

Evaluation of the Effectiveness of the Subsidized Child Care Program

Report to the 86th Texas Legislature, January 15, 2019

Background

The Texas Workforce Commission (TWC) provides subsidized child care as a support service to help parents to become and remain employed and contribute to the Texas economy. Making affordable child care available to parents addresses a common barrier to employment. It also enhances parents' ability to participate in workforce training activities. To receive subsidized child care, parents must be employed or participating in training or education activities leading to employment.

Child Care Services are funded through the federal Child Care and Development Fund (CCDF), which is overseen by the U.S. Department of Health and Human Services' Office of Child Care. TWC is the lead agency for CCDF in Texas. TWC's child care program promotes long-term self-sufficiency by enabling parents to work or attend education or training activities.

Additional state agencies also play a role in the child care delivery system statewide. The Texas Health and Human Services Commission (HHSC) is responsible for regulating all child-care operations and child-placing agencies in the state of Texas to protect the health, safety, and well-being of children in care. These responsibilities include licensing and registration of providers, monitoring and follow-up to ensure compliance with requirements, and investigating potential violations. TWC also works with the Texas Department of Family and Protective Services (DFPS) to provide child care services to children in foster care or in the custody of Child Protective Services.

Texas Labor Code §302.0043 charges that TWC "evaluate the effectiveness of the commission's child care program in helping parents who receive subsidized child care to maintain employment . . ."

Section 302.0043(a) directs TWC to compile the following information regarding the wage and employment status of each parent receiving TWC-funded child care:

1. If the parent receives both Temporary Assistance for Needy Families (TANF) and subsidized child care, whether the parent:
 - a. finds employment; and
 - b. maintains the employment after one year.
2. If the parent receives only subsidized child care, whether the parent:
 - a. maintains the employment; and
 - b. experiences a change in earnings after one year of employment.
3. If the parent leaves the child care program:
 - a. the parent's reason for leaving the program; and
 - b. whether the parent returns to TANF or becomes a TANF recipient for the first time.

Senate Bill 208 (SB 208), 84th Texas Legislature, Regular Session (2015), amended Texas Labor Code §302.0043 to require that TWC report the findings regarding the effectiveness of the child care program to:

1. include information on employment results, disaggregated by the local workforce development area (workforce area); and

2. identify multi-year trends in the information collected and analyzed by TWC, including trends in the information for at least the five state fiscal years preceding the date of the report.

Section 302.0043 also requires TWC to measure the effectiveness of its child care program in:

- improving the training of child care professionals; and
- facilitating the collaboration with Head Start, the Texas Education Agency (TEA), DFPS, and HHSC.

TWC is required to report the results of the evaluation to the legislature no later than January 15 of each odd-numbered year.

Definitions

For this report, TWC used wage and employment records to determine the parent's employment status.

Finding Employment

A parent is considered to have found employment if the parent became employed at any time during the four quarters following the quarter that the child entered child care that year.

Leaving Child Care

A child is considered to have left child care if the child does not receive child care for one month during the year.

Maintaining Employment

A parent is considered to have maintained employment if the parent has wages in the fourth quarter after the quarter that the child entered child care that year.

Receiving both TANF and Subsidized Child Care

A parent is considered to be receiving both TANF and subsidized child care if the parent received both in the same month at some point during the year.

Receiving Only Subsidized Child Care (non-TANF)

A parent is considered to be receiving only subsidized child care if the parent did not receive TANF during the year.

Receiving Subsidized Child Care

A parent is considered to be receiving subsidized child care if the parent's child received at least one billed unit of care during a calendar year. Parents may appear in one or multiple years.

Returning to TANF or Receiving TANF for the First Time

A parent is considered to have returned to TANF or received TANF for the first time if the parent leaves subsidized child care and received TANF within a 12-month period.

Wage Gain

The wage gain is the amount that the parent's income increased after the parent became employed in the fourth quarter after the quarter that the child entered child care compared to the quarter before the child entered child care for each year.

Findings

Employment and Wage Outcomes

TANF Parents

Subsidized child care is available for parents receiving TANF for them to participate in workforce training and work-related activities (in TWC's Choices program). For parents receiving both TANF and TWC-subsidized child care, Texas Labor Code §302.0043(a)(1) directs TWC to report whether the parent:

1. finds employment; and
2. maintains the employment after one year.

The five-year statewide trends are shown below:

Table 1 – Parents Receiving TANF and Child Care

Year	Percentage Finding Employment in the Year	Percentage Maintaining Employment after One Year
2012	81.46%	58.93%
2013	84.48%	62.07%
2014	86.47%	64.20%
2015	83.91%	63.09%
2016	84.55%	65.12%

The five-year trends by workforce areas are shown in Tables 1A and 1B in the Appendix.

