



Seattle Department of Education and Early Learning
Child Care Assistance Program (CCAP) Analysis and Recommendations



EXECUTIVE SUMMARY

The City of Seattle provides financial assistance to low- and moderate-income families to pay for child care through the Child Care Assistance Program (CCAP). This program serves families with children aged zero to 12 who earn between 200%–300% of the Federal Poverty Level (FPL) income requirements.

CCAP is administered by the Department of Education and Early Learning (DEEL) and since 2015, DEEL has not distributed all budgeted subsidy funds for CCAP. Additionally, the number of subsidy recipients has declined over the past four years. DEEL engaged BERK Consulting to identify policy adjustments to increase CCAP participation. These policy adjustments include changes to improve CCAP operations, especially the consideration of expanding program eligibility in ways that maximize benefits for families furthest from opportunity in Seattle. BERK used qualitative and quantitative methodologies to address five research questions:

- » What are the opportunities to align CCAP with the State of Washington voucher program, Working Connections Child Care?
- » What specific outreach/communications efforts activities would impact the number of families accessing the CCAP subsidies?
- » How could the City expand eligibility in a way that maximizes benefits for families furthest from opportunity?
- » What are the characteristics of families that could benefit from CCAP in Seattle as they relate to family gross income levels, parent employment/educational program enrollment status, child's age, race, ethnicity, geographic distribution, and childcare alternatives?
- » What is the projected uptake rate and financial implications of any recommended policy changes?

BERK's analysis and evaluation supports the following key findings and recommendations.

KEY FINDINGS

CCAP plays a critical role in recipient families' ability to balance work and family life in Seattle. Providers and recipients describe CCAP's impact in glowing terms: allowing parents to maintain employment, providing quality care families could not otherwise afford, and easing the impact of increasing costs of living. Though providers and recipients reported multiple suggestions to improve the program, they were nearly uniform in underscoring the success of the program in supporting Seattle's working families.

Overlap with Working Connections Child Care better serves low-income families than alignment. CCAP has sought income eligibility alignment with the Washington State Working Connections Child Care program (WCCC), with WCCC providing subsidies to families living at or below 200% FPL, and CCAP providing subsidies to families living between 200%–300% of FPL. We find that extending CCAP's income eligibility down to 185% of FPL, allowing for overlap with Working Connections Child Care's highest eligible bracket, better serves Seattle families earning between 185%–200% of FPL, and better aligns with CCAP's stated purpose of serving those furthest from opportunity.

CCAP lacks the infrastructure needed to use program data for internal assessment and evaluation. Applicant information central to determining eligibility is inaccurately and/or inconsistently recorded in CCAP's data management system, including family income and FPL determination. Circumstances and needs for CCAP recipients rapidly evolve, and appear in CCAP operations as issues such as unspent program funding. Accurate historic program data are needed for timely analyses and nimble responses.

Operational changes may meaningfully improve CCAP's function as a mechanism for advancing racial equity and social justice. We recommend multiple adjustments to CCAP program operations unlikely to substantially increase the number of subsidy recipients but which will meaningfully reduce barriers to participation for current and potential recipients, particularly those in low-income communities and communities of color. These simple adjustments should be as highly prioritized as those with larger impacts on the number of subsidy recipients.

RECOMMENDATIONS

OUTREACH AND AWARENESS

The following recommendations relate to communicating with child care providers, families, and the public.

RECOMMENDATIONS	IMPLEMENTATION EFFORT	IMPACT ON RECIPIENT FAMILIES	ANTICIPATED BENEFITS	POTENTIAL RESOURCE IMPLICATIONS
UPDATE WEBSITE				
Provide translations of all CCAP website materials in other languages, and indicate that interpretation is available for over-the-phone interactions.	Low	Low	<ul style="list-style-type: none"> Families can more easily navigate complicated requirements in their native languages. Families may feel more welcome to inquire about eligibility if they know they can speak to a representative with interpretation readily available. 	<ul style="list-style-type: none"> DEEL currently has access to interpretation services – making those services more visible may result in higher use, but well within the ability of the resource to provide.
Rephrase eligibility requirements for clarity, including the requirement that applicants are “not eligible for any other child care subsidy program,” and that applicants “currently use a provider contracted with the City of Seattle.”	Low	Low	<ul style="list-style-type: none"> Families currently confused by eligibility requirements, or misunderstanding them, will be better able to discern what the eligibility requirements are, and whether or not they are likely to qualify. Families who would have otherwise screened themselves out may prove to be eligible and go on to receive a subsidy. 	<ul style="list-style-type: none"> Staff thought and time is needed to ensure the requirements are worded to balance accuracy and encourage families to contact the program regarding opportunities for flexibility.
Cross-reference CCAP information in other DEEL programs and materials.	Medium	High	<ul style="list-style-type: none"> More families become aware of CCAP. More families apply and go on to receive CCAP subsidy. 	<ul style="list-style-type: none"> Staff time and materials to integrate CCAP materials into SPP and other DEEL program materials. If implemented, some materials already existing for SPP and other DEEL programs would be out of date.

Recommendation Implementation Effort and Impact Legend

Implementation Effort

- » **High** effort or resources to implement, such as a significant staff time or subject matter expertise.
- » **Medium** effort or resources expected to implement.
- » **Low** effort or resources to implement; recommendations that are expected to be easily put in place.

Impact on Recipient Families

- » **High** impact on increasing the number of CCAP recipients, or significant impact on deepening the support to CCAP recipients.
- » **Medium** impact on increasing the number of CCAP recipients, or some impact on deepening the support to CCAP recipients.
- » **Low** impact on increasing the number of CCAP recipients, or minimal impact on current support to CCAP recipients.

RECOMMENDATIONS	IMPLEMENTATION EFFORT	IMPACT ON RECIPIENT FAMILIES	ANTICIPATED BENEFITS	POTENTIAL RESOURCE IMPLICATIONS
Update information with Child Care Resources.	Low	Low	• More families may find CCAP through these information outlets and go on to receive subsidy.	• Staff time and provision of updated materials.
Clearly state informal requirements on the website, including hours of care authorization requirements.	Low	Low	• Families may be better able to accurately assess whether they will qualify for CCAP from introductory materials.	• Staff thought and time is needed to ensure the requirements are worded to balance accuracy and encourage families to contact the program regarding opportunities for flexibility.
Include eligibility checks on the CCAP homepage so applicants may quickly determine whether they may be eligible, for example: a web feature that allows families to enter their address to determine if they are within City limits.	Medium	Low	• Families may be better able to accurately assess whether they will qualify for CCAP from introductory materials.	• Staff thought and time is needed to ensure the requirements are worded to balance accuracy and encourage families to contact the program regarding opportunities for flexibility.

COMMUNICATION TO PROVIDERS

Maintain consistent contact with providers.	Low	Low	• Providers receive timely information and can better provide accurate information to current and potential CCAP recipients.	• Staff time and materials.
Update the CCAP provider circulation list to assure that all providers receive DEEL communications.	Low	Low	• Providers receive timely information and can better provide accurate information to current and potential CCAP recipients.	• Staff time and materials.

COMMUNICATION AND OUTREACH TO FAMILIES

Create a consistent marketing package and increase advertising.	Medium	High	• More families, and more kinds of families, learn about CCAP. • More families spread the word about CCAP to their communities, who may also be eligible.	• Staff time and materials. • Substantial increase in total subsidies delivered.
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RECOMMENDATIONS	IMPLEMENTATION EFFORT	IMPACT ON RECIPIENT FAMILIES	ANTICIPATED BENEFITS	POTENTIAL RESOURCE IMPLICATIONS
Create linkages with human service providers, programs, and organizations.	Medium	High	<ul style="list-style-type: none"> • More families who are likelier than the general population to be eligible learn about CCAP. • More families spread the word about CCAP to their communities, who may also be eligible. 	<ul style="list-style-type: none"> • Staff time and materials. • Substantial increase in total subsidies delivered.
Conduct outreach at Seattle Public Schools.	Medium	High	<ul style="list-style-type: none"> • More families, and more kinds of families, learn about CCAP. • More families spread the word about CCAP to their communities, who may also be eligible. 	<ul style="list-style-type: none"> • Staff time and materials. • Substantial increase in total subsidies delivered.
Work with DSHS to connect potential families to CCAP if they are not eligible for WCCC and live in Seattle.	Medium	Medium	<ul style="list-style-type: none"> • Families who would not otherwise consider themselves eligible for CCAP may apply and go on to receive a subsidy. 	<ul style="list-style-type: none"> • Staff time and materials. • Increase in total subsidies delivered.
Host and participate in community outreach events, especially in-person outreach within targeted communities across the City.	Medium	Medium	<ul style="list-style-type: none"> • More families, and more kinds of families, learn about CCAP. • More families spread the word about CCAP to their communities, who may also be eligible. 	
Provide outreach to expecting parents.	Medium	Medium	<ul style="list-style-type: none"> • Families who are about to have children in the highest-cost child care range may learn about CCAP, and go on to receive a subsidy. 	<ul style="list-style-type: none"> • Staff time and materials. • Increase in total subsidies delivered.

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SERVICE AVAILABILITY

The following recommendations relate to approaches to increase and/or expand the child care services available to CCAP subsidy recipients.

RECOMMENDATIONS	IMPLEMENTATION EFFORT	IMPACT ON RECIPIENT FAMILIES	ANTICIPATED BENEFITS	POTENTIAL RESOURCE IMPLICATIONS
SERVICE AVAILABILITY				
Recruit providers to participate in CCAP, particularly in Northgate/Lake City, University District, West Seattle, and Georgetown/ South Park.	High	High	<ul style="list-style-type: none"> • More slots for CCAP recipients may become available in underserved areas likeliest to have populations of CCAP-eligible recipients. • Current and potential CCAP recipients can find child care nearer to their homes. 	<ul style="list-style-type: none"> • Staff time and materials. • Substantial increase in total subsidies delivered.
Create a second subsidy structure that can be used at Seattle Parks and Recreation child care sites.	High	High	<ul style="list-style-type: none"> • More slots for CCAP recipients may become available in underserved areas likeliest to have populations of CCAP-eligible recipients. • Current and potential CCAP recipients can find child care nearer to their homes. 	<ul style="list-style-type: none"> • Staff time and materials. • Substantial increase in total subsidies delivered.
Make changes to the Vendor Services Agreement to incentivize accepting CCAP vouchers, either through service quality improvement and other DEEL trainings, or through financial incentives.	High	Medium	<ul style="list-style-type: none"> • Providers considering a cap on CCAP recipients may be better able to use the subsidy to cover the cost of care, and feel decreased pressure to supplement CCAP subsidy with internal efforts or private-paying children. 	<ul style="list-style-type: none"> • Staff time and materials. • Substantial increase in total subsidies delivered.
Examine methods to support expansion of child care facilities.	High	High	<ul style="list-style-type: none"> • More providers, more kinds of providers, and more slots are available. • CCAP families may have more choices to select care that is culturally relevant, near to their homes, and at a cost they can afford. 	<ul style="list-style-type: none"> • Interdepartmental staff time and materials. • Substantial investment of City dollars, aside from current General Fund allocations. • Substantial increase in total subsidies delivered.

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SUBSIDY RECIPIENT ACCESS

The following recommendations relate to approaches to encourage more families to participate in CCAP and decrease barriers to current subsidy recipients.

RECOMMENDATIONS	IMPLEMENTATION EFFORT	IMPACT ON RECIPIENT FAMILIES	ANTICIPATED BENEFITS	POTENTIAL RESOURCE IMPLICATIONS
EXPAND INCOME ELIGIBILITY REQUIREMENTS				
Add English as a Second Language/ English Language Learners as an acceptable education enrollment standard for CCAP participation.	Low	Low	<ul style="list-style-type: none"> Providers receive timely information and can better provide accurate information to current and potential CCAP recipients. 	<ul style="list-style-type: none"> Staff time and materials.
Standardize the voucher size to letter.	Low	Low	<ul style="list-style-type: none"> Families have an easier time mailing the voucher form back to DEEL. 	<ul style="list-style-type: none"> Staff time and materials.
Decrease income eligibility to include 185%–200% of FPL income range.	Low	High	<ul style="list-style-type: none"> 1,000 more Seattle families are estimated to be eligible for CCAP. 	<ul style="list-style-type: none"> Staff time and materials. Substantial increase in total subsidies delivered.
Increase the CCAP subsidy amount.	Low	High	<ul style="list-style-type: none"> CCAP will deliver more benefit to families currently receiving subsidy, as family copays decrease. CCAP families receiving wage increases due to the \$15 per hour minimum wage will retain more of their wage benefit, as increasing total subsidy mitigates the decrease in level of subsidy. 	<ul style="list-style-type: none"> Staff time and materials. Increase in total subsidies delivered.
Clarify the authorization period policy with DEEL intake staff.	Low	Low	<ul style="list-style-type: none"> CCAP families will receive consistent information about CCAP policies. Barriers to continuing care will decrease. 	<ul style="list-style-type: none"> Staff time and materials. Small increase in total subsidies delivered.
Remove duplicative requests for materials that do not change over time.	Low	Low	<ul style="list-style-type: none"> Barriers to continuing care will decrease. 	<ul style="list-style-type: none"> Staff time and materials. Small increase in total subsidies delivered.

