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STATEMENT OF WORK

Funding for Pandemic Response

City of San Marcos

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Serving Bastrop, Hays, Blanco, Burnet, Caldwell, Fayette, Lee, Llano, and Williamson counties

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INTRODUCTION

Workforce Solutions Rural Capital Area supports families, providers, and local communities by assisting parents who are striving to become self-sufficient with scholarships to pay for child care. We continuously provide child care technical assistance and training to child care providers through the Texas Workforce Commission Workforce Solutions and Child Care Services (CCS) in our nine-county area. Workforce Solutions Rural Capital Area contracts with BakerRipley Community Developers for all child care services.

Workforce Solutions will serve families whose income is greater than 85% of State Medium Income and less than the City of San Marcos Income limits. These families will benefit from these funds as a temporary bridge to prepare for the on-going full cost of early care and education for their children.

BACKGROUND INFORMATION

Pre-pandemic analysis of early care and education in San Marcos shows:

- A year of tuition for infant care at a licensed child care center in San Marcos costs \$9,364; while a year of tuition at Texas State University costs \$10,280.
- The living wage in Hays County for an adult with two children is \$42.14 an hour, \$87,651.20 per year. While the Median household income is \$68,787 in Hays County. (Source: <https://livingwage.mit.edu/counties/48209> & <https://datausa.io/profile/geo/hays-county-tx>)
- 15.2% of families are living in poverty (10,885 / 71,267) and an additional 19.4% (13,840 / 71,267) could not afford basic needs such as housing, child care, food transportation, health care or technology (Source: United Way, ALICE report – Asset Limited, Income Constrained, Employed – households that earn more than the Federal Poverty Level but less than the cost of living in Hays county)

Post-pandemic analysis of early care and education in San Marcos shows:

- Between 2021 and 2022, the average child care tuition in Texas saw an increase of 8%. (Source: mybrightwheel.com)
- 50 % of parents who have not yet returned to work, cite child care as a reason for not having returned. (Source USChamberFoundation.com)
- In July 2020, of the child care programs that reported being open, 94% were serving fewer children than prior to the pandemic. While overall, the average enrollment is down 57% (Source: childcarerelief.org).
- According to careeronestop.com, the average childcare worker in Central Texas is \$11.34 and while that is not sustainable, the national average is \$13.22.

Additionally, access to child care affects both men and women:

- In Central Texas, there is a 32-point gap in labor force participation between women and men with children under 6 (64% of women v 96% of men).
- After the birth of the first child, the gap in pay (due to labor force participation) between men and women doubles, and women may never be able to close that gap. (Source: Child Care – An Essential Work Support for Women; Women's Fund at the Austin Community Foundation).

Finally, the early care and education industry is understaffed and under-income:

- The average starting wage for a teacher is: \$23,000 per year, about \$30,000 less than a public pre-k teacher at a school district; and 92% of these child care teachers are women, with 45% people of color. (Source: Child Care – An Essential Work Support for Women; Women's Fund at the Austin Community Foundation).

- Parents who do not earn a sustainable wage are paying caregivers who are not earning a sustainable wage to take care of their children.
- Even with subsidy reimbursements to child care providers, typically only 80% of the published rate is covered, requiring child care providers to operate in a deficit in order to accept subsidized children. ($\$9,364 * 80\% = 7,491.20$)

The COVID-19 pandemic has caused disproportionate suffering among vulnerable and socioeconomically disadvantaged portions of the population. Given this information, there is a critical need to support early care and education scholarships for residents in San Marcos.

CURRENT ENVIRONMENT

Through federal, state, and local child care funding, Workforce Solutions Rural Capital Area is able to provide scholarships for eligible families.

Eligibility for families:

- Each parent, step-parent or guardian, living in the household, must be working, attending school, in training/other educational program, or a combination of these, at least an average of 25 hours a week over a review period or actively looking for employment.
- Meet income guidelines based on gross household income (*before taxes*) and family size. *
- The person applying for services must have primary custody of the child(ren) needing services.
- Families must live within Rural Capital service counties: Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, or Williamson.
- Families who owe recoupment, anywhere in Texas, are not eligible to enroll or continue services until the recoupment has been paid in full.

*Based on the household income calculations, the family may still be required to pay a portion of child care, referred to as a Parent Share of Cost.

GOALS & PRIORITIES

Our goals for this funding opportunity are to offer families an identifiable source of child care information and financial assistance as they continue to navigate post pandemic life, support the physical, social, emotional, and intellectual development of children, strengthen the child care industry and to provide a community resource for child care needs in this ever-changing environment. This funding will support the gap in the cost of child care as families work toward financial independence.