Non-TANF Parents

Subsidized child care also provides a vital work support to non-TANF working parents that helps them remain in the Texas workforce. For non-TANF working parents receiving TWC-subsidized child care, Texas Labor Code §302.0043(a)(2) directs TWC to report whether the parent:

1. maintains the employment; and
2. experiences a change in earnings after one year of employment. The five-year statewide trends are shown in Table 2 below:

Table 2 – Working Parents Only Receiving Child Care (Non-TANF)

Year	Percentage Maintaining Employment After One Year	Quarterly Change in Earnings After One Year
2012	74.26%	\$671.81
2013	76.29%	\$700.50
2014	77.45%	\$617.72
2015	78.76%	\$581.26
2016	79.21%	\$471.57

The five-year trends by workforce areas are shown in Tables 2A and 2B in the Appendix.

Parents Leaving Child Care

Texas Labor Code §302.0043(a)(3) directs TWC to report:

1. the parent's reason for leaving the program; and

- whether the parent returns to TANF or becomes a TANF recipient for the first time.

From October 1, 2017, through September 30, 2018, a total of 38,233 children left TWC-subsidized child care for at least one month during the year. The reasons for leaving care are shown below:

Table 3A – Reason for Leaving Child Care

Reason for Leaving Child Care	% of Children
Parent Voluntarily Withdrew from Child Care	20%
Parent Missed Redetermination and/or Did Not Return Paperwork	45%
Excessive Absences	13%
Family Is No Longer Eligible Due to Income	3%
Permanent end of activities after three-month job search	15%
Other	1%

The five-year statewide trends for all parents whose children left TWC-subsidized child care and received TANF within 12 months of their children leaving care are shown in Table 3B below:

Table 3B – Parents Receiving TANF within One Year of Leaving Child Care

Year	Percentage Receiving TANF After Leaving Child Care
2012	12.00%
2013	11.39%
2014	9.50%
2015	9.98%
2016	9.56%

The five-year trends by workforce areas are shown in Table 3C in the Appendix.

Child Care Professional Development and State Agency Collaboration

Texas Labor Code §302.0043 also requires TWC to evaluate the effectiveness of its child care program in improving the training of child care professionals and in facilitating collaboration with Head Start, TEA, DFPS, and HHSC.

As part of the development of the CCDF Fiscal Year 2019–2021 State Plan, in 2018 TWC convened an Interagency Team for Early Care and Education to provide input on the plan, which includes professional development and partnership activities. TWC continues to meet regularly with representatives from Head Start, TEA, DFPS, and HHSC.

Additionally, TWC is active on multiple workgroups and projects that bring state and local partners together to increase collaboration and streamline professional development activities across programs and funding streams.

Professional Development for Early Childhood Education

Rider 29 of TWC’s General Appropriations Act required TWC to dedicate \$1 million over the Fiscal Years 2018–2019 (FY’18–’19) biennium for programs that encourage increased participation in continuing professional development for early childhood professionals. Funding may be used to fund teacher training programs, programs that lead to a national credential in early childhood education, or work-study programs in child care.

Through a competitive procurement process, TWC awarded \$1 million to the Texas Association for the Education of Young Children (TXAEYC) for the Teacher Education and Compensation Helps (T.E.A.C.H.) program to provide scholarships for child care professionals who want to obtain a Child Development Associate (CDA) certificate or a Certified Childcare Professional (CCP) credential. TXAEYC also uses the funds to provide scholarships to child care professionals to pursue courses that will lead to an associate's degree in early childhood education.

As of November 2018, TXAEYC was instrumental in the following advances in child care professional development:

- 409 CDA Assessment Fee Scholarships were awarded
- 106 Associate Degree Scholarships were awarded to 80 Caregivers
- 349 (85 percent) earned the CDA credential
- 10 Caregivers earned an associate's Degree
- The average increase in wages for recipients in FY'18 was seven to ten percent

Additionally, in FY'14, TWC entered into an Interagency Contract with DFPS Child Care Licensing for \$500,000 of Rider 30 funds (83rd Texas Legislature, Regular Session (2013)) to expand online training courses related to health and safety for child care providers and caregivers. Child Care Licensing partnered with Texas A&M AgriLife Extension Services to develop online training and technical assistance resources relating to health and safety practices in child care settings for child care providers and parents. The training courses are aligned with the reauthorization of the Child Care and Development Block Grant Act of 2014 (CCDBG).

During FY'18, Texas caregivers completed:

- 370,169 AgriLife online courses, including 32,352 infant and toddler inclusion courses;
- 27,904 preschool and school-age inclusion courses; and
- 259,784 health and safety courses.

New Statewide Professional Development Initiatives

On February 9, 2018, passage of the federal Bipartisan Budget Act of 2018 (Act) provided a historic increase in funding for the CCDF through an increase in the Child Care and Development Block Grant. As a result, the State of Texas received an additional \$229.9 million in CCDF funds. TWC has approved plans for the use of the additional federal funding for Fiscal Year (FY) 2019 with a clear focus on working to increase the quality of care and strengthen early learning across the state. It is the single largest federal allocation increase in the history of the Texas CCDF program. TWC, through its network of 28 Local Workforce Development Boards (Boards), will use the funding to expand high quality early childhood education and child care service programs to an estimated 28,000 additional Texas children per day in FY 2019.