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RECOMMENDATIONS	IMPLEMENTATION EFFORT	IMPACT ON RECIPIENT FAMILIES	ANTICIPATED BENEFITS	POTENTIAL RESOURCE IMPLICATIONS
EXPAND INCOME ELIGIBILITY REQUIREMENTS				
Clarify policy for acceptable forms of proof of address.	Low	Low	<ul style="list-style-type: none"> Families who have out-of-date address information on their ID cards will not face the unexpected cost, including money and time, of receiving a new ID. Barriers to completing applications will decrease. 	<ul style="list-style-type: none"> Staff time and materials. Small increase in total subsidies delivered.
Adjust subsidy payment schedule to cover gaps.	Low	Medium	<ul style="list-style-type: none"> CCAP will deliver more benefit to families, especially student families, currently receiving subsidy, as families can receive and better afford child care during school gaps. 	<ul style="list-style-type: none"> Staff time and materials. Increase in total subsidies delivered.
Update work eligibility requirements to include families with split schedules or non-traditional hours.	Medium	Medium	<ul style="list-style-type: none"> Families will be eligible for more hours of care. 	<ul style="list-style-type: none"> Staff time and materials. Increase in total subsidies delivered.
Increase income eligibility to include 300%–350% of FPL income range.	High	High	<ul style="list-style-type: none"> 1,800 more Seattle families are estimated to be eligible for CCAP. 	<ul style="list-style-type: none"> Staff time and materials. Substantial increase in total subsidies delivered.
Allow transfer of some hours of care needed when a provider is not available to a time when a provider is available.	Medium	Medium	<ul style="list-style-type: none"> Families who are eligible except for their care hours may be able to make use of CCAP subsidy for child care to take care of other business, including family tasks, studying/completing homework, or applying for jobs. 	<ul style="list-style-type: none"> This could increase the amount of subsidy current eligible families receive.
Provide a higher level of subsidy for care provided outside of typical provider hours.	Medium	Medium	<ul style="list-style-type: none"> Providers may be incentivized to provide later care, or weekend care. Families may be better able to afford the increased costs of off-hours care, or weekend care. 	<ul style="list-style-type: none"> This could increase the amount of subsidy current eligible families receive.

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INTRODUCTION

The City of Seattle provides financial assistance to low- and moderate-income families to pay for child care through the Child Care Assistance Program (CCAP). This program is administered by the Department of Education and Early Learning (DEEL) and serves families with children aged zero to 12.

CCAP provides subsidies to families who earn between 200%–300% of the Federal Poverty Level (FPL) income requirements. In 2018, the base 200%–300% of FPL for a family of one is equal to an annual income range of \$24,280–\$36,420. FPL is a sliding scale that accounts for the number of family members. Over the past 10 years, CCAP subsidy recipient families have had an average of three members. For a family of three to meet the CCAP income eligibility requirements, they would need to earn an annual income of \$41,560–\$62,340.

PURPOSE

Since 2015, DEEL has not distributed all budgeted subsidy funds for CCAP. Additionally, the number of subsidy recipients has declined for the past four years, as shown in Exhibit 1.

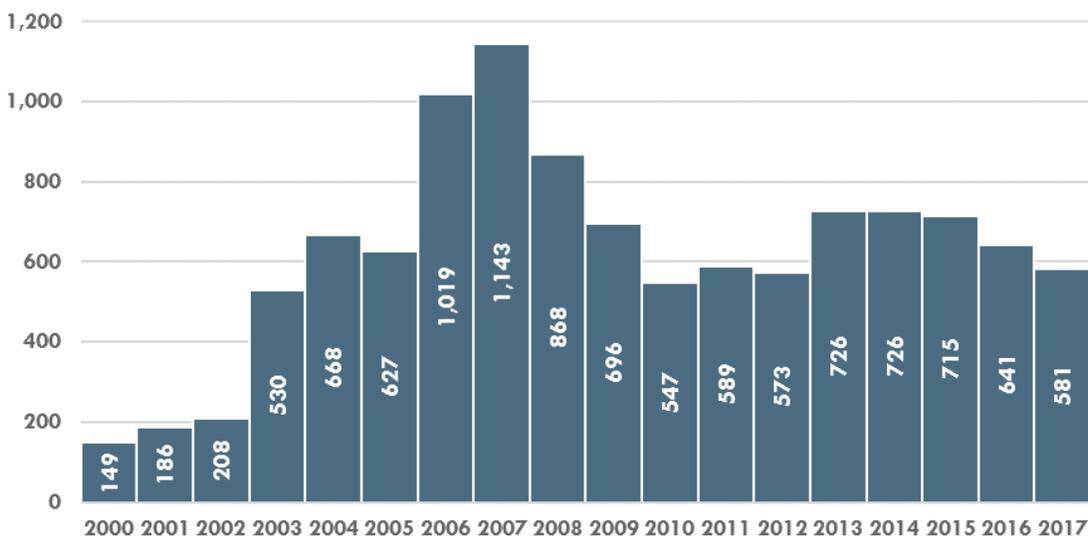


Exhibit 1. CCAP Total Children Served Annually, 2000–2017

Sources: DEEL, 2000–2018; BERK Consulting, 2018.

The purpose of this report is to identify policy adjustments that are expected to increase CCAP participation. These policy adjustments include changes to improve CCAP operations, especially the consideration of expanding program eligibility in ways that maximize benefits for families furthest from opportunity in Seattle. To that end, DEEL provided five research questions to be addressed by this analysis, identified in Exhibit 2.

Exhibit 2. CCAP Landscape Analysis Research Questions

RESEARCH QUESTIONS

1. What are the opportunities to align CCAP with the State voucher program (Working Connections/DSHS)?
2. What specific outreach/communications efforts activities would impact the number of families accessing the CCAP subsidies?
3. How could the City expand eligibility in a way that maximizes benefits for families furthest from opportunity (income requirements, work/school requirement, residency requirement for Seattle-public sector employees)?
4. What are the characteristics of families that could benefit from the Child Care Assistance Program in Seattle as they relate to family gross income levels, parent employment/educational program enrollment status, child's age, race, ethnicity, geographic distribution, and childcare alternatives?
5. What is the projected uptake rate and financial implications of any recommended policy changes?

Sources: DEEL, 2000–2018; BERK Consulting, 2018.

Appendix D on page D-1 outlines the corresponding findings for each of the five research questions.

METHODOLOGY

BERK's approach included integration of qualitative and quantitative data analysis, and program review. These approaches were framed by the Racial Equity Toolkit and involved the racial equity and social justice lens throughout.

A full description of the methodology used in this report can be found in Appendix E on page E-1. A short description of how the Race and Social Justice Initiative was used is included below.

RACE AND SOCIAL JUSTICE INITIATIVE

While designing this project with DEEL, BERK tracked our analytic steps to the steps of the racial equity toolkit. For a full description of how the racial equity toolkit was considered, please see Appendix A on page A-1.

BERK followed lines of inquiry that we determined could reveal actual or potential disparate impacts based on race, documentation status, and economic conditions. We sought means of comparative analysis that allowed us to evaluate level of representation, highlighting where CCAP is succeeding in equity and where its operations can be adjusted for greater equity moving forward.

Due to the condensed timeline, BERK was able to perform limited outreach and engagement necessary to garner feedback from the Seattle populations who may most benefit from CCAP and those Seattle populations who may not currently have access. As in other program-specific outreach efforts, reaching the non-recipient, non-applicant population was a challenge. DEEL is aware of this challenge and has made internal changes to track potential applicants who do apply for CCAP subsidy or who DEEL determines do not qualify, to support future efforts to meaningfully engage this population.

QUALITATIVE

To understand the successes and challenges of CCAP from the perspective of both program subsidy recipients and non-recipients, BERK employed an engagement approach that targeted three groups:

1. Child Care Providers and Community Organizations
2. CCAP Family Users (Subsidy Recipients)
3. Staff and Comparable Programs

Child Care Providers and Community Organizations

BERK interviewed child care providers, both those who accept CCAP voucher subsidies and providers who do not accept CCAP subsidies. In addition to phone interviews, BERK held two focus groups with child care providers and community organizations to gather strengths and weaknesses of CCAP and to learn more about the child care environment in Seattle.

CCAP Family Users (Subsidy Recipients)

To hear from CCAP families, an online survey was emailed to 848 subsidy applicants and recipients. In total, 201 individuals responded to the survey. Of these, 185 were current or former recipients; the full breakdown of survey respondents' relationship with CCAP is shown in Exhibit 3.

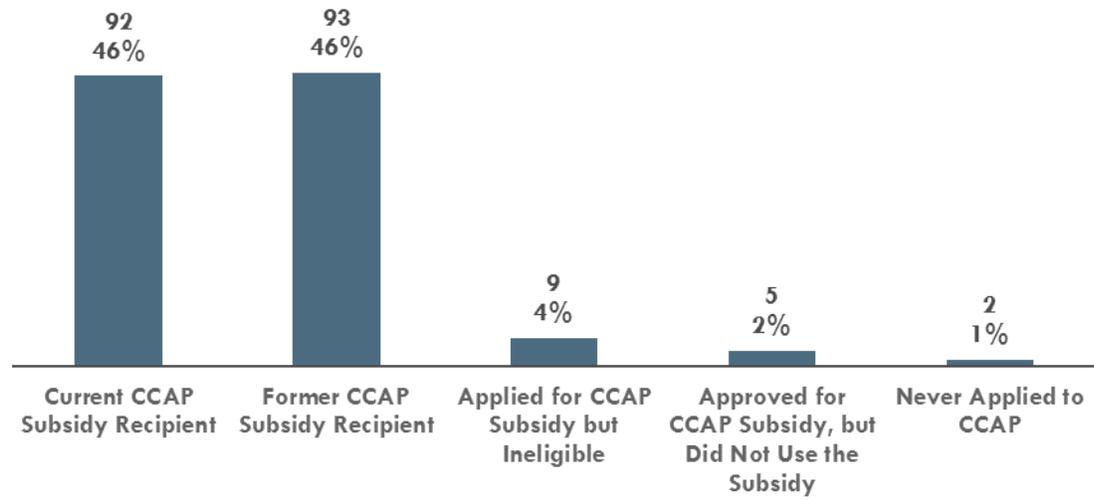


Exhibit 3. Recipient Survey Response: Experience with CCAP (n = 201)

Sources: BERK Consulting, 2018.

As the majority of responses (92%) came from current and former subsidy recipients, this survey is referred to as the subsidy recipient survey throughout this report.

The survey was translated into Spanish, Chinese (simplified and traditional), Vietnamese, Amharic, and Somali. 15 respondents took the survey in a language other than English.

The results from this survey were analyzed quantitatively and comments were analyzed for themes; select results are cited throughout this report. For more information regarding the subsidy recipient survey results along with the complete survey responses, please see Appendix B on page B-1.

Staff and Comparable Programs

BERK interviewed City of Seattle staff who currently or formerly worked with the CCAP program to gather information on program operations and perceived programmatic strengths and weaknesses. In addition to gathering information directly from staff, BERK reviewed program materials, including the 2017 CCAP Policy and Procedure Manual, City of Seattle website, and Vendor Services Agreement.

To gather information on comparable programs, BERK conducted interviews with Washington State Department of Early Learning (DEL) staff from the Washington's Working Connections Child Care (WCCC) program.

QUANTITATIVE

BERK provided programmatic and demographic data analysis to identify trends in program usage and highlight program gaps, calibrated iteratively as qualitative insights became available.

DEEL provided us with a range of program and financial data, including subsidy recipient, financial, and programmatic information. DEEL collects these data through multiple channels, including the recipient intake process, financial systems, and internal data systems. DEEL provided historic CCAP data for the years 1995–2017 and partial data for 2018.

BERK relied on several data sources in our demographic and fiscal impact analysis. All data sources are cited throughout this report.

CCAP Program Information

PURPOSE AND HISTORY

DEEL defines child care as: “the provision of out-of-home developmentally-enhancing care, protection, and related services for a child from birth to 13 years of age during that portion of the 24-hour day in which the child’s parent(s) is (are) unable to provide care and supervision because the parent(s) is (are) employed or enrolled in an educational or employment training program.”¹

CCAP “helps qualified parents that are living within... City limits to pay for child care costs. Parents may select a child care provider from a list of providers that contract with the City to serve subsidized families and meet City quality and safety requirements. A sliding scale is used to determine the level of subsidy the family will receive from the City, based upon the child’s age, family size, and family gross income. Parents are given a voucher that indicates the dollar amount of subsidy paid directly to the child care provider by the City each month. The parent must pay the difference between the City subsidy and the provider rate.”²

¹ *City of Seattle Department of Education and Early Learning, Child Care Assistance Policy and Procedure Manual, 2017, p. 10.*

² *Ibid.*

In addition to CCAP's primary purpose of supporting Seattle working families, CCAP is designed to have income eligibility alignment with WCCC's program, such that CCAP's minimum income eligibility requirement begins at WCCC's maximum income eligibility requirement (200% of FPL).

CCAP operated from 1995 to 2015 within the City's Human Services Department (HSD) and from 2015 to the present within DEEL. Over the course of this program period, the program's purpose, eligibility requirements, and general operations have not substantially changed. Over the same period, many contextual factors have changed, resulting in impacts on CCAP participation, including:

- » Implementation of the City of Seattle \$15 per hour minimum wage
- » Shifts in City demographics, especially increased median income and cost of living
- » The City's level of outreach and communications
- » Program funding level

DEEL also seeks to use CCAP as a tool for advancing racial equity and social justice by providing support to working families furthest from opportunity, and maximizing benefits and minimizing barriers for Seattle's communities of color and low- and middle-income communities. While undoubtedly a priority throughout CCAP's history, the current displacement of Seattle's historic communities of color and low-income communities in tandem with Seattle's increasing cost of living has renewed the program's racial equity and social justice emphasis.

CCAP was created and continues to be primarily aimed at helping Seattle's residents secure and maintain employment. This lens influences the program's design and operations. To the extent that the City would like to increase the program's reach to those furthest from opportunity, the employment and education requirements will always be in tension.

PROGRAM FUNDING

CCAP is funded through two sources: City General Fund allocations and revenues from the Families and Education Levy. Exhibits 4 and 5 show the budgeted and actual amounts annually for each source from 2015–2017. For comparability, both Exhibits use the same scale covering \$1.5 million, but Exhibit 4 ranges between \$1.5 million and \$3.0 million and Exhibit 5 starts at \$0 and ends at \$1.5 million.

Budgeted amounts for CCAP from the General Fund have decreased since 2015, as has actual spend from those allocations. Families and Education Levy budgeted amounts have increased as the amount spent from those allocations has decreased.