There are two project component priorities that are important as we evaluate the funding strategy. Continuity of care is a critical factor of quality in early care and education, this will prevent disruptions in care which hinders family capacity to gain or maintain earnings. This funding strategy also will support families who apply for typical funding but are over the income limits but still less than the City of San Marcos income limit. Both of these components will help our children have access to high-quality child-care services.

SCOPE OF WORK

This funding strategy will ensure child care services for families with low to moderate incomes in San Marcos, Texas who:

- Are no longer eligible for the Workforce Solutions typical funded (CCDF) program due to earning income over 85% of the State Median Income, but still under the City of San Marcos Income Limits. (e.g., **Figure 1**)

- Are not eligible to begin the Workforce Solutions typical funded (CCDF) care due to earning income over 85% of the State Median Income, but under the City of San Marcos Income Limits. (e.g., **Figure 1**)

PRIORITY BREAKDOWN

Project Component	Cost*
Child Care Scholarships	\$100,000.00
Priority 1: Continuity of Care: Support families who are no longer eligible for funding provided by Workforce Solutions because they are over income. These families still earn less than the City of San Marcos Income Limit Summary. Once approved, they will be eligible for care for six months to allow time to plan and prepare for the full cost of care. As these families prepare to return to full cost of child care, they will be offered to attend a financial literacy / financial planning workshop.	Approximately \$3,745 per child = 25 children served
Priority 2: Direct Enrollment: Support families who apply for child care through Workforce Solutions but are not eligible due to the set income limits. These families still earn less than the City of San Marcos Income Limit. Once approved, they will be eligible for care for six months to allow time to plan and prepare for the full cost of care. As these families prepare to return to full cost of child care, they will be offered to attend a financial literacy / financial planning workshop.	

*The cost of care in relation to how many children will be served is an estimate and may adjust based on the provider chosen and the age of the child.

PARTICIPANT ELIGIBILITY

Eligibility is aligned with existing eligibility criteria for current Workforce Solutions funding that serve families with low- to moderate-income. This funding will contribute to increase pandemic related economic recovery by eliminating barriers to maintaining or obtaining employment caused by limited or discontinued access to child care.

The following eligibility requirements apply for both priority 1 and 2:

Eligibility Requirement	Description of Criteria	Verification Method
Residency*	Participants must be a resident of the City of San Marcos.	Residency verified by utility bill, lease or rental agreement, or government-issued photo identification.
Quality Rated Facility	Child care is encouraged to be provided in a quality rated child care facility	Workforce Solution Quality Rated Provider List
Ages Served	Children ages 0-12	Birth certificate, or other acceptable document outlined in TWC's Documentation Log
Income level	Household income must exceed 85% of the State Median Income but be below	Current years' Income Limit Eligibility Code for Child Care Services

	the City of San Marcos Income Limits. (e.g., Figure 1)	
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***Note:** the family must reside within the City of San Marcos, however the child care facility does not have to be within the City of San Marcos.

The following additional eligibility requirements apply to specific priorities:

Focus	Eligibility Requirement	Description of Criteria	Verification Method
Priority 1 – Continuity of Care	Currently receiving services	Child must have been receiving a child care scholarship through Workforce Solutions.	TWIST can verify scholarship recipients.
Priority 2- Direct Enrollment	Not receiving services	Child must NOT be receiving a child care scholarship through Workforce Solutions at the time of certification	TWIST can verify scholarship recipients.

SERVICE DELIVERY

- **Outreach, intake, and eligibility determination methods, including how families find out about Services:**

Workforce Solutions Rural Capital Area will conduct outreach directly to individuals in partnership with the focuses described above. Outreach will include working with child care providers to find families on their waitlist, outreach to school districts, outreach through the workforce centers and other community partners and the creation of a social media campaign for families within the City of San Marcos.

- **Service provision process, including description of service delivery model coordination/referrals, and duration of services:**

The funds will be used to purchase direct child care services provided primarily by Texas Rising Star child care providers and other Accredited providers. Using the monthly expenditure reports, Workforce Solutions will demonstrate the overall funding status by the end of the contract period.

Child Care staff will ensure that families who reside within the City of San Marcos and meet the focus areas identified above are able to access Child Care CRF (Coronavirus Relief Fund) Services. Child Care staff will at a minimum: Serve as an advocate for families to continue their child care services; collect, analyze, and report data related to the families served through Child Care CRF funding; ensure that clients are connected to the financial literacy / financial planning workshops, as well as connected to the range of other workforce “system” services that may complement their education or employment goals.

Eligible families can participate in CRF child care services if CCDF funding or other emergency child care subsidies are not available at the time of their eligibility redetermination. Eligible families will be served on a first-come, first-serve basis.

