care for families eligible for funding. Service was purchased from 110 child care centers for 5,500 children in Orange, Osceola and Seminole counties. In 1981, 4C expects to spend over \$4.7 million buying child care and will serve an estimated 5,800 children (very close to all of the families in need of service.)

A new program of certifying/licensing day care homes and training for day care home providers will be presented:

The National Day Care Campaign, Re-opening 4C Toy Library and other items will be discussed.

All 4C members and friends are invited.

#

\*\*\*\*\*

**4C SERVICE REPORT**

4C paid for child care for 2,967 children in January of 1981. The children were cared for at 99 different child care centers. 4C arranged 191 low cost physical examinations for children, immunizations, and vision and hearing screening.

Child care workers participated in 954 4C training classes. 4C social workers kept appointments with 805 parents in person and 2,597 others by phone.

**4C BOARD**

**MEMBERS ORIENTATION**

In December the membership of 4C for Central Florida (some 600 persons) elected 20 members to be the governing board for 1981. Now the new board is taking up the reigns, setting goals and checking out the operation conducted by its 33 employees.

And this is not so simple when the operation is being scrutinized by a number of state departments and governors offices; is written about in Saturday Review of Literature and Family Circle Magazine, as well as the "trades" Child Care Information Exchange and Day Care and Early Childhood Education, and The Day Care Book, a hard back publication of Stein and Day, authored by Grace Mitchell of Boston. 4C Operations Manual and other pertinent papers are circulated by the respected Education Research Information Clearinghouse in Urbana, Illinois, and are publicized to mayors and city managers all over the country by the Center for Improvement of the Quality of Life, a Washington based organization.

The new board members, all volunteers, will be expected to make decisions regarding this four and half million dollar operation in 1981, to maintain the cost effective service which has brought it such acclaim, and to display to the Reagan Administration the voucher/Purchase of Service system of delivery of child care which has, for ten years, been out of step with the funded child care advocates of the 70's, but now finds the conservative approach may become popular.

Saturday, February 7th, the 20 board members met at the Howard Johnson's on Lee Road for a three hour orientation to the various aspects of 4C: informa-

(Continued on page 6)

**ORIENTATION-Continued**

tion and referral services to all parents of young children as they seek health services, child care or other information, and financial assistance to working parents who cannot afford child care otherwise and thus be able to continue in their work; technical assistance to the child care provider-community to help them attract customers, including the funded parents whom 4C assists; and the operation was presented by the six department directors of 4C, including verbal/media displays which should answer questions and raise others.

4C is supported by United Way in Orange and Seminole counties, by contract with County Commissions and City Governments in Orange, Seminole and Osceola counties, and contracts with Florida Department of Health and Rehabilitative Services and Florida Department of Education.

The accounting system of 4C, which is a modified voucher plan for the funded parents, enables them to buy child care on the open market. This thwarts the notion of public child care centers or government control of the children, while delivering a cost effective assistance program. The process developed here is being copied in Texas, North Carolina, New Jersey, Pennsylvania and Virginia and is under study in other cities and states.

**IMPORTANT DATES**MARCH

- 4 4C Child Care Centers Directors and Owners meeting - Park Lake Presbyterian Church - 9 a.m. - 11:30 a.m.
- 6-7 National Campaign for Child Day Care For Working Families - Book Cadillac Hotel - Detroit, Mi. "Open" Meeting. Contact: John E. Kyle, Chairperson, 600 N. River - Ypsilanti, Mi. 48197; Home - 313/485-7768
- 18-21 SACUS Conference - Biloxi, Miss. Theme: Commitment to a World in the Making. Contact: SACUS, Box 5403, Brady Station, Little Rock, Arkansas 72215.
- 19-21 Conference - Caring for Infants & Toddlers - What Works What Doesn't - Summitt CCC, Sponsor, Info: Summitt CCC, 95 Morris Avenue, Summitt, N.J. 97901 201/273-7017.
- 29 -31 NACCM (formerly NACDE) Washington Forum(see page 7)

APRIL

- 5-11 Week of Young Child - Sponsored by NAEYC, 1834 Conn. Avenue N.W. Washington, D.C. 20009
- 8-10 Family Day Care Conference, Atlanta, Georgia - Conference for Providers, Trainers, Advocates, etc. Contact: Joe Perreault, Child Care Support Center, Save the Children, 1182 W. Peachtree St. N.W. Atlanta, Ga. 30309 - (404)885-1578

\*\*Florida Center for Children & Youth Conference- Tallahassee

\*\*Youth Week - Seminole County

**NOTICE TO THE DIRECTORS OF  
TITLE XX CONTRACTORS**

**TRAINING FOR DAY  
CARE HOME MOTHERS**

Please be advised that, effective immediately the 4C counselor will no longer ask parents enrolling in 4C Funding Programs to fill out the Parent Agreement Form and bring it with them to the center.

