

**NCACDSS Child Care Committee Meeting
 Wednesday, March 7, 2007 (10:00-11:30 AM)
 Co-Chairs: Jerry Rhodes and Jack Jones**

Attendance

Linda Leggett	Robeson County	Tonja Hester	Robeson County
Lula Jackson	Anson County	Cindy Tharrington	Franklin County
Amie Barham	Franklin County	Christine Clinton	Harnett County
Sandra Tillman	Moore County	Sam Lane	New Hanover County
Sylvia King	Beaufort County	Joyce Gardner	Beaufort County
Liz White	Forsyth County	Teresa Canady	Martin County
Mena Shepherd	Martin County	Heather Thomas	Randolph County
Ron Byrd	DCD	Cathy Dillard	Vance County
Connie McAdams	CCN-Chatham	Adrienne Barnwell	Alamance County
Aliesa Bowman	Iredell County	Claudia Catlin	Catawba County
Bill Scarlett	Cumberland County	Tina Broadway	Orange County
Wanda Smith	Durham County	Darnella Warthen	Durham County
Melinda Bradshaw	Pender County	Lisa Worley	Pender County
Annie Brame	DCD	Regina Watkins	DCD
Sherry Young	DCD	Jani Kozlowski	NCPC
Kate Savage	DCD	Patti Stowe	Mecklenburg County
Mary Smith	Guilford County	Denise Hill	Guilford County
Della Sweat	Cumberland County	Janice Fain	DCD
Nancy Guy	DCD	Jack Jones	Lenoir County
Jerry Rhodes	Washington County	Gloria Cook	Wake County
Terry Keene	Johnston County	Richard Everett	Cumberland County
Nancy Brandt	Rowan County	Amy Johnson	Mecklenburg County
Vickie Jackson	Wayne County	Betty Hamby	Craven County
Fay Lewis	DCD	Celeste Pleasant	DCD
Kellie McCarthy	DCD		

The meeting was called to order by co-chair, Jack Jones.

The agenda was approved with no additions or deletions. The minutes were also approved.

Expenditure Report

Janice Fain discussed the information within the report. She stated the allocation amounts included the additional \$2 million that was recently allocated from the funding set-aside to serve military families. Overall expenditures increased to 91% and more kids were served. The waiting list numbers dropped this month. Military spending increased to over \$70,000.

A question was asked about the allocation of the additional money. Janice explained that the money was allocated by making projections about the impact the additional funds

would have on spending for this year and the potential for entering next year in an overspending mode. Funds were provided to a county whose spending was at 96% or above but funds were not provided in an amount that would not create a spending coefficient greater than 107% for next year. A total of 21 counties received money and were contacted beforehand to make sure they could spend it. The list of counties and amounts was requested from committee members and was distributed during the meeting by DCD staff.

A question was asked: would a 107% target be good to look at for June in determining how your county should spend? The response was to look at your history in serving school-aged kids, spending coefficients and attrition.

Nancy discussed the waiting list report and expressed concern about the fact that over 36,000 children had been removed from the waiting list but not served since June 2006. She said the Division anticipated receiving questions from legislators about spending and the waiting list. Nancy pointed out that there will always be a waiting list until the program is fully funded so that families can be served when they when they request the service. To fully fund the projected need would require \$1 billion.

DCD Report

Nancy Guy reported several positions had been filled in the Division. Janice Fain is now the Administration Section Chief (Rob's old position), John Winstead is replacing Janice as the new Subsidy Budget Officer and Kate Savage is the new Policy Consultant in the Subsidy Services Section.

Nancy reminded counties that a mid year report was sent to all counties by the Division. In addition, Subsidy Services Consultants recently contacted counties about spending Smart Start funds if they were under spending.

Nancy reported that the Governor's Budget had been released and included the following:

- An increase of \$8.4 million in recurring subsidy funds to address the waiting list which would serve an additional 2,000 children.
- An increase of \$59.3 million to provide an additional 10,000 slots in the More at Four Pre-Kindergarten Program.

The Governor's Budget did not address a market rate increase; however, the data from the new market rate survey will be available before the end of the session. There was not a request for Smart Start funds in the Governor's Budget but Senator Purcell has since introduced a bill in the House requesting an increase of \$44.7 million.

Nancy also reported on other child care related legislation. Senate Bill 117 has been proposed which would require DHHS to contract with a consulting firm to conduct a study of all county allocation formulas applied by the Department. Funds in the amount of \$100,000 would be provided to the Department if approved. In addition, Community College Child Care Grant (House Bill 391) has been proposed which would provide an

additional \$1.2 million to the community colleges to assist students with the payment of child care. Both bills have been referred to the Appropriations Committee.

Nancy reminded the group that corporate queries are available for use in the Data Warehouse to help counties generate reports from the Subsidy Reimbursement System data. Other queries can be composed if needed. For assistance with reports, contact Sherry Young in the Subsidy Section or the Rate Setter assigned to your county (now known as the Data Management Unit). Training is being planned for new employees who need help understanding how to use the queries.

A draft of a monitoring questionnaire was distributed to the group by Nancy. The form was designed to allow counties the opportunity to offer comments to the Division once a subsidy monitoring visit has been completed. Comments can be provided to DCD staff at the next meeting. Nancy also informed the group that the workshop on subsidy monitoring that was offered at the NCACDSS Fiscal Conference will be offered during regional meetings across the state in the future.

Waiting List Codes

As requested at the previous meeting of the Committee, there was discussion about problems county staff are encountering with the entry of information about the waiting list. There is a concern that the information reported on the Division's monthly waiting list report is not an accurate reflection of what is occurring at the county level. There was discussion about the possibility of adding additional codes or changing edits in the System. Nancy indicated that it would be helpful to have further specific discussion with county staff and DCD staff that provide support for the Reimbursement System in a meeting held immediately after the next Day Care Committee meeting.

Employment Codes

The group discussed the possibility of codes being added to the Reimbursement System that would allow the entry of parent specific information about the types of occupations parents are in and allow the entry of county data about specific employers. It was noted that the vouchers and action notices would need to be changed to allow the entry of the codes. It was suggested that the employment codes used in the Work First Program be reviewed to see if they could be used.

Committee Work Plan- Enhancements

Discussion was held regarding the suggestions that a time limit be imposed regarding how long a family can receive subsidy services. It appeared that the Director's Association and DCD would not support such a change. The question was asked if this could be offered as an option. Nancy indicated that research of existing rules would need to be done to determine if an option is possible. A request was made for a query of the months clients have been on the service. Nancy will check on this.

Regarding the suggestion that child support cooperation be required for subsidy recipients, Nancy reported that DCD staff met with Sherry Bradsher and Barry Miller to discuss this proposal. In order to determine the state and county fiscal impact of this

change, a query was run in which children receiving child care to support CPS, CWS, and Work First benefits were screened out along with children in 2 parent households. The result reflected 14,500 children that would potentially be referred sent to the local child support agency. In some counties, the increased number of referrals could be absorbed by the existing child support staff. A fiscal note is being prepared by staff in the Child Support Section of State DSS. Jerry Rhodes reported that the Executive Board did not include this issue on their legislative agenda because they needed more information from Child Support staff. If this change is pursued it will need to be done as a rule change adopted by the Social Services Commission.

Regarding the suggestion that the income guidelines not be revised every two years, Nancy reported that the requirement to revise the guidelines every two years is based on language in state legislation. The question was asked if a county could have the option of not implementing the increase if in the midst of a funding crisis.

No further issues were presented. The meeting was adjourned.

Respectfully Submitted,
Della Sweat