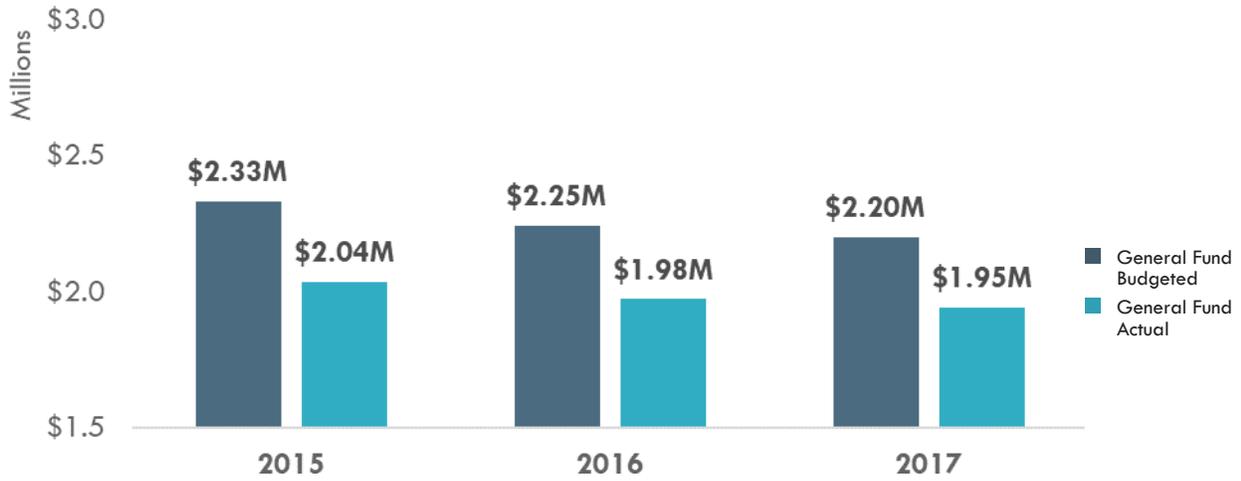


Exhibit 4. City of Seattle General Fund Budgeted Versus Actual Spending on CCAP, 2015–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

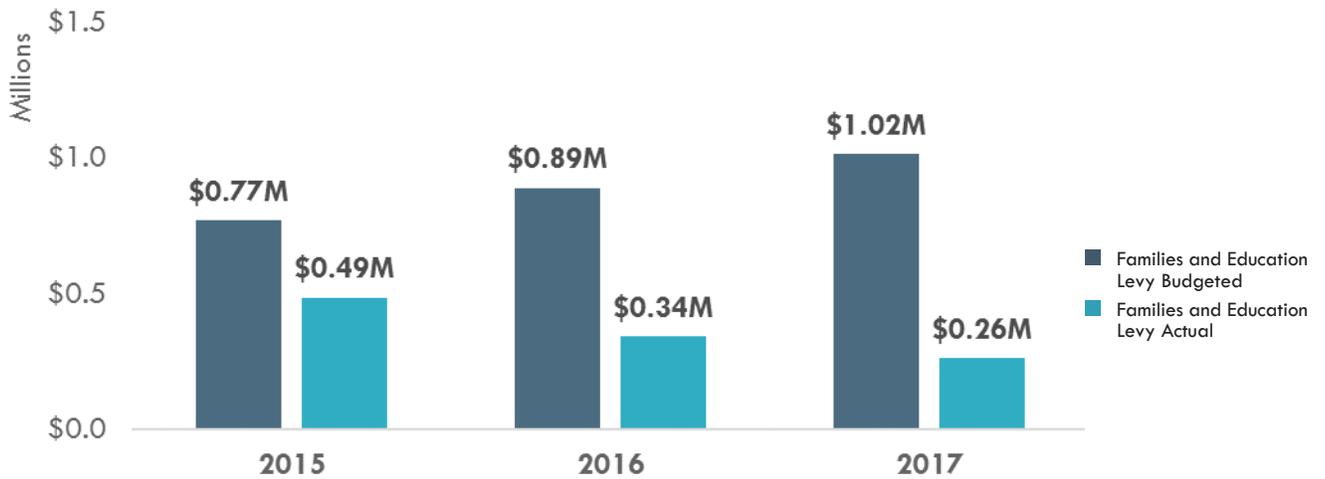


Exhibit 5. City of Seattle Families and Education Levy Budgeted Versus Actual Spending on CCAP, 2015–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

SUBSIDY RECIPIENTS

Program Participation Requirements

The CCAP website includes seven formal requirements for voucher eligibility:

- » Live within City limits;
- » Be employed and/or enrolled in educational/job training;
- » Participating children need to be under 13 years of age;
- » Currently use a provider contracted with the City;
- » Not eligible for any other child care subsidy program;
- » Meet income guidelines based on family size; and,
- » Meet child support requirements.

In addition to these formal requirements, the intake and application processes include the following requirements:

- » Working parents must both be unavailable because of employment or class hours to provide care for the child;
- » Parent employment and class schedule must fit with provider's care hours to qualify for approved hours of care – hours of care needed when the provider selected is not available are not transferable to other days and times of the week;
- » Unpaid internships, volunteer work, and unpaid on-the-job training do not count as employment.

Demographics

BERK compared historic CCAP subsidy recipient data to available data about comparable groups in Seattle. When populations of interest are unavailable, we present related or aggregated groups as proxies. BERK created a set of maps to understand the geographic distribution of need. These maps use U.S. Census tracts as the base geography, as it is the smallest geography for which the Census makes the relevant income data available. Because of the centrality of CCAP's 200%–300% of FPL income eligibility bracket, we highlight the portions of Seattle with greater than 15% of population in this income category in Exhibit 6, and repeat the geographic boundaries representing that population in maps throughout this report. These maps highlight areas of Seattle, particularly the Lake City/Northgate and Ballard/Magnolia areas, with comparatively fewer CCAP child care providers despite concentrations of income-eligible populations or communities of color CCAP particularly wishes to serve.

Exhibit 6 and Exhibit 7 illustrate that income-eligible populations in Seattle are found in every City Council district, and that while some areas have relatively higher need, there are income-eligible families living throughout the City.

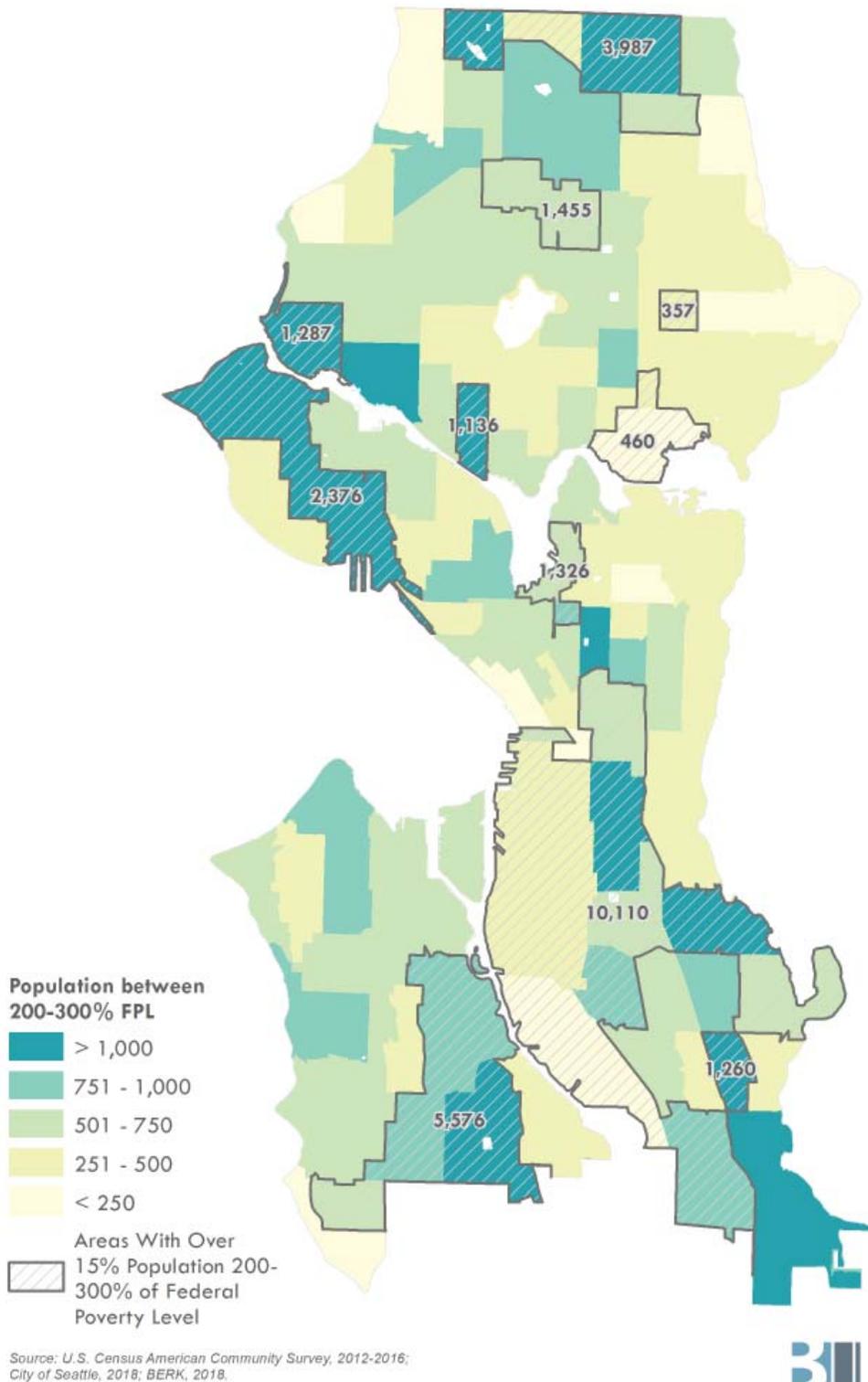


Exhibit 6. Number of Population Living between 200%–300% of FPL by Census Tract, 2012–2016

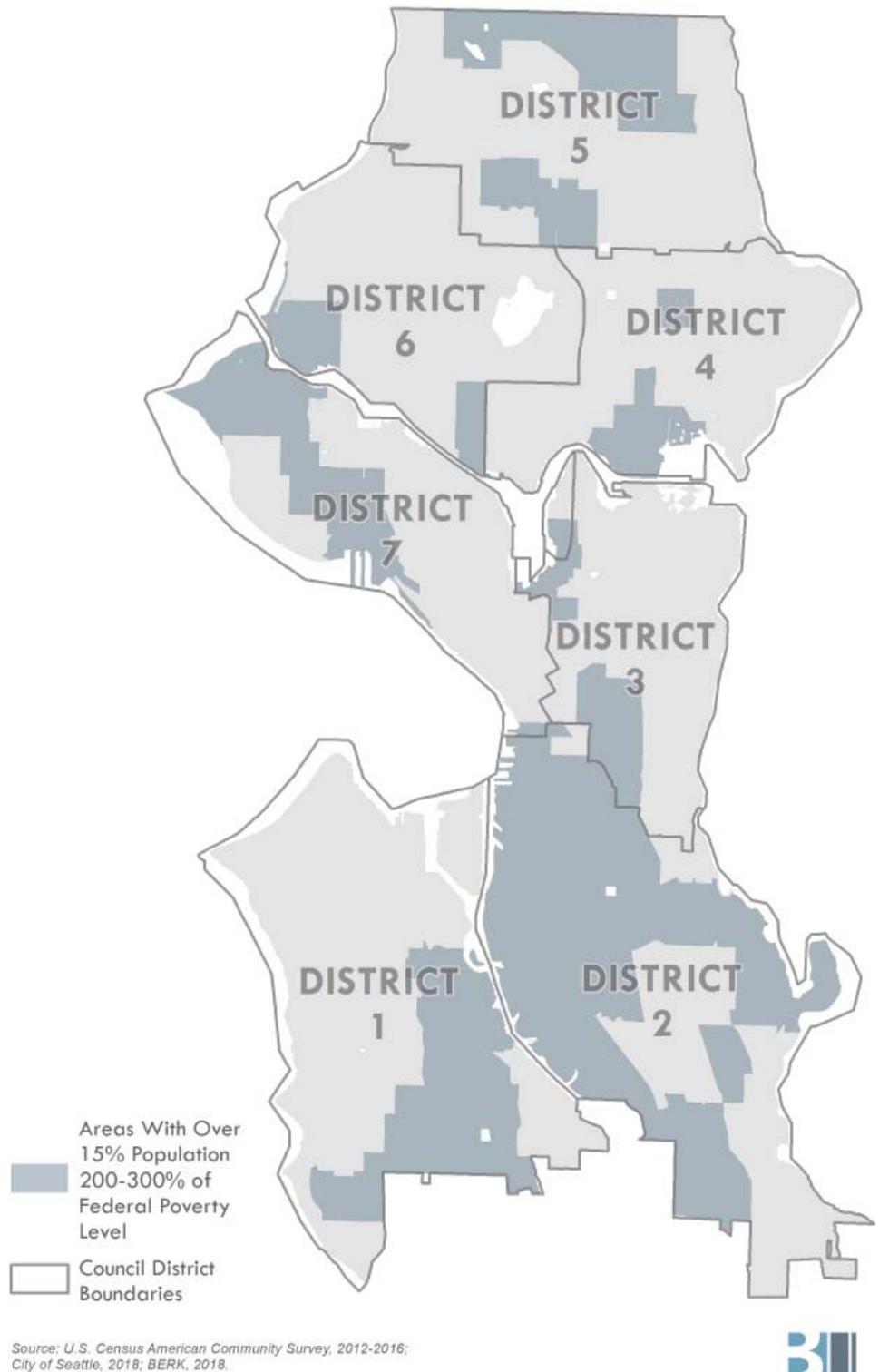


Exhibit 7. Areas within Council Districts with 15% or More of Population Living between 200%–300% of FPL, 2012–2016

Race and Ethnicity

Exhibit 8 shows the number of subsidy recipients in CCAP in the recent past, using CCAP’s internal race and ethnicity categories. The Hispanic ethnicity is a separated field in DEEL’s CCAP data system, and totals for the race categories should not be added to the totals for the Hispanic ethnicity, as those identified as Hispanic may also be identified as any category of race offered and thus will be double-counted.