The CRF fund will pay the provider’s maximum reimbursement rate, as identified in the Provider Agreement with WSRCA. The provider may charge the parent the difference between the maximum reimbursement rate and the provider’s published rate.

- **Completion of program:**

Child Care staff will make regular contact with the customers to monitor their activities and progress with the financial planning / literacy workshops. As soon as the customer comes to the end of their allotted time for funding, an assessment will be made to determine if circumstances / income has changed. If circumstances/income has decreased, then the family will be offered to apply for other funded scholarships through Workforce Solutions. If the family successfully completes the program and funds end, the family will take over 100% of the cost of care.

- **Quality standards:**

Workforce Solutions Rural Capital Area Workforce Board staff will submit quarterly reports showing the number of children served. Information on quality assurance is shared openly and appropriate action is taken to resolve issues. The results of the survey pinpoint any issues that customers may have encountered while receiving services. Revisions are made to streamline services to ensure they are being delivered as seamlessly as possible. The intent is to eliminate redundancy in paperwork and to eliminate undo stress from the application process to allow the customers to focus specifically on becoming self-sufficient.

- **Evidenced-based interventions:**

Quality child care is an evidenced-based intervention as noted in multiple research studies from the U.S. Department of Health and Human Services Administration for Children and Families Research and Evaluation Clearinghouse.¹

BUDGET

	Estimated six-month cost of care per child	Parent Share of Cost	Total Anticipated to be Served	Total amount needed from grant
Child Care – Direct Care	\$3,745	\$0	25	\$93,625
Child Care – Recruitment Strategies				\$ 2,630
Child Care – Staff salary and fringe				\$3,745

Child care would cost approximately \$3,745 per child in care. To gain enrollment and participation into the program we would also need funding for recruitment strategies along with staff support through salary and fringe expenses. With this calculation, we can anticipate serving 25 children, although the cost per child will vary based on the age of the child and the type of care required (full time/part time/after school, etc.). If the reimbursement rate is less than the provider's published rate, the family may still be required to pay a portion of child care, referred to as a Parent Share of Cost.

DATA MANAGEMENT

¹ <https://www.acf.hhs.gov/opre/research-and-evaluation-clearinghouses>

The Workforce Integrated System of Texas (TWIST) is the database used to track enrollments, capture payment information, document counselor notes, collect demographic information and other data relevant to the program's overall service delivery and performance. This database is already being utilized and staff are already trained on the system as it will track families enrolled through this funding source.

An exit survey will be distributed to all parent participants at the end of program to determine the effectiveness and to identify methods of improvement.

Workforce Solutions Rural Capital Area and its child care contractor, BakerRipley will track all customers served on a manual tracking spreadsheet which includes all new enrollments, discontinues and duration of care based on reason for termination.

PERFORMANCE MEASURES

- **Chart showing measured outcomes:**

Output Measure	Total Annual Goal	Quarters Reported*
1. Number of unduplicated children served under CRF funding	25	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4
2. Number of unduplicated children 3 years and younger served with CRF funding	N/A	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4
3. Number of unduplicated children 4 years and older served with CRF funding	N/A	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4
4. Number of unduplicated children and number of families served in each Focus area of CRF funding	N/A	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4

*Q1 is Oct 1–Dec 31; Q2 is Jan 1–Mar 31; Q3 is Apr 1–Jun 30; Q4 is Jul 1–Sep 30.

Note, for Outputs 2-4, Contractor will report performance without set goals for Q1-Q4 to gather data for future goal setting as these are new programmatic components.

- **Outcome Performance Measures:** Number and percentage of adults of the children served who were able to find and maintain employment.

POINTS OF CONTACT

Refer questions to the following:

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Reference

Figure 1

Eligibility Comparison Chart

Family Size	85% SMI Family <u>Gross</u> Monthly Income Limit	85% SMI Family <u>Gross</u> Annual Income Limit	City of San Marcos Annual Income Limits (80%AMI)	Difference in Income Eligibility	85% SMI / 80% AMI
2	\$4,113	\$49,356	\$70,600	\$21,244	70%
3	\$5,081	\$60,969	\$79,450	\$18,481	77%
4	\$6,049	\$72,582	\$88,250	\$15,668	82%
5	\$7,016	\$84,196	\$95,350	\$11,154	88%
6	\$7,984	\$95,809	\$102,400	\$6,591	88%
7	\$8,166	\$97,986	\$109,450	\$11,464	90%
8	\$8,347	\$100,164	\$116,500	\$16,336	86%
9	\$8,528	\$102,341			
10	\$8,710	\$104,519			
11	\$8,891	\$106,696			
12	\$9,073	\$108,874			
13	\$9,254	\$111,051			
14	\$9,436	\$113,228			
15	\$9,617	\$115,406			