TWC allocated \$189 million, including funds for rate increases with a clear focus on [Texas Rising Star](#) (TRS) quality care, to support Direct Child Care Services, and designating an additional \$44.5 million dollars to help providers enhance the quality of care they offer and to support partnerships that build school readiness.

TWC has approved the following professional development and child care quality improvement initiatives:

- Pre-Kindergarten – Child Care Partnerships (\$10 million) – to support planning grants to build and expand partnerships between ISDs and TRS 4-Star Program Providers to expand pre-K service capacity.
- Local Workforce Development Board (Board) Quality Initiatives (\$7 million) – to expand above the state minimum of 2% of a Board’s child care allocation amount for quality improvement activities, with majority of funding focused on infant and toddlers as required to meet CCDF minimums.
- Board TRS Assessor and Mentor Funding (\$10 million) – to Boards for hiring additional and supporting current TRS assessors and mentors to provide technical assistance and professional development for TRS providers and providers working to become TRS certified.
- Child Care Business Forums (\$3 million) - regional trainings focused on business practices tailored to the needs of child care administrators. Objectives include: business management, financial stability, personnel management, increased recruitment and retention of staff, communication, family and community engagement. Trainings will also incorporate information on TRS and opportunities to become a recognized quality provider.
- Collaborative Matching Grants (\$6 million) - matching grants to work with stakeholders, including non-profit groups and research organizations, to develop efforts focused on increasing TRS providers and star levels, and on improving the implementation of quality focused efforts.
- Infant and Toddler Collaborative Matching Grants (\$2 million) – matching grants to work with stakeholders, to develop infant and toddler focused efforts for TRS providers, and on improving the quality of care for infants and toddlers.
- Cost of Quality Study (\$1 million) - statewide study on the costs of providing quality care, with in-depth provider interviews and rigorous analyses of expenditures associated with TRS. The study also examines provider business practices to help identify areas of weakness and strategies to improve providers’ operational efficiencies and free up resources for activities that directly benefit child care quality.
- Hurricane Harvey Child Care Response (\$5.5 million) – to provide quality focused resources to child care providers impacted by Hurricane Harvey, including classroom material, curriculum, equipment and other resources that improve the quality of care.

Texas Rising Star and Local Board Professional Development Activities

Quality Improvement Activities

Texas Government Code §2308.317(c) requires each Local Workforce Development Board (Board) to use at least 2 percent of its yearly child care allocation for quality initiatives. Boards must ensure that the 2 percent allocation dedicated to quality child care initiatives is used for the following:

- Quality child care programs, including programs that meet one of the following conditions:
 - The Director receives monitoring
 - The Program is in the process of obtaining TRS certification
- Technical assistance, including the following:
 - Assistance to TRS providers and child care providers seeking TRS certification
 - Consumer information regarding the selection of the quality for parents
 - Parenting education information
- Professional development for child care providers, directors, and employees
- Educational materials for children served by child care providers
- Educational information for parents on the development of children under age five

Boards must ensure that priority for the 2 percent allocation is given to quality child care initiatives that benefit child care facilities that are working toward TRS certification or are TRS providers working toward a higher TRS certification level.

In FY'18, Boards used the quality funds to provide training on:

- the infant and toddler guidelines to:
 - 547 licensed child care centers; and
 - 36 licensed or registered child care homes; and
- the prekindergarten guidelines to:
 - 442 licensed child care centers; and
 - 63 licensed or registered child care homes.

TRS Assessor and Mentor Funding

Texas Government Code §2308.3155(c) requires TWC to provide funding to Boards for TRS assessors and mentors. TRS assessors are responsible for conducting on-site assessments of providers to determine compliance with TRS standards. TRS mentors provide technical assistance to providers that are working to become TRS-certified and to TRS providers working toward higher levels of TRS certification.

Mentoring and technical assistance services were provided as follows:

- 10,263 caregivers received mentoring services
- 1,515 providers received mentoring services
- 4,314 providers received target technical assistance

In addition to providing training and technical assistance, the Boards used the quality funds to provide 1,574 child care staff members with CDA or college scholarships and 2,000 child care staff members with other financial assistance for professional development.

As of September 30, 2018, there were 1,370 TRS-certified child care providers serving approximately 30,850 TWC-subsidized children per day.

Leveraging Local Funds

TWC and Boards also worked closely with other state agencies and local governmental entities, especially independent school districts (ISDs), cities, colleges and universities, and private donors to leverage funds for quality initiatives.

Local Match

Boards leverage local public expenditures in the workforce areas to draw down federal Child Care and Development Fund (CCDF) matching funds. Boards work with public institutions of higher education, ISDs, and local governments to certify local public expenditures for direct child care services to low-income families and for child care quality improvement activities. To meet the child care needs in workforce areas, Boards use the federal CCDF matching funds that result from the public certifications to increase direct child care services to CCDF-eligible families. The funds also are used to expand quality improvement activities in the workforce areas.

In FY'17, Boards entered into 135 local match agreements with colleges and universities, and in FY'18, 142 agreements. Through these agreements, colleges and universities certified approximately \$30 million in FY'17 and \$32 million in FY'18 in child care and early education professional development expenses

to draw down approximately \$90.9 million in FY'17 and \$91 million in FY'18 in federal CCDF matching funds.