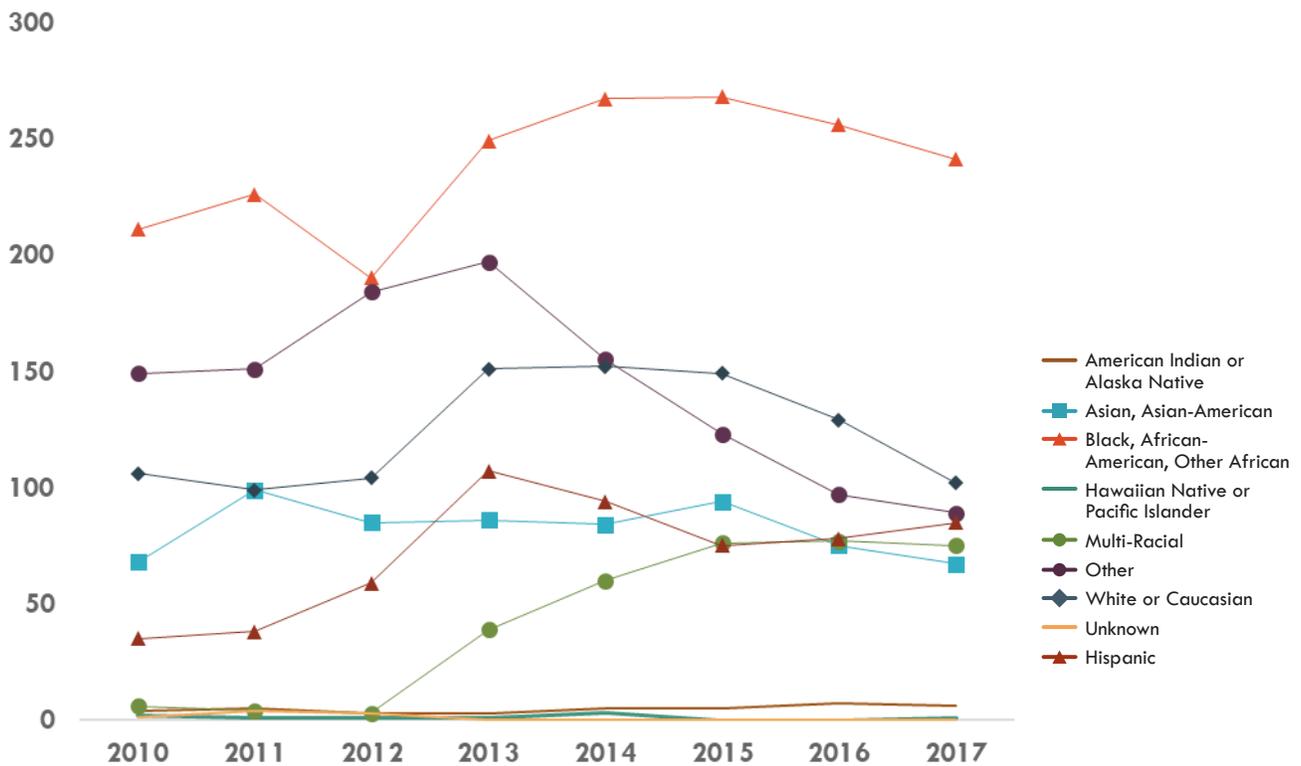


Exhibit 8. Number of CCAP Recipient Children by Race and Ethnicity, 2010–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

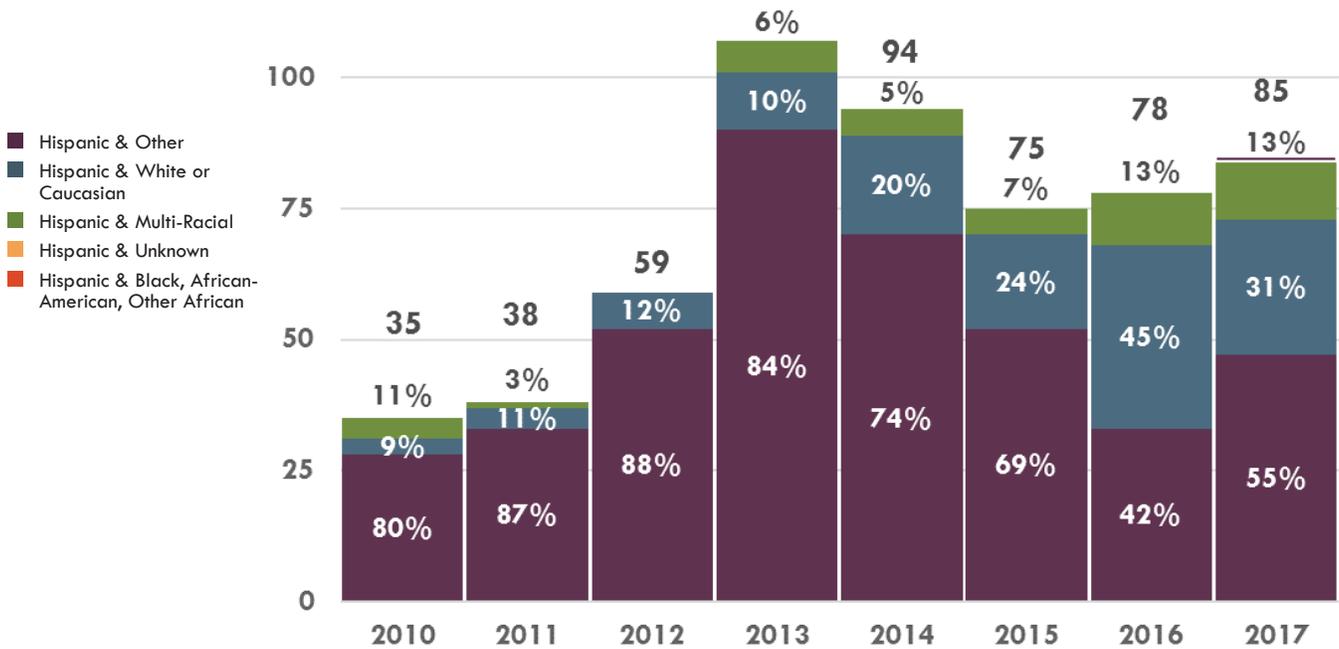


Exhibit 9. Distribution of Hispanic-Identified Recipient Children by Race, 2010–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

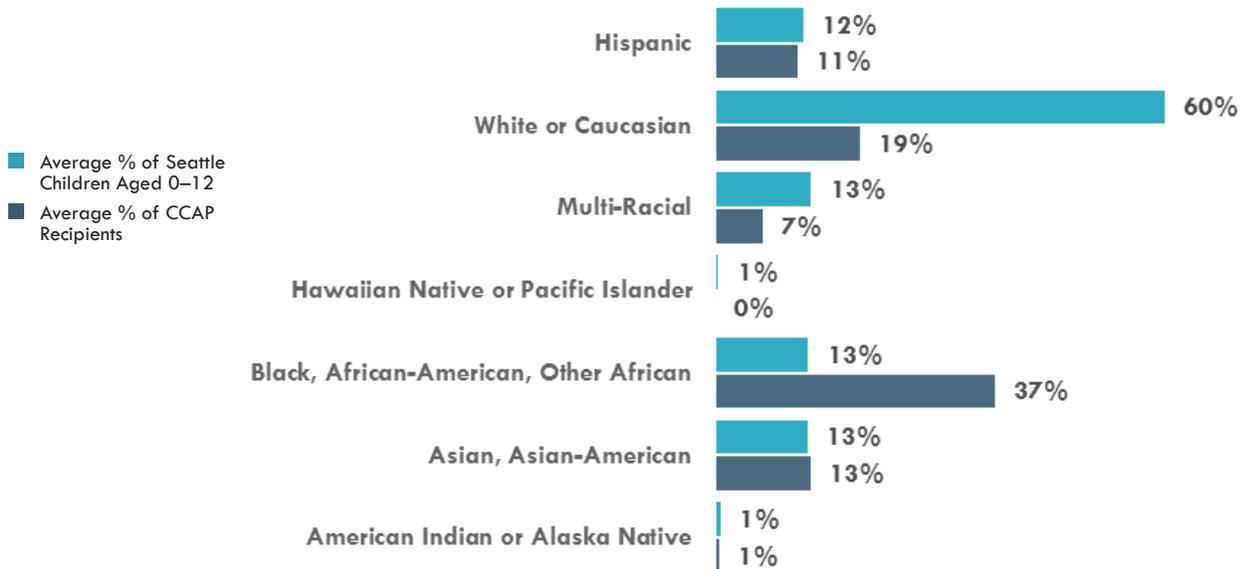


Exhibit 10. Average Distribution of CCAP Recipients and Seattle Children Aged 0–12 by Select Race and Ethnicity, 2010–2017

Sources: DEEL, 2018; OFM, 2010–2017; BERK Consulting, 2018.

The ethnic and racial breakdown of subsidy recipients who self-identified as Hispanic are shown in Exhibit 9.

Those who identify as Black, African-American, or Other African are most represented in CCAP, followed by those who identify as White or Caucasian. As shown in Exhibit 9, most of those identified as Hispanic are identified as Other or White or Caucasian in the race data field. Exhibit 10 relates representation in CCAP by race and ethnicity to the portion of Seattle children aged zero through 12 identified in the same race and ethnicity categories.

Given the historic correlations between race and ethnicity and income, we believe that a smaller portion of White or Caucasian Seattle children aged zero to 12 are income-eligible for CCAP than others, and the underrepresentation of White or Caucasian in Exhibit 10 is likely due to income distribution. Data for Seattle children aged 0–12 by income level are not available. Exhibit 10 shows that CCAP is successful in prioritizing service to communities of color, matching or nearly matching the share of Seattle children aged zero to 12 who are Hispanic, Asian or Asian-American, and American Indian or Alaska Native. CCAP serves those identified as Black, African-American, or Other African well above the population rate.

Exhibit 11 relates Seattle communities of color and income, showing how income-eligible concentrations and concentrations of people of color overlap.

High concentrations of both people of color and people who are income-eligible are found in the Northgate area, University District, White Center/Delridge, and Southeast Seattle. While District 4 also presents high concentrations of both people of color and people who are income-eligible for CCAP, Exhibit 18 shows that the University District has a low concentration of children aged zero to 12. There are Census tracts in South Seattle that show greater than 75% people of color and are not shaded as having high concentrations of the income-eligible population, but do have high concentrations of people living at or below 100% of FPL, as shown in Exhibit 12.

The tracts in Seattle with the highest shares of population living at or below 100% of FPL are not areas where high portions of the population are income-eligible for CCAP. From income eligibility alone, these areas are likely served by WCCC.