Parent Agreement Forms will continue to be available to center directors at 4C for limited time. You may request blank forms from your counselor. However, you should know that this form does not include all enrollment information required by Day Care Licensing.

We strongly recommend that you use the HRS ENROLLMENT CARDS supplied by your Licensing Representative to record enrollment information and ADD PREFERRED HOSPITAL in order to meet Title XX requirements.

The 4C Children's Health Services Department, Mrs. Pat Kaster, Director, will make available to you upon request a model format for Parental Permission for Emergency Medical Treatment. This format was designed to meet the requirements of most of the hospitals in the three county area and, if filled out properly by the parent, should allow emergency treatment to be received by the child. This could save life!

More than 10,000 infants and children of working mothers are cared for daily in independent day care homes in Central Florida. 4C has long published information to parents who purchase day care, with suggestions of what good child day care is like.

Now 4C and Orange County Adult Vocational Education are developing specialized training courses for day care home mothers. They will be very similar to those which have been available since 1972 for child care centers employees in children's art, music and language arts, discipline, fiscal managements skills, child health and emergency care, nutrition and other subjects. Day care home mothers who are licensed (or certified as meeting licensing standards), and participate in nutrition training courses may be reimbursed through 4C with USDA child care food money.

4C is also working to form networks of licensed day care homes, which assures substitutes when the day care mother is ill or help in case of emergency.

#

\*\*\*\*\*

**WASHINGTON FORUM '81**

The National Association of Child Care Management (NACCM), formerly NACDE (National Association of Child Development and Education) hosts a Legislative Forum in Washington, D.C. March 29-31. The organization considers this meeting a must for members since this FORUM will be one of the first Association meetings of the 97th Congress and will allow NACCM to make its views known early among the freshmen legislators and others. NACCM staff will schedule Hill meetings for members with their Senators and Congressmen.

The headquarters hotel is the new Marriott-West End. Reservations should be made by March 6, 1981. For additional information contact: NACCM, 1800 M. Street N.W. Washington, D.C. 20036, (202)452-8100.

# IN THIS ISSUE

**PRESIDENT' REAGAN AND THE DAY CARE CAMPAIGN**

**DAY CARE DIRECTORS MEETING MARCH 4**

**4C BOARD MEMBERS ORIENTATION**

**TRAINING FOR DAY CARE HOME MOTHERS**

**NOTICE TO THE DIRECTORS OF TITLE XX CONTRACTORS**

**WHAT IS 4C?** Community Coordinated Child Care for Central Florida is a private non-profit corporation, a United Way Agency which provides service and information to families of young children, and contracts with Fla. Dept. of H.B.S. to administer child care assistance in three counties.

Main Office: 4C HOUSE - 816 Broadway, Orlando, Florida 32803  
PHONE: 425-0509 (Orange), 628-3020 (Seminole) or 847-8623 (Osceola)

4C Resource Center and Toy Library: 219 Pasadena Place, Orlando, Florida 32803  
PHONE: 425-6711 (Orange & Osceola) or 628-3181 (Seminole)

Seminole Child Development Center: Seminole Community College  
PHONE: 323-1450 Ext. 314

4C Newsletter                      - Monthly to 4C members    4C Teacher                      - Quarterly to child care workers

**Community Coordinated Child Care For Central Florida, Inc.**  
816 Broadway, Orlando, Florida 32803

Non-profit Organization  
U.S. Postage  
PAID  
Permit No. 307  
Orlando, Florida 32803



# NEWSLETTER

Day Care centers in Alaska are having great difficulties in maintaining the level of service and few can provide high quality care. Some factors

1. high staff turnover because of low salary scale
2. lack of training for administrators and staff
3. inflation
4. loss of CETA positions
5. loss of USDA money for lunches, snacks and nutritional training
6. cutback in medicare funds for health and dental screening.

The Dept. of Labor population projections for the 1980's estimates 9.9% (the 3rd highest group) of the population in the 0-4 age bracket. Coupled with 19% of the work force being single parents, this shows a ~~wide~~ large <sup>pop.</sup> base need for day care for pre-school age children.

Joanne Contini

Collecting listing of direct service for pre-school

nos. of children

hours

service

support service in communities available

fees / eligibility

individuals with expertise in early childhood

0-5 - nos. of children / by community



forming a state assoc. for young children

Talent Bank.

9.9% population 0-4 age range

3rd highest age group

projected. DOL pop. growth 1980's

non-native children - medical screening / dental  
same funds cut.

