Summary Report on the CARES Initiative

Prepared for the Sacramento County Local Child Care & Development Planning Council

March 14, 2001

- Origins of the Statewide CARES Initiative
- Legislation 1998-2000
- CARES in the Counties
- Program Implementation
- The Role of the Local Planning Council

This summary report was based on a report published by the Center for the Child Care Workforce, "The CARES Initiative in California: Pursuing Public Policy to Build a Skilled and Stable Child Care Workforce, 1997-2000" and from information gathered by staff attending monthly, information-sharing meetings facilitated by the Center for the Child Care Workforce.

Summary Report on the CARES Initiative

The story of CARES (Compensation and Retention Encourage Stability) began in 1997 when child care advocates throughout California began to develop plans to address the staffing crisis in child care centers. Many facilities were struggling to stay open due to the lack of qualified staff to provide consistent quality child care. However, it could be argued that CARES is the product of twenty years of advocacy work.

CARES was originally proposed as a legislative initiative to establish a link between training and compensation, by rewarding those child care workers who sought out training and were willing to remain in one facility over a designated period of time. As originally intended, CARES was developed to build a skilled child care workforce by developing two major programs:

(1) the Child Development Corps, which would provide monetary rewards for family child care providers and center staff who met certain education and training qualifications and would commit to continuing their professional development and to providing child care services; and

(2) Resources for Retention, which would provide additional support for quality improvement by offering differential reimbursements and quality improvement awards to help programs achieve accreditation and improve retention.

Origins of the Statewide CARES Initiative

Child Care and Development Block Grant
1990 marked the passage of the federal Child Care and Development Block Grant (CCDBG). This legislation allowed states to set aside funds for child care quality improvement, including improving compensation and professional development. The block grant funded the California Early Childhood Mentor Program, which offered training to experienced teachers to mentor new staff. This program in itself did not address the need for improved compensation across the child care workforce as a whole.

California Child Care and Development Compensation Study
In 1995 the California Department of Education, Child Development Division (CDD) commissioned a study of center-based child care compensation from the Center for the Child Care Workforce and the American Institutes for Research. The study, "California Child Care and Development Compensation Study," published in 1996, documented the fact that child care jobs offered low wages and benefits, in spite of the high education level of the workforce. The report made policy recommendations to raise wages for entry-level positions and to improve salaries.

Class Size Reduction and Welfare Reform
By 1997, class-size reductions for grades K through three added to the difficulty of center directors in attracting and retaining qualified staff. The improved economy in California also drove entry-level workers into other better-paying fields. The shortage of workers was compounded by a growing need for child care for families moving from welfare to work.

Legislation: 1998 – 2000

AB 2025

Assembly Member Dion Aroner, representing parts of Alameda and Contra Costa counties and having met with advocates in the Bay Area, agreed to carry CARES in the legislature, and sponsored AB 2025 in 1998. Sponsors of that bill included the California Association for the Education of Young Children (CAEYC), the Center for the Child Care Workforce (CCW), and the California Labor Federation, thus adding a unique collaboration between advocates of child care and labor. Although AB 2025 received strong bipartisan support and passed both houses of the legislature, it was vetoed by then Governor Pete Wilson.

AB 212

Even though AB 2025 was vetoed, its strong legislative support and the coalition building that occurred in developing the legislation were viewed as a success. To build on that success, Assembly Member Dion Aroner re-introduced the legislation in 1999 as AB 212, including in the legislation $10 million that was available from the federal Child Care and Development Block Grant to fund the program. Governor Gray Davis removed the funds from the bill, citing his concern that a program would be created that would have no sustainable funding to support it over time. Even thought the funds had been removed, the sponsors agreed to keep the bill alive in the legislature and it became a two-year bill.

The 2000 Amendments

In response to Governor Davis' concerns over funding, AB 212 was amended to become a state matching grant to assist counties in implementing CARES models. The funds requested by advocates to fund the program had originally been $6 million, but Assembly Member Aroner and the Women's Caucus of the Legislature put forward a budget of $24 million, which was then amended to $15 by the Budget Conference Committee. Again the Governor expressed misgivings, and a compromise was needed. In its final form, AB 212 provides ongoing State Department of Education funds to county child care planning councils to support local efforts "to address the retention of qualified child care employees in state-subsidized child care centers." While the final version of the bill was not recognizable as the original, which would have provided stipends for all eligible child care workers, advocates viewed the $15 million applied to AB 212 as a means to free up other funds to serve non-subsidized programs.

CARES in the Counties

Even though the state legislation did not emerge in a form that advocates had wanted, several California counties were moving ahead with their own initiatives. In 1999, San Francisco invested $1.15 million in county general funds to establish San Francisco CARES, and Alameda County invested $3.8 million from Proposition 10 funds to establish the Alameda County Child Development Corps. By 2000, at least 16 other counties had developed compensation plans, including Sacramento County. The availability of funds from Proposition 10, which came into effect January 1, 1999, made possible the establishment of compensation programs that otherwise might not have happened.