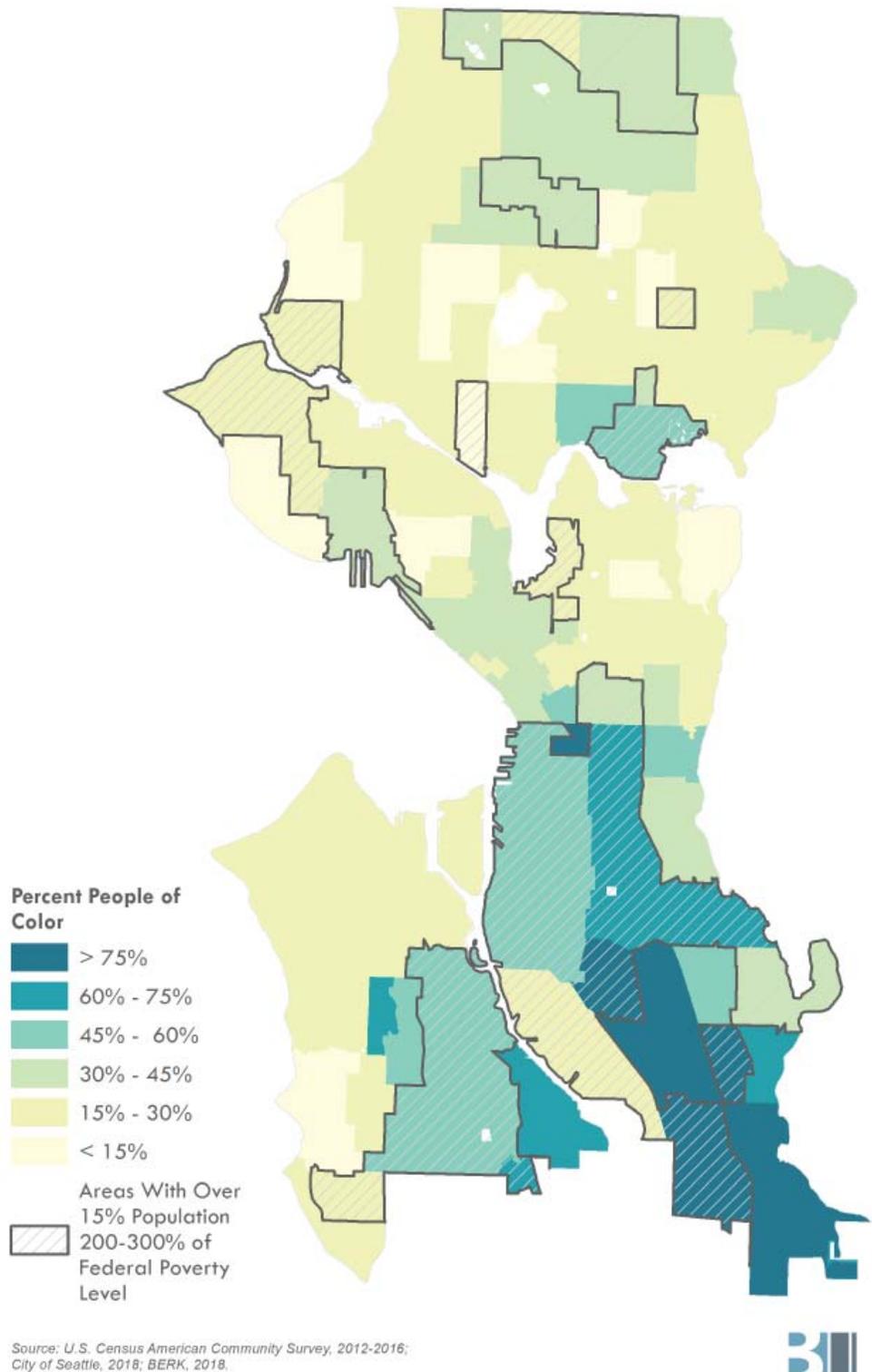
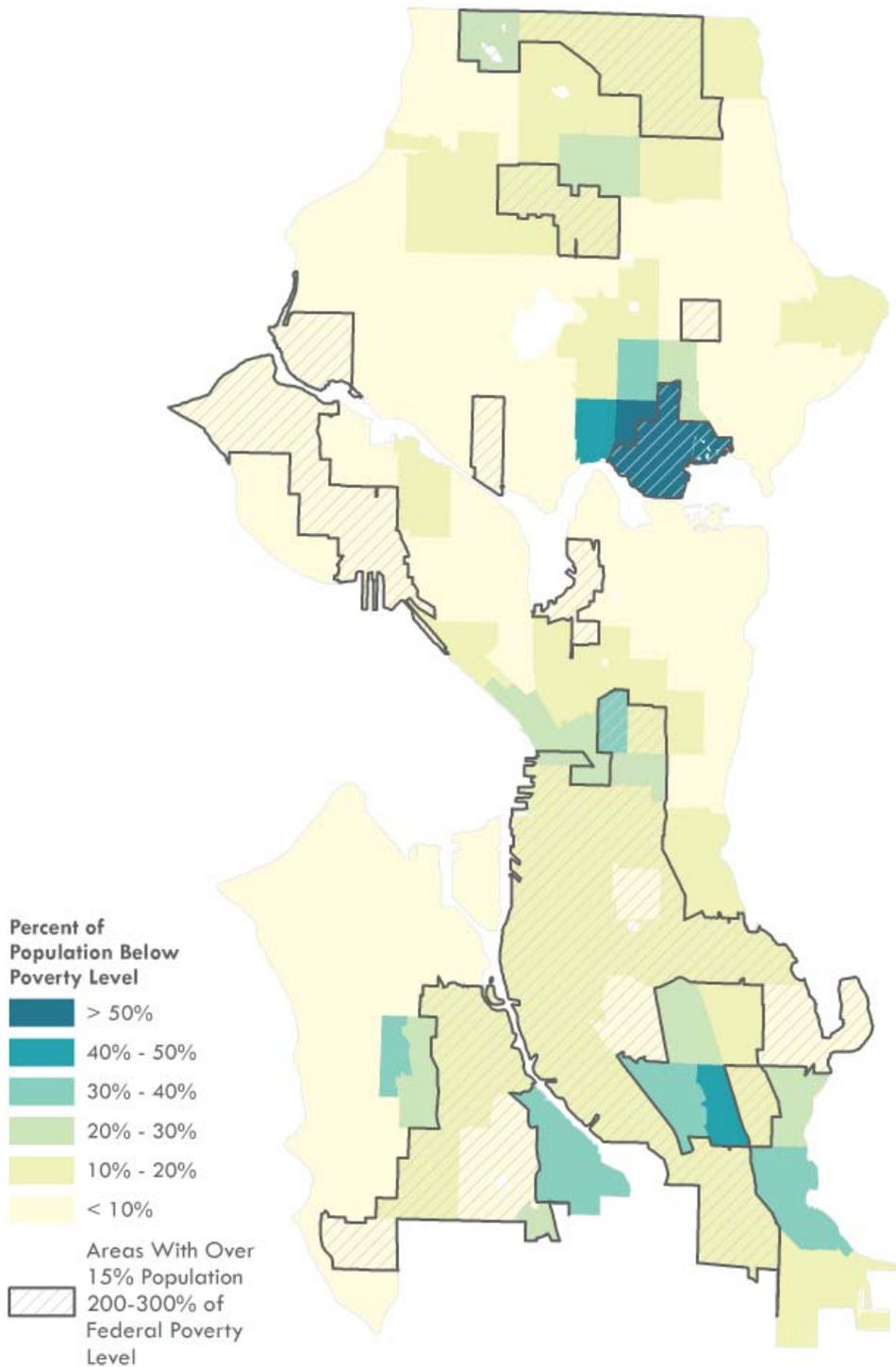


Exhibit 11. Percent People of Color within Census Tracts, 2012–2016



Source: U.S. Census American Community Survey, 2012-2016; City of Seattle, 2018; BERK, 2018.



Exhibit 12. Percent of Census Tracts Living at or Below 100% of FPL, 2012–2016

Age

CCAP serves more infants and toddlers than school-age children, as shown in Exhibit 13.

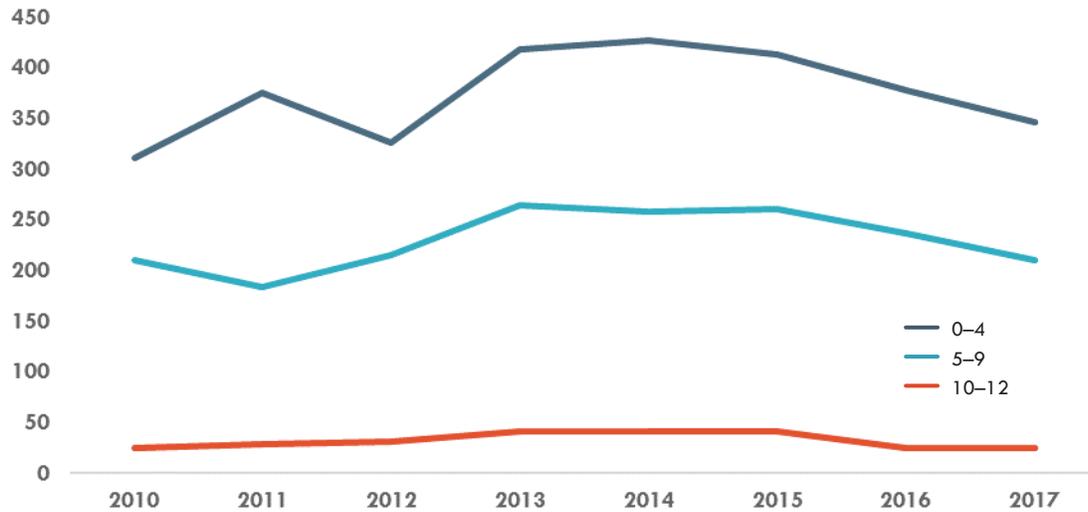


Exhibit 13. Number of CCAP Subsidy Recipients by Age Group, 2010–2017

Sources: DEEL, 2010–2018; BERK Consulting, 2018.

Age ranges are presented in years and grouped to correspond to age categories reported by the Washington State Office of Financial Management (OFM). Exhibit 14 compares age group representation in CCAP and the Seattle population.

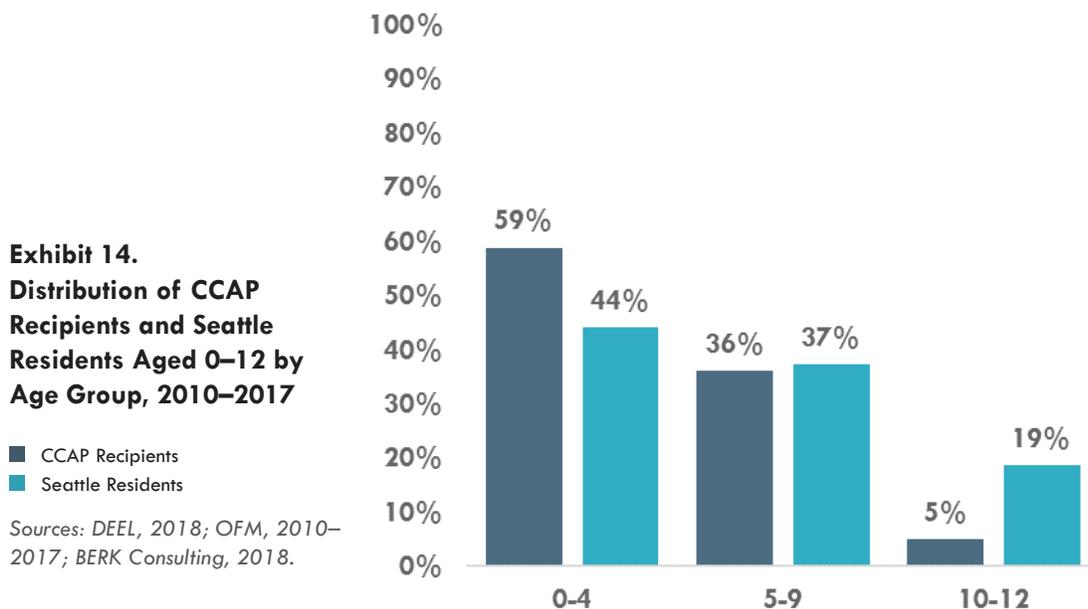


Exhibit 14. Distribution of CCAP Recipients and Seattle Residents Aged 0–12 by Age Group, 2010–2017

Sources: DEEL, 2018; OFM, 2010–2017; BERK Consulting, 2018.

Recipient feedback from the survey indicates that families have more child care options for older children than for younger, including after-school programs provided by various organizations throughout the city and leaving the child home alone. This aligns with information provided by DEL that finding infant care is a challenge for WCCC participants.

Exhibit 15 shows the breakdown for children aged zero through four, as requested by DEEL.

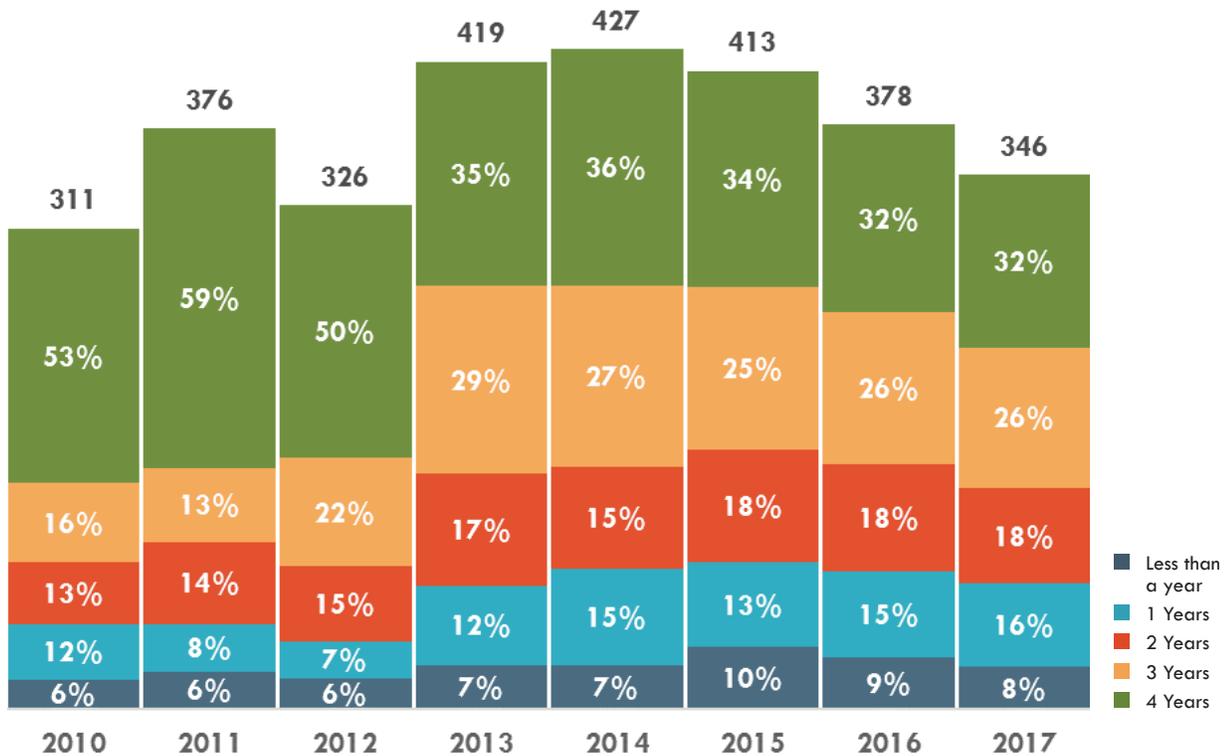


Exhibit 15. CCAP Subsidy Recipients Aged 0–4, 2010–2017

Sources: DEEL, 2010–2018; BERK Consulting, 2018.