Citizen's participation Conference

# DAY CARE

## \* GRANTS PER CHILD ENROLLED

### 1) REGULATIONS GOVERNING USAGE OF MONEY

- 60% - 80% - staff salaries
- NUTRITIONAL REQUIREMENTS
- STAFF TRAINING
- % DEBT REDUCTION



## STEP GRANT (QUALITY OF CARE)

### TOPICS:

- STAFF TRAINING (WORKSHOPS?)
- PARENT INVOLVEMENT
- CURRICULUM DEVELOPMENT / PHILOSOPHY
- HOLISTIC APPROACH
- NUTRITIONAL DEVELOPMENT
- HEALTH SCREENING.
- STAFF / CHILD RATIO
- SPACE AVAILABLE
- OUTDOOR ACTIVITIES / FIELD TRIPS.

are appropriate  
fund raising

## \* SUBSIDY FOR TRAINING WORKSHOPS

### SUBJECTS:

- ADMINISTRATION / SOCIAL WORK
  1. PLANNING / BUDGET /
  2. GRANT PREPARATION
  3. INFOR. / REFERRAL INFO.
  4. GROUP DYNAMICS (PARENT GROUPS)
- STAFF
  1. EST. A LEARNING ENVIRONMENT

CONTRACT THROUGH U. - TRAUBENING  
INTENSIVE WORKSHOPS. STIMULATE  
LOCK INTO HEAD START TRAINING?

2. GROUP DYNAMICS / ACTIVITIES.
3. LANGUAGE DEVELOPMENT
4. GROSS & FINE MOTOR SKILLS
5. SOCIALIZATION / SELF CONCEPT
6. PLANNING.

MAKE RESOURCES AVAILABLE TO STAFF.  
ACTIVITY IDEAS / IDEA FILE  
FOUND OBJECT ACTIVITIES

DCAP SUBSIDY / FOR MODERATE INCOME

Support systems for family day-care.

Day Care

Impact

- 1) CETA employees
- 2) USDA funds

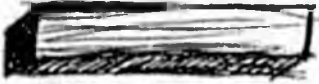
Grants

accountability

regulations - % fd. to who/what?

Talk to Sr. Elaine

C & RA



comprehensive program - holistic approach

- 1) family support / impact
- 2) health screening

early childhood ed.  
administrative  
social work

3-26-81

Dick Luther DOE 2841 Pre-school -

Charlie Mae <sup>Morris</sup> Moore - Ed. Reg. Register 76  
1 - licensing - Title # - Alaska A  
Pg. 61-65

---

Alice Verrelli - The Children's Community Center  
Thinks educational requirements too harsh.

Establish Day Care Grant Program to provide \$100/monthly Child enrolled in Day Care to be administered through Community and Regional Affairs.

★ Regulations for distribution of funds

- 1.) 60% - 80%? staff salary raises
- 2.) 10% - staff training / inservice
- 3.) 20% - nutritional requirements cost.
- 4.) - debt retirement?
- 5.) - equipment purchasing

Establish Day Care Step Grants to encourage quality of care in centers and family homes.

Extra money to be appropriated per child enrolled by a point system considering the following topics:

- 1) staff training / inservice
- 2) parent involvement
  - a) policy making
  - b) school activities programs
- 3) Curriculum development / planning / Philosophy
- 4) holistic approach
- 5) nutritional development
  - a) based on menus - food variety, sugary snacks etc.

- 6) health screening
- 7) Staff/child ratio
- 8) space available per child
- 9) outdoor activities / field trips
- 10) age appropriate equipment / learning center activities
- 11) fund raising activities

Grant <sup>establishing</sup> intensive  
 subsidy for training workshops provided  
 in regions. (Possible use of U. of A, HSS  
 training or look into Head Start training)

1. Administrative / Social Work

- a) planning, budgeting
- b) grant preparation
- c) information/referral for family support services
- d) group dynamics.

2. Staff

- a) establishing a learning environment
- b) class group dynamics / activities
- c) language development
- d) gross & fine motor skills
- e) socialization / self concept
- f) planning
  - a) creating an idea file
  - b) developing learning centers

## Dry Care Assistance Program

1. Raise income level guidelines to provide funds on a sliding scale for moderate income families
  2. Provide 50% administration cost of DCAP to municipalities through CTRA.
  3. If municipality has Program Manager, provide, 10% of salary
-

46

CETA DAY CARE EMPLOYEES

PETERSBURG

1 nursery aide	5.25/hr	18,409
1 daycare aide	5.25/hr.	