Also in 1999, as San Francisco and Alameda counties were developing their models, the Center for the Child Care Workforce (CCW) received a Quality Child Care Initiative (CCQI) grant to provide technical assistance and coordination to eight Bay Area counties, in support of their development of CARES programs. Thus, CCW began convening monthly meetings to share strategies, coordinate county efforts and influence state legislation. The proximity of the Bay Area counties also spurred their neighbors to institute compensation programs, partly out of concern that child care workers would move to counties that did offer such programs and further exacerbate the staffing shortages. During the same period, the state Children and Families Commission awarded $1 million to the Policy Analysis in California Education (PACE) to evaluate child care compensation programs in California.

The San Francisco CARES Program

In 1999, San Francisco became the first local entity in California to support a stipend program with its county general fund allocation of $1.15 million. This support was brought about by a well-organized and vocal grass-roots movement that included hundreds of teachers, providers and parents writing letters, filling public forums and offering testimony. Another boost for the San Francisco program was the existence of the state AB 212 program, which provided program guidelines, statewide momentum and, perhaps most importantly, the potential for statewide matching funds.

The City of San Francisco allocated funds to the San Francisco Department of Children, Youth and Families, which issued the Request For Proposals. In January 2000, Wu Yee, one of the two Resource & Referral agencies in San Francisco, was awarded the contract for administering the program. By July 2000, approximately 450 center-based staff and family child care providers had been issued their first stipend checks.

The Alameda County Child Development Corps

Across the Bay from San Francisco, advocates in Alameda County also had the model of AB 212 to support their efforts. They also had a history of child care advocacy and effective community-based organizations that were ready to mobilize the community to speak out for the Corps.

The Alameda Child Care Planning Council took the lead in advocating for CARES and in drafting a plan for the local Prop. 10 Commission. Advocates recognized the need to persuade the commissioners who represented children's health and family support services of the relevance of the CARES model to child care quality and to children's developmental outcomes. Forging a commitment from these constituent groups to share funding and to collaborate across disciplines was essential to gaining support for the Corps.

Alameda County was the first in the state to complete and submit its Prop. 10 strategic plan, "Every Child Counts." In December 1999, the Alameda County Children and Families Commission allocated $3.8 million of its $6.5 million early care and education fund to create the Alameda County Child Development Corps. The Corps was launched in May 2000 and is administered by the Alameda County Children and Families Commission. By June 30, the commission had received 2,399 qualified applications, and stipend checks were issued in September.

Program Implementation

Both Alameda and San Francisco counties had to move very quickly to develop program details, hire staff and establish administration infrastructures. A sub-committee of the Alameda County Child Care Planning Council met weekly for nine months to develop the Corps model, while the San Francisco plan was developed over an eight-month planning period by the members of the San Francisco Child Care Provider's Association.

Stipends and Educational Requirements

The California Child Development Permit Matrix is used as the educational framework for CARES, but Alameda County created a seven-tier system rather than the four levels in the permit, to provide additional opportunities for Corps members. San Francisco and Alameda used different priorities for awarding stipends. In San Francisco, most of the 1,238 first-year applicants were eligible, but funds were available for only 450 stipends. To address the discrepancy, an hourly wage ceiling was used, and priority was given to seniority and to residency. On the other hand, Alameda County decided to reduce the amount of the stipends awarded, in order to serve as many participants as possible.

Timelines and Outreach

Both counties had very compressed funding cycles, with only a few months to hire staff, publicize the program, and develop and evaluate the applications. Both used kick-off events, developed multi-lingual materials, and conducted outreach through their resource & referral agencies and community colleges. San Francisco sent an "early alert" letter advising providers to watch for applications.

Staffing and Advisory Committees

Both counties employ full-time coordinators for their CARES programs, and both have relied on teams of advisors, both paid and volunteer. In San Francisco, it was significant that the program was awarded to Wu Yee, which has a longstanding relationship with child care directors, teachers, providers and families and was thus able to conduct its outreach in a short time frame. Community college instructors were contracted to evaluate applicants' transcripts. The Alameda County program, administered by the Alameda County Children and Families Commission, employs a full-time director, coordinator and consultant, as well as thirty-two "Corps Advisors."

Challenges

1) Limited Planning and Implementation Time: San Francisco and Alameda counties had very tight timelines to implement their programs, a situation that is tending to be repeated as other counties begin implementation.
2) Limited Funding: The number of qualified applicants compared to the number that can be funded demonstrates a great need for additional funding. The sustainability of funding is also unknown.
3) Limited Family Child Care Involvement: involvement has been limited, perhaps because of higher educational requirements in center-based programs.
4) Verifying Documents: receiving transcripts in a timely manner, and the time-consuming task of verifying documents has proved to be a challenge.
5) Funding Restrictions: The funds from Prop. 10 are restricted to providers caring for children ages zero to five, while the funds from AB 212 are restricted to staff in state-subsidized programs.
6) Tracking the effectiveness of the program: monitoring the impact of CARES over time, and tracking the professional development of participants is a challenge. However, a data base has been developed by a San Francisco consultant firm, with funding from the David and Lucille Packard Foundation. It will be made available free to all counties implementing a stipend program, with priority given to counties applying for the state Prop. 10 match.

The Role of the Local Planning Council

1) Develop a county plan for implementation of funds available under AB 212, according to the guidelines developed by the State Department of Education.

2) Support an application to the Sacramento County Children and Families Commission for funding to develop a stipend program for non-subsidized program staff.

3) Advocate for the Sacramento County Children and Families Commission to apply for matching funds from the State Children and Families Commission.