Exhibit 16. CCAP Recipients by Age Category, Annual Totals, and Distribution, 2010–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

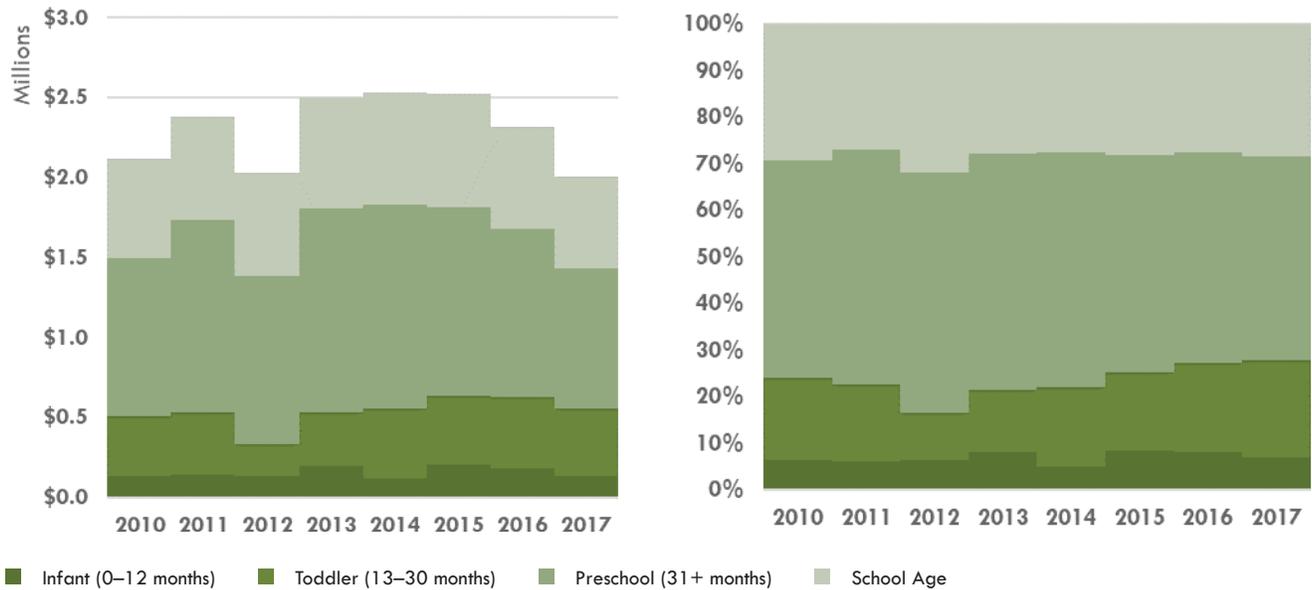


Exhibit 17. CCAP Subsidies Paid by Age Category, Annual Totals, and Distribution, 2010–2017

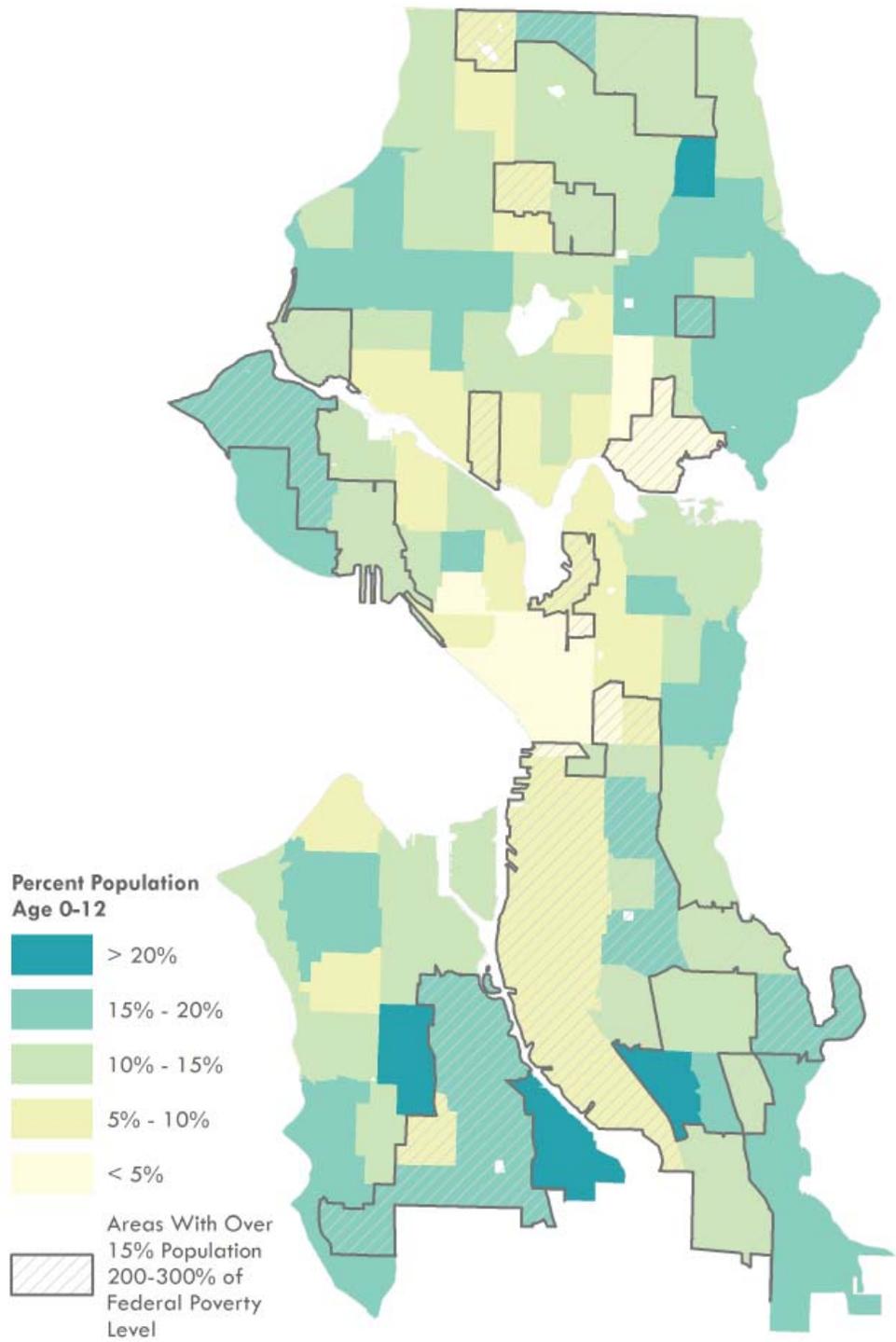
Sources: DEEL, 2018; BERK Consulting, 2018.

Exhibit 16 presents CCAP recipients by age categories used by DEEL—infant (0–12 months), toddler (13–30 months), preschool (31+ months), and school age.

As the overall number of CCAP recipients has declined, toddlers have made up a slightly increasing share of total recipients. Exhibit 17 shows that the share of subsidies spent on care for toddler recipients has also slightly increased as total subsidy spent has declined. Together, these exhibits show that while school age recipients make up more than 40% of the CCAP recipients, they only represent around 30% of spending. This is expected because child care is most expensive for infants and then become increasingly cheaper for older age categories.

Total subsidy spending has declined for all age categories since 2014, with the total subsidy spending for infant, preschool, and school-age care declining most significantly. Seattle children birth through age 12 are mapped in Exhibit 18, with areas greater than 15% income-eligible indicated by stripes.

Overlap between high concentrations of the income-eligible population and children aged zero to 12 population occurs in White Center/Delridge, Southeast Seattle, Sandpoint, Northgate, and Magnolia/Interbay. The areas where populations of children aged zero through 12 are most concentrated do not have high concentrations of the income-eligible population. Generally, there is not a strong correlation between the geographies with a high concentration of income-eligible individuals and those areas with a high concentration of children aged zero to 12.



Source: U.S. Census American Community Survey, 2012-2016; City of Seattle, 2018; BERK, 2018.



Exhibit 18. Percent of Census Tract Population Aged 0–12, 2012–2016

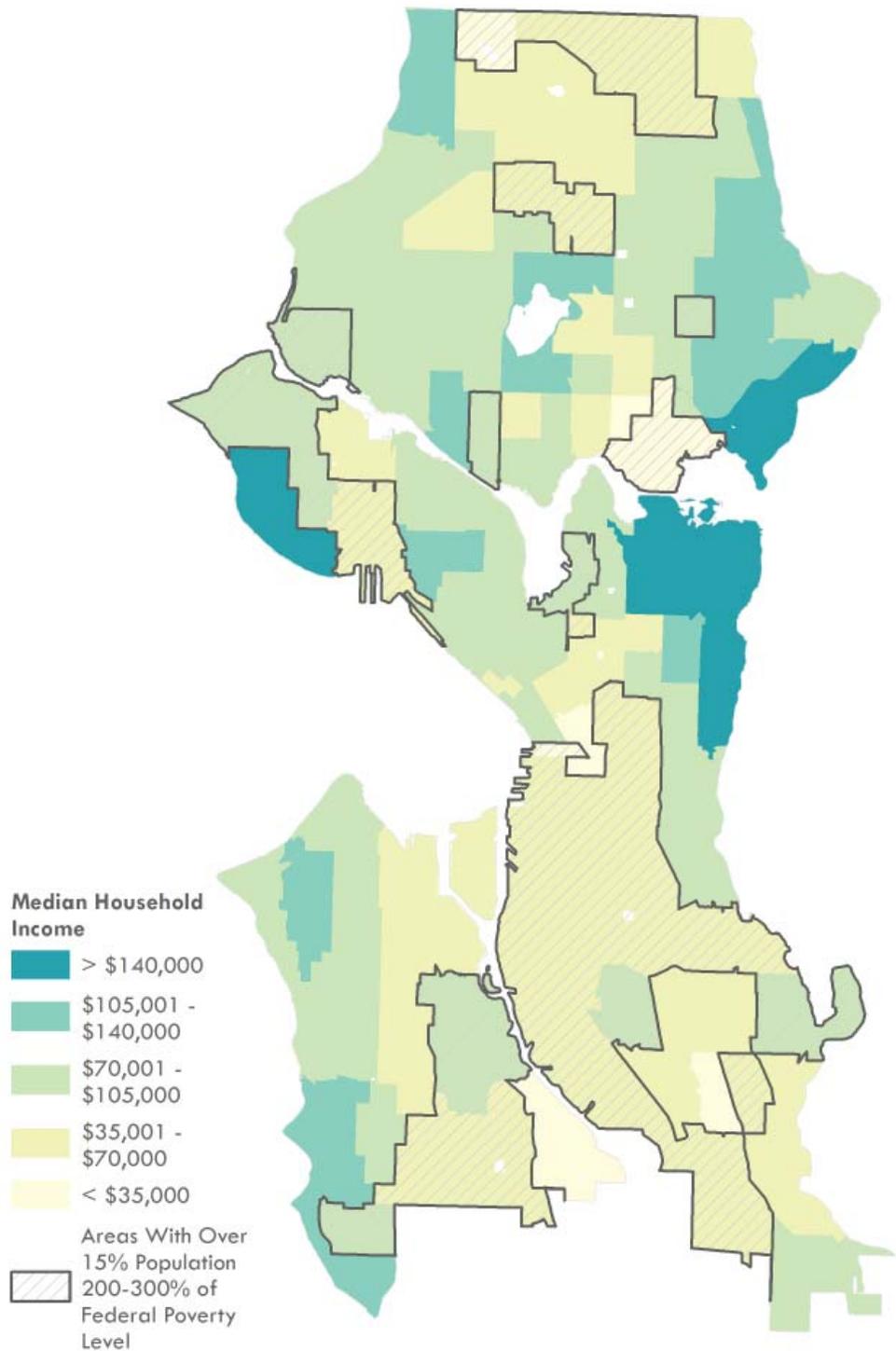
Income

Because family income data recorded in the CCAP data management system are erased with every change, income for individual subsidy recipients cannot be tracked over time. Exhibit 19 maps the median household income for Seattle by Census Tract. Exhibit 12 on page 15 shows the percent of Census tract population living at or below 100% of FPL. Exhibit 19 and Exhibit 12 provide context on the distribution of income throughout the City.

Areas with high concentrations of the income-eligible population have median incomes primarily in the \$35,000 to \$70,000 range, with some areas earning a median income in the \$70,001 to \$105,000 range.

Exhibit 12 on page 15 shows that there is not a large population overlap between areas with a high concentration of those who are income-eligible and areas with a high share of the population living below the poverty level.

Identified income-eligible areas range from less than ten percent of the population living below the poverty level to as much as 50%. Most areas with the highest concentrations of people living below the poverty level do not overlap with income-eligible areas, with the exception of the University District.



Source: U.S. Census American Community Survey, 2012-2016; City of Seattle, 2018; BERK, 2018.



Exhibit 19. Census Tract Median Household Income, 2012–2016

PROVIDERS

Enrollment

Exhibit 20 shows that since 1995, providers have served CCAP recipient children throughout most of Seattle. Some areas, such as White Center/Delridge and Southeast Seattle tend to have a greater concentration of small- and large-scale providers compared to other areas within the City.

Exhibit 21 shows the distribution of CCAP providers sized by the number of children served in 2016. Exhibit 22 shows the distribution of all licensed providers in the City for the same year, and includes two separate smaller maps to break out Family and Center-based providers.

Providers licensed through DEL, both home- and center-based, are distributed more evenly throughout Seattle than providers receiving the CCAP subsidy, as shown in Exhibit 22, although there are significantly fewer home-based providers Downtown and near Sandpoint.

INTERVIEW PROVIDER CHARACTERISTICS

Through interviews with 11 child care providers, BERK notes some common characteristics:

- » **Ages:** Most providers interviewed accepted children between the ages of 1 to 5 years (about 8 out of 10 interviewees). Only half of providers interviewed accepted infants (0 to 1 year old) and school age children (5 to 12 years old).
- » **Hours:** Most providers interviewed are open on weekdays between 6:00 and 7:00am and close at 6:00pm.
- » **Numbers served:** The number of children accepted and served varies by provider and the number of sites. Most providers we interviewed had a wait-list.
- » **Other subsidies:** Most providers interviewed also accepted the State's WCCC subsidy. A few providers provided private scholarships, or accepted other subsidy programs, such as ECEAP, USDA Food Program, military family subsidy, Seattle Milk Fund, and homeless program assistance, although these subsidy recipients were less common. For several providers, their lease agreement requires that they accept a certain percentage of families receiving subsidies.