ANDERSON

1 daycare aide	947./mo	
----------------	---------	--

Play & Learn (FBKS)

58,334

4 teacher trainee	4.46/hr.
3 Child care trainee	5.00/hr

Small World Child Care (Kodiak)

782,678

1 Ch. care aide	5.25
1 nutrition aide	5.25
1 Child Care asst.	5.50
2 clerke typists	7.86

Anchorage (Campfire)

3 Day Care

Bethel Day Care (2 centers)

12 Day Care Workers

Kodiak	- 1	K. Day Care
Katzeville	- 1	
Net Calcutta	- 5	
Angoon	2	
Juneau	2	Child Comm Center
Ketchikan	1	
Seymour	1	
Anch.	1	Sakanya

or attending school and is physically and mentally capable of caring for the children

"Commissioner" means the Commissioner of the Department of Community and Regional Affairs

"Department" means the Department of Community and Regional Affairs.

regulations to carry out the purpose of this section.

e) Grants under this section will be based on the average daily enrollment of the facility for the month prior to application.

f) Grants shall not exceed \$100 a month per child as determined by the department, and shall vary by geographic region and COLA.

### Day Care Assistance

Sec. 44.47.250 Powers and duties a) The department shall

1) implement and administer a program to assist in providing day care for the children of low-income and moderate income families according to the requirements of AS 44.47.250 - 44.47.310;

Amend Sec. 44.47.260. Local participation. When a contract is made under AS 44.47.250(b)(2) between the department and a municipality, the department shall pay 10% of the DCAP amount paid monthly, and not less than \$500 a year, to the municipality for costs of administering the program.

Sec. 44.47.270 Conditions of receipt of benefits. Benefits may be paid for the care of children of a low income or moderate income family only if a parent or guardian, because of the day care, is prevented to work, seek work or to attend

Finding & Purpose It is the finding of this legislature that available, quality day care is a vital service to Alaskan children and their working parents. Day Care centers are being affected by inflation and the impact of Federal budget cuts, particularly through loss of CETA positions and USDA nutritional funds. It is the purpose of this legislature to create a <sup>Child</sup> ~~Day~~ Care Grant Program to assist <sup>the</sup> centers and to assist in operational costs; ~~and~~ to expand <sup>the</sup> DCAP to include moderate income families and to provide administrative assistance <sup>from municipalities for DCAP.</sup>

Child Care Grant Program

There is established in the Department of Community and Regional Affairs a ~~Day~~ <sup>Child</sup> Care Grant Program to provide state assistance in the operation of Day Care facilities

a) application for the grants shall be made monthly on a form established by the Commissioner

b) any facility applying for grants must maintain licensure in accordance with the provisions of AS 47.35.010 - 47.35.080. Any facility which loses its licensure shall refund to the department any unexpended and unobligated money received as a grant under this section.

c) a child care facility receiving grants under this section must comply with the Dept.

No of licensed centers:  
Day Care Centers -  
Day Care Homes -

264-2249  
2201

Dept. of Commerce & Economic Development  
Div. of Business Loans - 2510

How many loans given? why?  
Are non-profits allowed to take loans?

Janet Thompson - assist to day care cost program,  
raised income limits, not well  
advertised

more than doubled people in FDRs  
in last year. Marginal acceptance by  
cities of raising income.

1,352 DEAF children:  
licensed homes  
centers

Estimate of raising to median income:

10% of program dollars spent in community

Local administrators spend about 10%  
of their time adm. DEAF.

Contract w/ non-profit agencies. In  
unorganized borough they can contract w/  
non-profit agencies.

Centers -

Homes -

DCAP Centers -

Homes -

Slots	DCAP	DCAP Children	Centers	Homes
2375	Anch	789	32/38(e)	126/128(e)
	Anderson	4	1/1(e)	0/0
	Boothel	25	2/2	0/0
	Cordova	11	1/1	0
	Delta	14	1/1	
	FBIC's	261	15/15	DCAP 37/70(e)
	Ft. Dredg	55	1/1	0
	Juneau	123	8/8	DCAP 13/32(e)
	Kenai	11	2/4(e)	0/1
	Ketch	48	3/3	11/18 lic.
	Kodiak	43	2/3	5/17 lic
	Kotzebue	7	1/1	0/0
	Nome	16	1/1 lic	0/0
	Petrom.	20	1/2 lic	0/3 lic
(Mt. Edge)	Sitka	29	3/4 lic	4/9 lic
Mat Su	Wrangell	20	3/3 lic	1/8 lic
	Haines	1		
	Valdez	1		
	Tuxek	1		
	Dillingy			

2375  
17  
2  
54

30  
44  
17  
91

126  
37  
24  
194

128  
102  
19  
21  
17  
267

91

254