Although Boards used most of the resulting federal matching funds to subsidize direct child care services, approximately \$4.7 million of the federal matching funds were used in FY'17 and \$4.8 million in FY'18 for quality improvement activities, including professional development and training for child care professionals.

Boards also work closely with local ISDs and education service centers to leverage local funds for child care services. In FY'18, Boards entered into 71 local agreements in which ISDs contributed approximately \$12.8 million in local child care funds, drawing down \$24.6 million in federal CCDF funds. Boards use the federal matching funds for direct child care services or child care quality improvement activities. A significant percentage of the federal funds is used to provide before- and after-school child care for children in the local ISDs.

Partnerships to Improve the Quality of Early Care and Education

Prekindergarten–Child Care Partnership Planning Grant Program

TWC has provided funding to TEA for the PreK Partnership Planning Grant program to help local education agencies develop partnerships with TRS 4-star certified private child care providers to expand access and service delivery models for the provision of prekindergarten to three- and four-year -old children. In FY'18, 36 child care partnerships were entered into with 18 ISDs.

Early Childhood Education Partnerships (Professional Development Partnerships)

Rider 25 of TWC's General Appropriations Act requires TWC to transfer \$500,000 in federal CCDF funds to TEA during FY'17 and FY'18 for early childhood education partnership projects and teacher stipends designed to:

- facilitate increased participation in professional development by early childhood education professionals; and
- encourage those professionals to seek additional education.

FY'17 supported 27 Institutions of Higher Education (IHEs), which included 585 teachers who were working toward degrees in higher education. Additionally, 523 teachers received professional development, and 65 child care educators received technical assistance.

FY'18 supported 16 IHEs, which included 1,951 teachers who were working toward degrees in higher education, 374 teachers who received professional development, and 53 child care teachers who received technical assistance.

Texas School Ready Project

The Texas legislature also requires TWC to transfer to TEA \$11.7 million of federal CCDF funds in each year of the biennium to assist providers that are participating in integrated school readiness models developed by the Children's Learning Institute (CLI).

CLI uses these funds to administer the Texas School Ready (TSR) project, an early childhood model based on proven school readiness components, including:

- a high-quality, developmentally appropriate, and rigorous curriculum;
- continuous student progress monitoring;
- professional development for teachers; and

- creation and implementation of a School Readiness Integration Partnership to coordinate services among school districts, child care providers, and Head Start programs that participate in TSR.

As of September 2018, 184 Providers were participating in the TSR Project.

Texas Early Childhood Professional Development System (TECPDS)

In FY'17, TWC provided \$750,000 in funding for TECPDS to support the Texas Workforce Registry (TWR). TWR is a web-based system where early childhood education professionals who work with children from birth to age eight can store and access their education and employment history, as well as the professional development hours they have completed. TWR is administered by CLI and is open to all Texas early childhood education professionals.

In March 2017, a pilot project for TWR began in partnership with Workforce Solutions for Tarrant County (WSTC) to support WSTC's regional quality improvement initiatives and to test the feasibility of a potential statewide rollout. Before the pilot project, utilization of the TECPDS TWR was low, with fewer than 500 accounts. As of November 2018, TWR houses more than 7,500 user accounts statewide.

CLI Engage

CLI Engage is a comprehensive professional development and child progress monitoring platform that provides professional development content, child progress monitoring tools, and classroom observation tools. These resources help providers to implement developmentally appropriate, evidence-based curricula and to design learning environments that align with early learning guidelines. A partnership among TWC, CLI, and TEA allows these online tools and resources to be available at no cost to all early childhood teachers at Texas public schools, TRS providers, and Head Start programs.

As of September 2018, 202 users completed online child care modules.

Strengthening Texas Rising Star Implementation

In 2017, CLI began a research-based project to strengthen the implementation of TRS, ensure equitable distribution of quality ratings and enhanced reimbursement rates, and provide accurate assessments of quality for families and other stakeholders. Project activities include:

- An analysis of the validity and reliability of the TRS assessment instrument;
- development and implementation of a certification program for TRS assessors and mentors, including a competency-based microcredential for TRS assessors and mentors; and
- delivery of specialized technical assistance (for example, remote coaching) to improve providers' TRS ratings.

CLI will finish collecting data for this project in February 2019 and will publish a full report later in the year.

ECDataWorks

ECDataWorks is a multiyear project that is supported by the W. K. Kellogg Foundation and is facilitated by the University of Pennsylvania's Consortium for Policy Research in Education (CPRE) in collaboration with leading experts in the field.

Beginning in early 2018, TWC partnered with TEA to participate in the ECDataWorks project. The ECDataWorks project team works in a collaborative, outcome-driven manner to conceptualize and develop tools to facilitate the organization, delivery, and strategic use of existing early childhood data. The initial web-based analytic tool—*Texas Ready Communities, Ready Schools, and Ready Students* (TXR3)—is being developed and will be released in 2019.

TXR3 will help decision-makers visualize how well public prekindergarten, kindergarten, and TRS schools and communities are prepared to educate children. The TXR3 tool provides insight into the professional development needs of communities and schools as equal partners in collaboratively educating and preparing children.