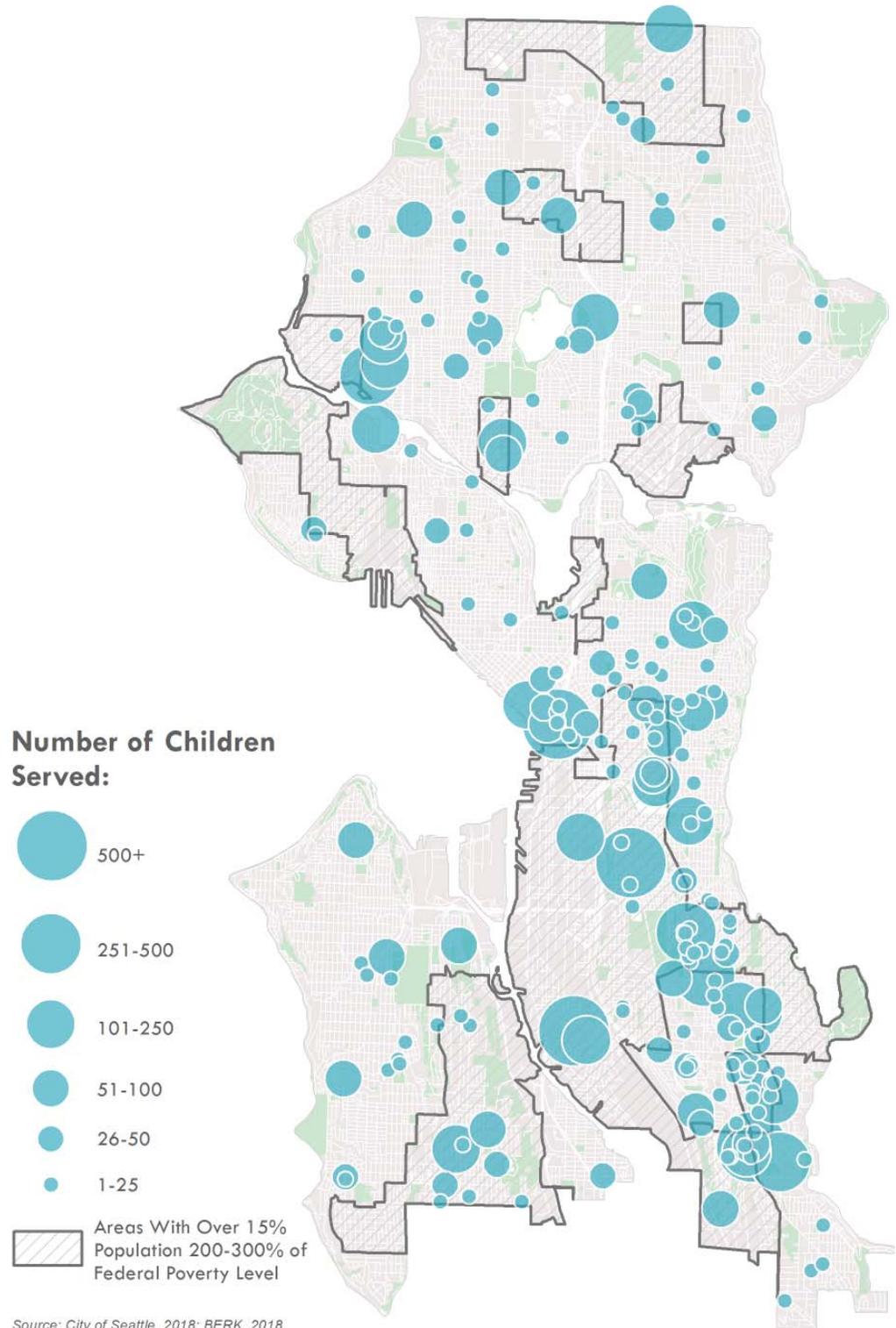
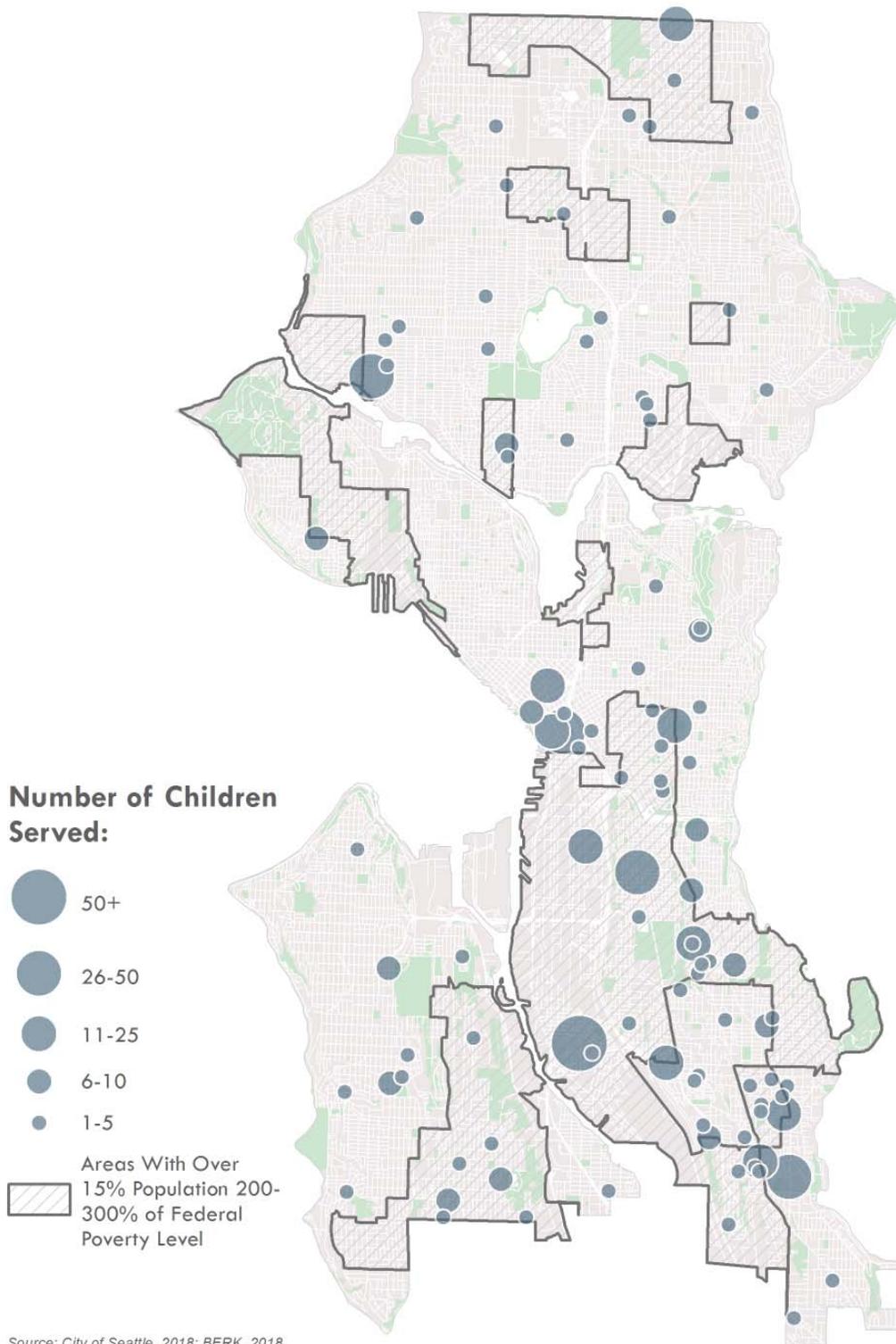


Exhibit 20. CCAP Recipient Enrollment by Provider Location, 1995–2018



Source: City of Seattle, 2018; BERK, 2018.

Exhibit 21. CCAP Recipient Enrollment by Provider Location, 2016

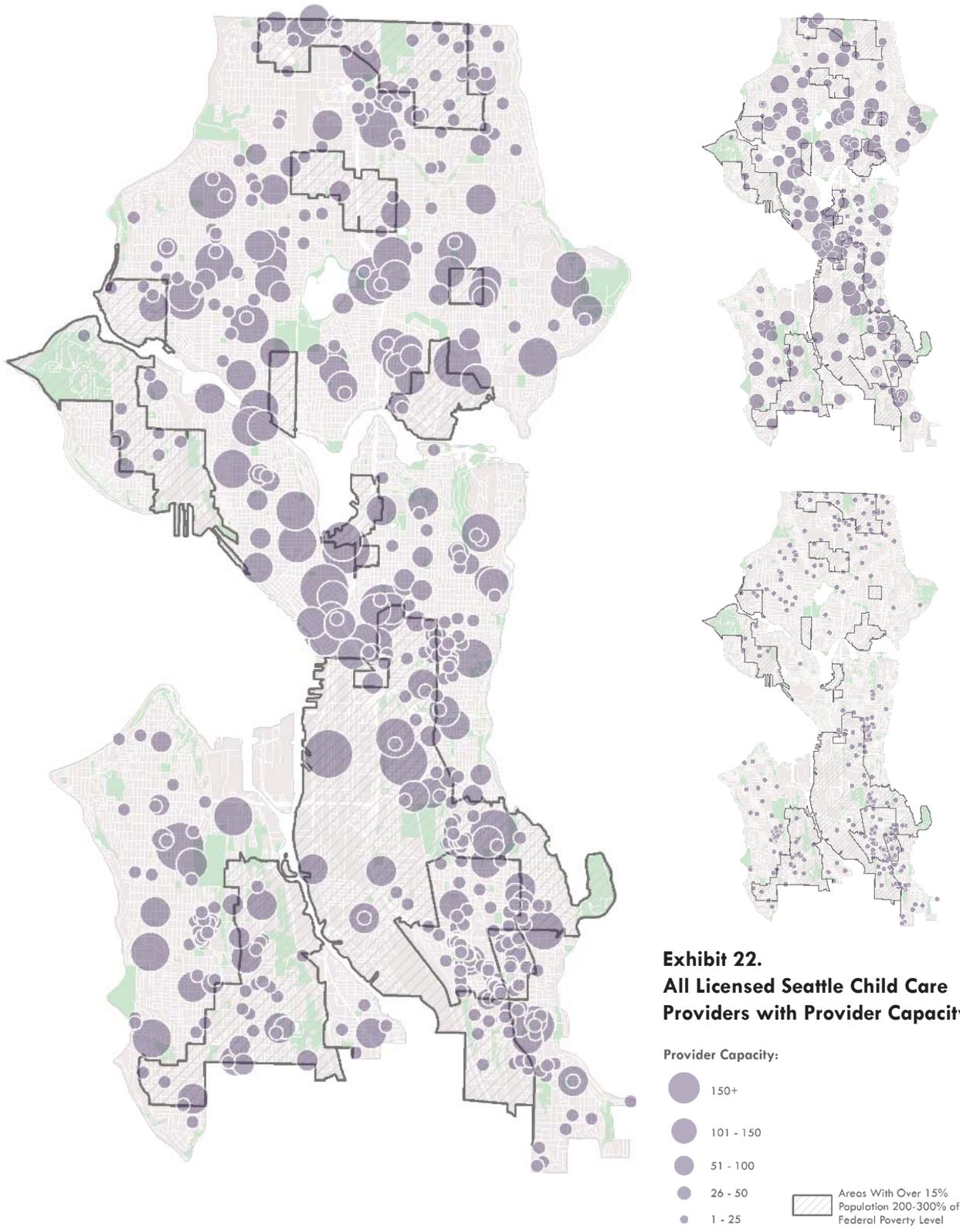


Exhibit 22.
All Licensed Seattle Child Care Providers with Provider Capacity, 2016

Source: DEL, 2016; BERK, 2018.

Service Gaps

Our demographic analysis of the Seattle population and CCAP subsidy recipients and providers identified two gaps resulting from current CCAP operations: inconsistency of CCAP providers outside of Southeast Seattle, and especially in White Center/Delridge and the Northgate area; and rising incidence of interruptions in care.

Geography

White Center/Delridge and Northgate have a relatively high concentration of people living at 200%–300% of FPL and populations of children aged zero to 12. Additionally, these areas have household median incomes similar to districts with a greater saturation of CCAP providers. White Center/Delridge and Northgate also have home- and center-based provider capacity. Given the alignment of eligibility and capacity, we would expect to find more CCAP subsidy recipients enrolled in White Center/Delridge and Northgate.

Continuity of Care

While the average number of months per year a child receives a subsidy for care has been consistent since 2012, as shown in Exhibit 23, the instances of gaps has increased (Exhibit 24).

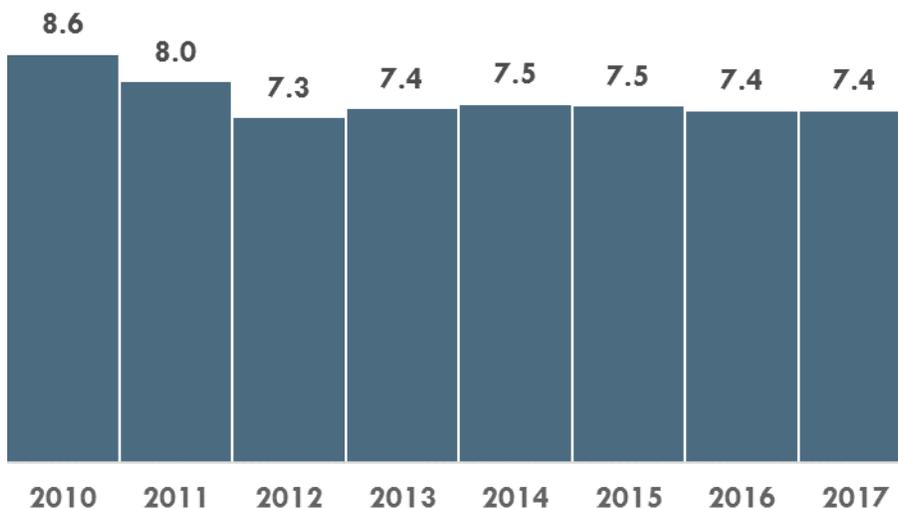


Exhibit 23. Average Number of Subsidized Months of Care per Child, 2010–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

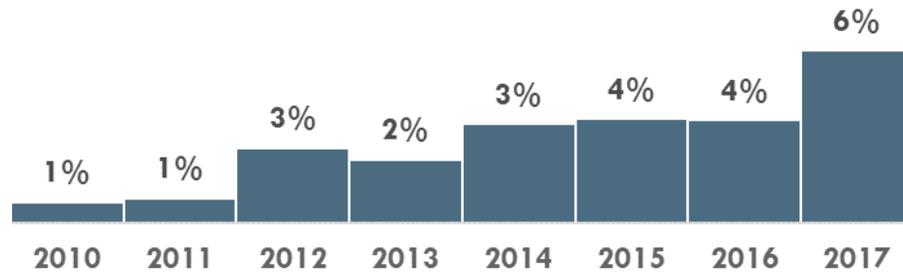


Exhibit 24. Percent of Recipient Children with Interruptions in Care, 2010–2017

Sources: DEEL, 2018; BERK Consulting, 2018.

