HOW CAN CONTRACT AGREEMENTS HELP CHILD CARE PROVIDERS BENEFIT FROM FULL-DAY PRE-K?

Partnering with public schools to provide Pre-K

By Shay Everitt, Patrick Gill, and Stephanie Phipps

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HIGHLIGHTS

- Recent legislation provides an opportunity to resolve enrollment challenges within the Pre-K partnership model.
- Contract agreements could provide more quality child care options for parents while also improving enrollment for providers.

To truly maximize the Pre-K partnership model and its support for quality education, child care providers must be able to rely on financing available from both the public school Pre-K program and the child care subsidy program. Currently, a child in a partnership program may qualify for both Pre-K and subsidy funding, but he or she may not receive the subsidy funding due to long waitlists or enrollment freezes. Once a partnership is formed, a child care provider may struggle to enroll children who meet age and income requirements in those Pre-K classrooms, even though there are eligible children on waitlists. Or, a Texas Rising Star (TRS) child care provider in a Pre-K partnership may be able to draw down public Pre-K funding from Texas Education Agency (TEA) but not subsidy funding from Texas Workforce Commission (TWC) because all of the subsidy funding is going to other child care programs, most of which are not quality-certified.

One solution is to set aside a small portion of child care subsidy slots for TRS child care providers who participate in Pre-K partnerships. This is done through contract agreements that could require higher quality standards including TRS 4-Star, certain assessments or school-readiness supports, an application process, increased reimbursement rates, and/or lower parent copays. The contract agreements could also incentivize new partnerships in high-need neighborhoods. TWC and its 28 Local Workforce Development Boards (Local Boards) could create contracts in a limited manner that support the agency's goal to improve quality and invest in Child Care/Pre-K partnerships, as well as a core Texas value of supporting parents to access the best opportunities possible for their children.



This brief was prepared for the Texas Workforce Commission, Local Workforce Development Boards, and other relevant government agencies.

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Contract agreements would help:

- stabilize and grow partnership programs,
- guarantee a larger number of quality slots for children in the subsidy program,
- entice more programs to get quality-rated so they can be eligible for these contract agreements, and
- help more children be school-ready.

Until now, Texas was not able to contract slots, but thanks to the Texas Legislature's passage of House Bill 680, we can now implement this supply-building mechanism to increase quality programs. Additionally, House Bill 3 requires school districts to provide full-day pre-k to eligible 4-year-old students. Not all districts currently have the facilities to do so, but before seeking a temporary waiver or constructing facilities, they must seek public-private partnerships with high quality child care or Head Start programs. For more information visit www.childrenatrisk.org/ECE.

For more information, visit:

- http://childrenatrisk.org/ece/ or
- https://childrenatrisk.org/hb-680-impact/.

For more information, please contact: CHILDREN AT RISK info@childrenatrisk.org (713) 869-7740



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HOUSTON OFFICE

713-869-7740 2900 Weslayan St. Ste. 400, Houston TX, 77027

NORTH TEXAS OFFICE 214-599-0072 2900 Live Oak St., Dallas TX, 75204

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