Collaborative Project: Planning for Individualized Instruction

TWC continues to partner with TXAEYC in collaboration with Teaching Strategies to implement a statewide early childhood assessment project. In FY'17, \$750,000 was approved for a two-year term. At no cost to providers that serve subsidized children, Teaching Strategies provides GOLD®, an observation-based assessment system that enables early childhood caregivers to assess the development and learning of children from birth to five years of age. Teaching Strategies trains caregivers to use the assessment tools, gather and report data, and use the data to offer care and instruction that is individualized according to each child's strengths and needs. Currently, 91 programs participate, resulting in 6,965 GOLD® child portfolios.

Texas Early Childhood Learning Summits

In partnership with the Office of the Governor and TEA, TWC approved funding in FY'17 of \$700,000 for two annual statewide summits tailored to the needs of early childhood educators and caregivers. Attendees included certified teachers and school campus and district administrators as well as child care staff, administrators, and facility owners. Goals of the summits include the following:

- Support the increased professional development needs of early learning professionals
- Equip child care providers, school districts, and teachers with information, tools, and resources
- Improve the quality of children's prekindergarten and early care experiences

The 2017 Summit offered 47 different sessions to 802 attendees, of which:

- 42 percent were child care teachers, directors, and owners;
- 48 percent were school district prekindergarten teachers and administrators; and
- 10 percent were other early childhood professionals, including Board and TRS staff.

The 2018 Summit offered 59 different training sessions to 581 attendees, of which:

- 50 percent were child care teachers, directors, and facility owners;
- 42 percent were school district prekindergarten teachers and administrators; and
- 8 percent were other early childhood professionals, including Board and TRS staff.

Improving Care for Infants and Toddlers

TWC approved funding of \$800,000 in FY'17 for a two-year term to TEA to be used by CLI to improve the quality of infant and toddler care and to assist providers with developmental screenings for infants and toddlers. A series of web-based training modules were developed focused on early learning guidelines, social and emotional skills, and cognitive development. The modules provide caregivers with lessons that promote child development across all early learning domains. Additionally, the modules include developmental checklists that allow caregivers to screen for developmental delays against important milestones.

Interagency Workgroups

TWC collaborates with Head Start, TEA, DFPS, HHSC, and other organizations through a variety of interagency workgroups.

The Texas Early Childhood Professional Development System

TWC participates in the Texas Head Start State Collaboration Office's Texas Early Childhood Professional Development System (TECPDS). The goal of TECPDS is to ensure that high-quality professional development opportunities are available statewide to individuals working in early child care and education.

Early Childhood Health and Nutrition Interagency Council

Pursuant to Texas Health and Safety Code §116.003—SB 395, 81st Texas Legislature, Regular Session (2009), TWC participated as a subject matter expert for TRS and Texas' child care and early education systems. The purpose of the Early Childhood Health and Nutrition Interagency Council was to improve the health of Texas infants and children under the age of six by reviewing current research and making recommendations. The council centralized its efforts to combat childhood obesity and address malnutrition and undernourishment (nutrition and breastfeeding). The council provided a final report in November 2018.

Project LAUNCH Early Childhood Committee

The purpose of Project LAUNCH (Linking Actions for Unmet Needs in Children's Health) is to promote the wellness of children from birth to eight years of age by addressing the physical, social, emotional, cognitive, and behavioral aspects of their development. Project LAUNCH's core strategies are carried out by four workgroups: Family Strengthening, Developmental Screening, Mental Health Consultation, and Workforce Development. TWC participates in the Developmental Screening and Workforce Development workgroups as subject matter experts for TRS and Boards.

Texas Early Childhood Suspension and Expulsion Stakeholder Group

The Texas Early Childhood Suspension and Expulsion Stakeholder Group is a statewide workgroup of early childhood stakeholders. The workgroup includes representatives from the Texas LAUNCH Project (a collaboration between the Texas Department of State Health Services (DSHS)—Maternal and Child Health, University of Texas at Austin, and Aliviane, Inc.), TEA, Texas HHSC—Child Care Licensing, TWC, the Texas Head Start State Collaboration Office, Texans Care for Children, local ISD administrators, and child care providers. The workgroup created the Texas Early Childhood Suspension and Expulsion Matrix (TECSEM), a crosswalk and overview of federal and state agency policies and efforts related to suspension and expulsion. TECSEM provides a snapshot of statewide efforts related to the suspension and expulsion of young children to streamline efforts and support collaboration across early childhood systems of service.

Early Childhood Systems Integration Group

Texas' Early Childhood Systems Integration Group is a collaboration of seven state agencies and divisions focused on addressing issues and opportunities related to service delivery and coordination and broader systems that affect the development and well-being of young children and their families. The group, which is led by HHSC's Prevention and Early Intervention division, offers a strategy for coordinating resources through cross-agency collaboration.

OLE! Texas

Outdoor Learning Environment (OLE! Texas) is a DSHS initiative to improve outdoor spaces at child care centers. The initiative calls for adding design elements (for example, looping pathways, vegetable gardens, and more play and learning settings) to enable children from birth to age five to be active, learn in nature, and develop motor skills. TWC participates as a subject matter expert for TRS.

Conclusion: Subsidized Child Care Continues to Serve as an Important Work Support Service

Subsidized child care is a support service that allows parents to become and remain employed, thereby contributing to the Texas economy. This report demonstrates that subsidized child care is an effective work support service that enables parents to participate in the workforce or in work-related activities. As reflected in the report, in 2016 approximately 85 percent of TANF parents found employment within 12 months of receiving child care. Additionally, approximately 79 percent of non-TANF parents maintained employment 12 months after receiving child care and, at the end of the 12-month period, experienced an average quarterly wage gain of \$581, or \$2,324 for the year.

The availability of stable and affordable child care is often a determining factor in a parent's ability to obtain and retain employment. Additionally, stable and high-quality child care promotes the growth and development of tomorrow's workforce. TWC strives to build upon its successes by using outcome data and analyses to improve the delivery of child care services to Texas' working families.

Appendix: Data Tables

- Table 1A:
[TANF Parents Who Find Employment within One Year of Receiving Child Care](#)
- Table 1B:
[TANF Parents Maintaining Employment One Year after Entering Child Care](#)
- Table 2A:
[Non-TANF Parents Maintaining Employment One Year after Entering Child Care](#)
- Table 2B:
[Average One-Year Wage Gain of Non-TANF Parents Receiving Child Care](#)
- Table 3C:
[Percent of Parents Leaving the Child Care Program and Receiving TANF within a Year](#)

Table 1A – TANF Parents Who Find Employment within One Year of Receiving Child Care¹

Board #	Board Name	2012	2013	2014	2015	2016
1	Panhandle	85.03%	87.74%	94.90%	93.85%	82.56%
2	South Plains	90.29%	92.86%	93.55%	92.41%	88.66%
3	North Texas	84.24%	80.23%	88.81%	92.62%	88.79%
4	North Central	82.20%	82.66%	85.58%	83.82%	88.59%
5	Tarrant County	80.70%	85.86%	87.02%	86.38%	85.69%
6	Dallas	82.16%	86.45%	88.79%	91.28%	91.73%
7	North East Texas	78.65%	77.64%	78.95%	86.54%	85.71%
8	East Texas	82.48%	87.15%	89.47%	88.11%	89.58%
9	West Central Texas	82.52%	84.54%	85.00%	83.61%	89.87%
10	Borderplex	72.56%	76.14%	76.71%	75.48%	78.62%
11	Permian Basin	88.68%	89.47%	88.24%	82.98%	93.44%
12	Concho Valley	92.94%	90.74%	91.49%	94.44%	94.29%
13	Heart of Texas	83.33%	87.94%	95.28%	92.93%	90.27%
14	Capital Area	85.42%	89.92%	92.68%	86.25%	87.67%
15	Rural Capital	87.26%	87.50%	88.14%	88.76%	85.53%
16	Brazos Valley	85.59%	89.69%	86.25%	80.00%	87.76%
17	Deep East Texas	81.56%	88.00%	89.00%	87.18%	83.33%
18	Southeast Texas	84.02%	87.10%	89.26%	88.78%	93.18%
19	Golden Crescent	86.84%	100.00%	86.36%	88.89%	77.78%
20	Alamo Area	83.53%	88.17%	89.26%	91.07%	87.07%
21	South Texas	85.47%	89.74%	81.25%	61.11%	76.06%
22	Coastal Bend	82.28%	82.07%	85.60%	82.42%	83.98%
23	Lower Rio Grande	74.04%	75.34%	77.25%	76.60%	77.06%
24	Cameron County	79.47%	81.57%	88.45%	57.04%	52.69%
25	Texoma	81.58%	83.61%	86.00%	84.62%	91.89%
26	Central Texas	81.37%	82.54%	85.91%	84.19%	84.68%
27	Middle Rio Grande	84.76%	90.00%	89.83%	86.84%	76.92%
28	Gulf Coast	80.99%	83.70%	85.68%	80.79%	82.54%
Total	System	81.46%	84.48%	86.47%	83.91%	84.55%

¹ Texas Labor Code, §302.0043(a)(1)(A)

Table 1B – TANF Parents Maintaining Employment One Year after Entering Child Care²

Board #	Board Name	2012	2013	2014	2015	2016
1	Panhandle	64.63%	59.18%	68.87%	69.39%	65.00%
2	South Plains	70.06%	60.19%	75.00%	70.97%	66.67%
3	North Texas	47.95%	58.15%	58.76%	66.43%	68.12%
4	North Central	59.83%	56.96%	60.69%	64.07%	68.21%
5	Tarrant County	54.48%	59.57%	63.11%	64.67%	62.37%
6	Dallas	54.23%	59.03%	63.21%	66.46%	69.10%
7	North East Texas	49.10%	54.69%	54.66%	58.77%	56.14%
8	East Texas	61.60%	65.38%	63.69%	66.45%	61.15%
9	West Central Texas	72.22%	60.14%	58.76%	58.33%	61.97%
10	Borderplex	51.03%	51.82%	56.36%	53.42%	54.53%
11	Permian Basin	64.86%	61.32%	68.42%	61.76%	62.50%
12	Concho Valley	61.54%	67.06%	62.96%	68.09%	60.98%
13	Heart of Texas	56.85%	60.12%	62.41%	70.08%	74.77%
14	Capital Area	57.91%	65.72%	68.85%	75.17%	65.77%
15	Rural Capital	63.83%	65.09%	63.11%	67.37%	67.01%
16	Brazos Valley	66.67%	61.86%	68.04%	61.25%	66.67%
17	Deep East Texas	56.98%	62.41%	65.60%	70.00%	65.48%
18	Southeast Texas	57.41%	59.82%	63.23%	71.90%	64.49%
19	Golden Crescent	80.88%	76.32%	57.89%	72.73%	84.62%
20	Alamo Area	57.26%	61.40%	64.51%	67.54%	64.49%
21	South Texas	54.48%	64.53%	64.10%	68.75%	61.36%
22	Coastal Bend	52.37%	54.65%	59.31%	64.20%	62.75%
23	Lower Rio Grande	54.55%	54.39%	53.45%	60.59%	56.50%
24	Cameron County	56.31%	53.22%	61.33%	62.45%	61.67%
25	Texoma	45.00%	51.32%	54.10%	54.00%	64.29%
26	Central Texas	52.00%	58.54%	59.44%	62.87%	57.06%
27	Middle Rio Grande	59.72%	61.90%	68.75%	66.10%	59.57%
28	Gulf Coast	56.77%	58.48%	61.80%	61.79%	60.09%
Total	System	56.28%	58.93%	62.07%	64.20%	63.09%

² Texas Labor Code, §302.0043(a)(1)(B)

Table 2A – Non-TANF Parents Maintaining Employment One Year after Entering Child Care³

Board #	Board Name	2012	2013	2014	2015	2016
1	Panhandle	73.28%	76.01%	78.09%	78.75%	80.79%
2	South Plains	78.82%	80.25%	81.42%	81.74%	82.29%
3	North Texas	74.74%	78.34%	79.57%	80.30%	81.23%
4	North Central	70.23%	73.91%	75.73%	77.43%	79.07%
5	Tarrant County	69.16%	76.70%	78.67%	79.38%	80.58%
6	Dallas	69.02%	73.61%	75.98%	78.81%	82.12%
7	North East Texas	69.47%	70.78%	72.85%	76.09%	77.00%
8	East Texas	71.05%	74.73%	78.07%	80.14%	80.78%
9	West Central Texas	75.40%	79.45%	79.64%	79.43%	80.45%
10	Borderplex	68.06%	69.98%	71.79%	72.56%	74.70%
11	Permian Basin	77.41%	81.22%	82.49%	80.64%	80.84%
12	Concho Valley	76.77%	76.55%	78.54%	80.19%	82.18%
13	Heart of Texas	70.09%	74.83%	78.68%	81.91%	83.01%
14	Capital Area	71.00%	73.47%	76.93%	78.79%	80.50%
15	Rural Capital	73.44%	78.26%	81.18%	81.85%	82.78%
16	Brazos Valley	75.73%	79.51%	82.06%	82.67%	82.06%
17	Deep East Texas	73.52%	76.94%	76.35%	77.78%	78.17%
18	Southeast Texas	75.63%	79.12%	80.27%	83.07%	83.18%
19	Golden Crescent	78.11%	78.65%	81.67%	81.23%	80.50%
20	Alamo Area	75.33%	77.95%	78.91%	81.21%	81.05%
21	South Texas	73.71%	74.77%	76.08%	75.16%	74.70%
22	Coastal Bend	71.64%	74.94%	77.61%	77.79%	77.11%
23	Lower Rio Grande	63.45%	65.60%	67.05%	70.78%	76.41%
24	Cameron County	66.79%	71.66%	73.82%	75.34%	75.90%
25	Texoma	73.90%	72.81%	79.82%	80.75%	78.35%
26	Central Texas	65.69%	67.62%	68.48%	69.40%	71.18%
27	Middle Rio Grande	75.04%	78.07%	80.13%	80.34%	80.69%
28	Gulf Coast	68.12%	73.17%	76.09%	75.72%	76.38%
Total	System	70.43%	74.26%	76.29%	77.45%	78.76%

³ Texas Labor Code, §302.0043(a)(2)(A)

Table 2B – Average One-Year Wage Gain of Non-TANF Parents Receiving Child Care⁴

Board #	Board Name	2012	2013	2014	2015	2016
1	Panhandle	\$515.55	\$713.65	\$737.82	\$869.33	\$696.25
2	South Plains	\$609.15	\$656.52	\$676.20	\$879.74	\$716.56
3	North Texas	\$565.34	\$533.55	\$563.69	\$439.40	\$557.39
4	North Central	\$607.96	\$721.29	\$923.73	\$790.71	\$689.34
5	Tarrant County	\$450.69	\$766.27	\$566.42	\$734.15	\$519.27
6	Dallas	\$479.31	\$760.38	\$569.75	\$728.61	\$569.80
7	North East Texas	\$422.31	\$617.69	\$570.37	\$729.40	\$784.26
8	East Texas	\$555.85	\$584.54	\$671.43	\$705.44	\$522.19
9	West Central Texas	\$503.00	\$713.07	\$664.85	\$653.80	\$669.29
10	Borderplex	\$354.26	\$493.70	\$450.05	\$509.70	\$436.63
11	Permian Basin	\$784.04	\$1,057.27	\$1,033.70	\$843.10	\$446.79
12	Concho Valley	\$547.35	\$657.50	\$863.49	\$790.51	\$599.59
13	Heart of Texas	\$390.13	\$632.78	\$661.47	\$625.52	\$550.67
14	Capital Area	\$422.15	\$617.29	\$672.02	\$635.43	\$571.03
15	Rural Capital	\$505.23	\$690.81	\$853.65	\$827.98	\$811.92
16	Brazos Valley	\$479.74	\$700.28	\$739.96	\$560.40	\$564.86
17	Deep East Texas	\$576.69	\$722.31	\$593.71	\$743.35	\$710.69
18	Southeast Texas	\$252.92	\$489.83	\$555.37	\$571.31	\$416.88
19	Golden Crescent	\$563.08	\$644.34	\$779.67	\$874.34	\$540.82
20	Alamo Area	\$370.94	\$660.56	\$603.36	\$717.89	\$457.88
21	South Texas	\$487.83	\$514.29	\$659.59	\$684.68	\$565.17
22	Coastal Bend	\$560.82	\$604.51	\$746.03	\$799.19	\$562.53
23	Lower Rio Grande	\$369.21	\$423.88	\$469.01	\$545.93	\$542.50
24	Cameron County	\$406.13	\$429.07	\$485.10	\$541.97	\$426.91
25	Texoma	\$542.79	\$697.43	\$737.18	\$972.95	\$561.39
26	Central Texas	\$583.63	\$806.72	\$628.59	\$752.99	\$765.05
27	Middle Rio Grande	\$500.14	\$576.70	\$428.79	\$489.48	\$543.87
28	Gulf Coast	\$635.37	\$762.52	\$910.94	\$684.18	\$628.43
Total	System	\$513.89	\$671.81	\$700.50	\$617.72	\$581.26

⁴ Texas Labor Code, §302.0043(a)(2)(B)

Table 3C – Percentage of Parents Leaving a Child Care Program and Receiving TANF within a Year⁵

Board #	Board Name	2012	2013	2014	2015	2016
1	Panhandle	5.25%	4.04%	3.66%	4.56%	3.61%
2	South Plains	7.66%	6.01%	3.72%	5.89%	4.20%
3	North Texas	18.50%	16.91%	13.00%	12.93%	14.92%
4	North Central	7.43%	6.63%	5.19%	7.56%	5.68%
5	Tarrant County	13.60%	12.99%	11.32%	12.76%	12.60%
6	Dallas	20.92%	20.33%	18.94%	19.33%	16.23%
7	North East Texas	9.99%	8.46%	6.91%	7.01%	6.68%
8	East Texas	4.90%	4.36%	4.63%	6.00%	4.21%
9	West Central Texas	5.10%	6.60%	4.30%	5.95%	7.82%
10	Borderplex	17.54%	15.60%	13.14%	12.52%	13.00%
11	Permian Basin	3.53%	1.83%	1.14%	2.65%	4.72%
12	Concho Valley	8.51%	5.50%	4.52%	8.33%	7.06%
13	Heart of Texas	9.95%	8.47%	9.12%	9.06%	9.55%
14	Capital Area	21.24%	17.54%	12.00%	11.32%	12.96%
15	Rural Capital	10.04%	9.02%	5.69%	7.03%	5.56%
16	Brazos Valley	8.47%	8.03%	3.78%	5.27%	5.48%
17	Deep East Texas	6.81%	5.58%	5.18%	6.16%	5.72%
18	Southeast Texas	12.58%	8.76%	9.23%	11.33%	8.64%
19	Golden Crescent	3.39%	2.55%	2.22%	0.85%	2.82%
20	Alamo Area	13.25%	12.86%	8.94%	9.34%	9.76%
21	South Texas	7.63%	5.97%	5.84%	5.56%	5.59%
22	Coastal Bend	9.54%	9.32%	8.28%	6.93%	8.60%
23	Lower Rio Grande	10.05%	7.58%	6.28%	5.09%	4.54%
24	Cameron County	13.01%	10.73%	8.35%	6.68%	6.93%
25	Texoma	8.68%	5.72%	6.05%	6.52%	5.54%
26	Central Texas	12.86%	12.47%	9.44%	11.09%	10.35%
27	Middle Rio Grande	8.84%	7.81%	6.30%	5.88%	5.72%
28	Gulf Coast	12.43%	14.53%	11.67%	12.88%	12.34%
Total	System	12.00%	11.39%	9.50%	9.98%	9.56%

⁵ Texas Labor Code, §302.0043(a)(3)(B)