Exhibit 24 shows that the share of subsidy recipients who experience an interruption of care for at least one month has steadily increased from 1% of recipients in 2010 to 6% in 2017.

Feedback from recipients indicates that the recertification process is a barrier to continuation of care; provider feedback mentioned that as recipient incomes rise due to minimum wage increases, their decreased subsidy results in a decreased ability to cover the higher cost of care.

Additionally, low- and middle-income populations, and communities of color are more vulnerable to displacement: potentially, these gaps occur as families move and must secure new child care, or move out of the Seattle City limits.

PROGRAM OPERATIONS

BERK conducted an internal review of program operations and solicited feedback from subsidy recipients, providers and stakeholder, and staff.

PROGRAM SUBSIDY RECIPIENTS

Outreach and Communication

Efforts to promote CCAP have varied in intensity over the life of the program. Irrespective of these efforts, most recipients learned about CCAP through word of mouth (33%), the CCAP website (27%), and through their child care provider (25%). Only 8% of survey respondents reported learning about the program through advertising.

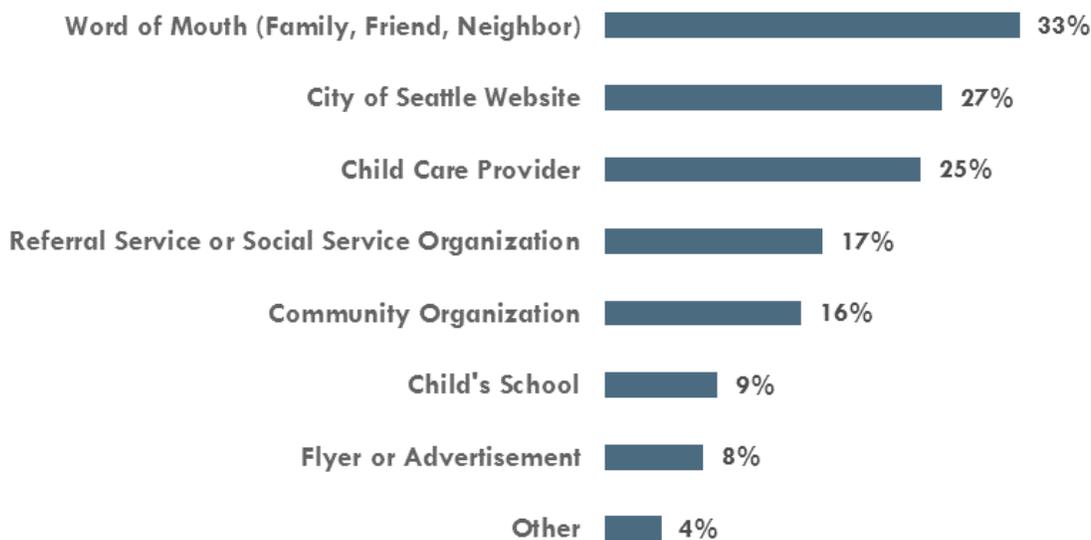


Exhibit 25. Recipient Survey Response: How Did You Hear About CCAP? (In Order of Responses; n = 180)

Sources: BERK Consulting, 2018.

44% of respondents felt that outreach and communication improvements could help CCAP reach more families in need. Their suggestions for improvement included the following:

- » **Improve CCAP staff communication.** Overall, survey respondents were very happy with CCAP staff, as there were many comments that specifically mentioned the staff's helpfulness and treatment of recipients. Comments regarding improvements to staff communication included improving the response time, documentation, and accuracy of information.

- » **Better access to information about available providers.** Some respondents felt that they did not have clear or easy-to-find information on available providers that accept CCAP. The list of available providers is available on the CCAP website, but DEEL reported only recently beginning the process of dropping inactive providers. These comments could relate to usability or finding information on provider rates.
- » **Better communication with providers.** Several respondents felt that communication with providers could be improved to make sure information is accurate and clear.
- » **More outreach to potential families.** Some respondents thought that the CCAP program could use more outreach and awareness to the general community. There were also comments regarding the potential to partner with Seattle Public Schools (SPS) and Seattle Public Libraries (SPL).

“There is limited visibility of CCAP availability in the schools and general community. Development of increased CCAP Outreach Program would likely be beneficial information to City of Seattle Residents.”

Providers

Provider feedback supports recipient survey results on the providers’ role in educating families about CCAP. Providers said they give CCAP information to families directly and through their own newsletters and emails. Many providers reported uncertainty about how families learned about CCAP. Some providers mentioned receiving posters about once a year from CCAP to display or post in their center. One provider commented:

“[DEEL staff] put together really nice, appealing flyers, and they are posted at childcare sites.”

Community organizations also tell families about CCAP. Child Care Resources has a program called Childcare Financial Assistance, and they provide information about CCAP on their website and through their hotline.

Staff

In interviews, staff (involved in outreach and communications for DEEL programs) indicated that in recent years and currently, efforts around the Seattle Preschool Program (SPP) and Families and Education Levy have diverted resources away from CCAP. Current and former staff identified outreach methods no longer in use, including:

- » Flyers and outreach in Seattle Public Schools
- » Advertising on public transportation
- » Seattle Public Utilities’ Utility Discount Program
- » Presentations to populations likely to be eligible, including hotel workers

SUBSIDY RECIPIENT QUOTES

Survey respondents made suggestions to improve CCAP operations:

Improve CCAP staff communication:

- » "Better communication about how much the parent is supposed to pay."
- » "If someone asks questions or has concerns, there should be documentation provided to support the answer given."
- » "Turn-around time on getting response from staff."

Better access to information about available providers.

- » "Seeing where providers are located on a map would be helpful. Sometimes it's hard to tell based on zip codes."

Better communication with providers.

- » "The communication gap between the CCAP and the daycare needs to be improved on. I keep getting two different quotes on my monthly payment it would help if they were on the same page."

Intake

Potential applicants are directed by the CCAP website to call or email DEEL, where a representative is available to answer questions, with optional interpretation available, and forward an initial screening form. If the potential applicant meets the screening form requirements, they are assigned to a Program Intake Representative (PIR) for a formal application process.

PIRs collect the below base set of documentation from applicants:

- » Proof of child's age, typically a birth certificate
- » Proof of parent's ID, typically a driver's license or state-issued ID
- » Two proofs of current address, typically ID and recent utility bills
- » All proofs of income, including pay stubs
- » Hours of Authorized Care worksheet, used to determine work and class schedule for parents, drive times, and child care provider hours
 - If hourly employed, applicants must submit one month's time sheet, or work schedule from employer, to prove employment/class hours,
 - Hours of care are granted only for hours when neither parent is available to care for the child

Any other family situation might warrant these additional documents:

- » Child support statement for the last 6 months, if applicable

- » If an owner of rental property or otherwise self-employed, proof of eligible expenses
- » For students:
 - All transcripts
 - Current financial aid statement
 - Copies of receipts for books and other mandated purchases

Using these and other documents as needed, PIRs determine the number of authorized hours of care (hours of care are granted only for hours when neither parent is available to care for the child) and the applicant's qualifying subsidy level.

Participation

DEEL issues an award letter to applicants approved for a subsidy and hours of care. Applicants bring this award letter to partner providers for completion. Once applicants secure a slot for their child, they return the award letter with the provider's agreement to provide service to the CCAP recipient. Providers receive the subsidy directly from the City. CCAP recipients coordinate with their providers to determine and pay the cost of care not covered by the subsidy.

Recipients are authorized for subsidies for variable lengths of time. If a recipient's work schedule changes frequently, they may be authorized for a shorter length of time to allow DEEL staff to adjust the hours of authorized care and subsidy level. To lessen the recertification burden on recipients and ensure continuity of care, the City has created a 12-month approval.

Recipient Survey Responses: Overall Program Process

Most survey respondents are satisfied with their CCAP experience, with about 88% of survey respondents indicating they were somewhat to very satisfied with the program, and 60% indicated they were very satisfied. 63 respondents (33%) submitted comments of thanks and appreciation that the program exists, and particularly for the CCAP staff that they worked with. Respondents indicated they were satisfied with many parts of the program, and felt that only a few components of the program and the process could use improvement. Areas that respondents were most satisfied with included the explanation of program eligibility requirements, the processing time for subsidy approval, and communication with CCAP staff.

Areas that respondents felt least satisfied with were the subsidy amount, their choice of child care providers, and the renewal process.

When asked how to improve CCAP, respondents selected expanding eligibility requirements, increasing the subsidy, and improve outreach and communications.

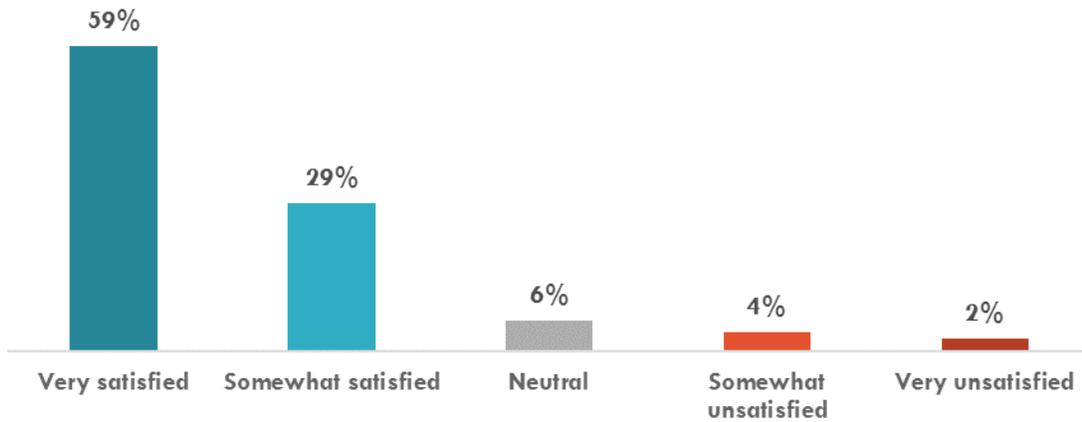


Exhibit 26. Recipient Survey Response: Rate Your Satisfaction with Your CCAP Experience (n = 170)

Source: BERK Consulting, 2018.

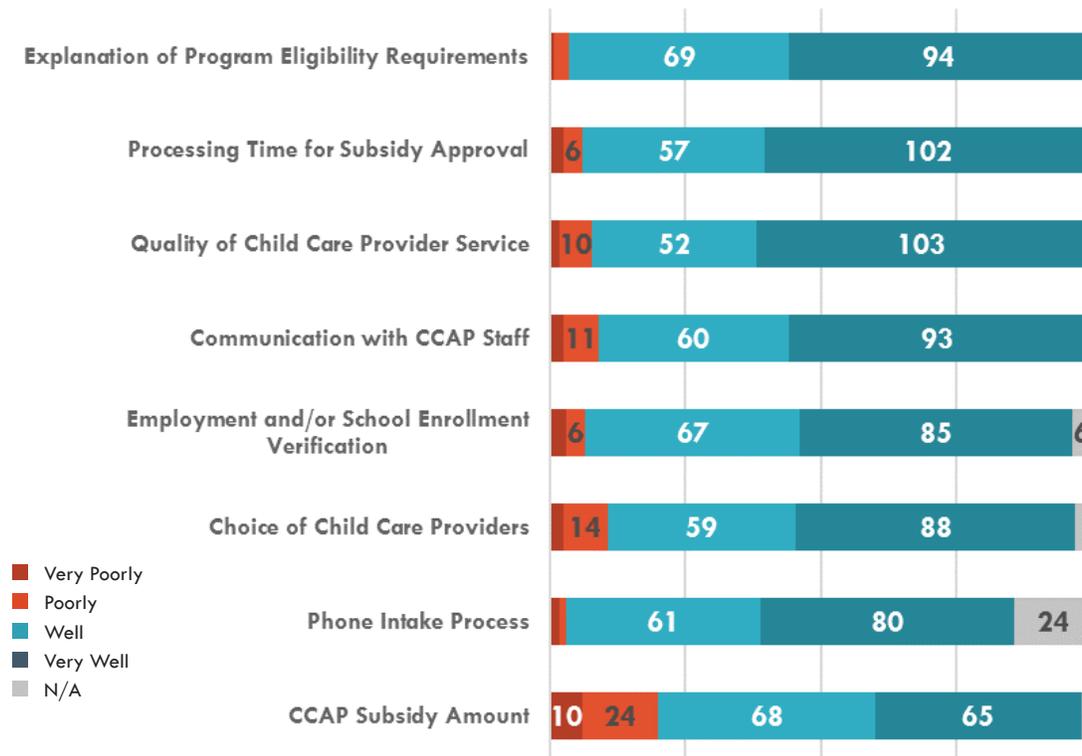


Exhibit 27. Recipient Survey Response: Rate How Well Aspects of the Program Worked (n = 170)

Source: BERK Consulting, 2018.

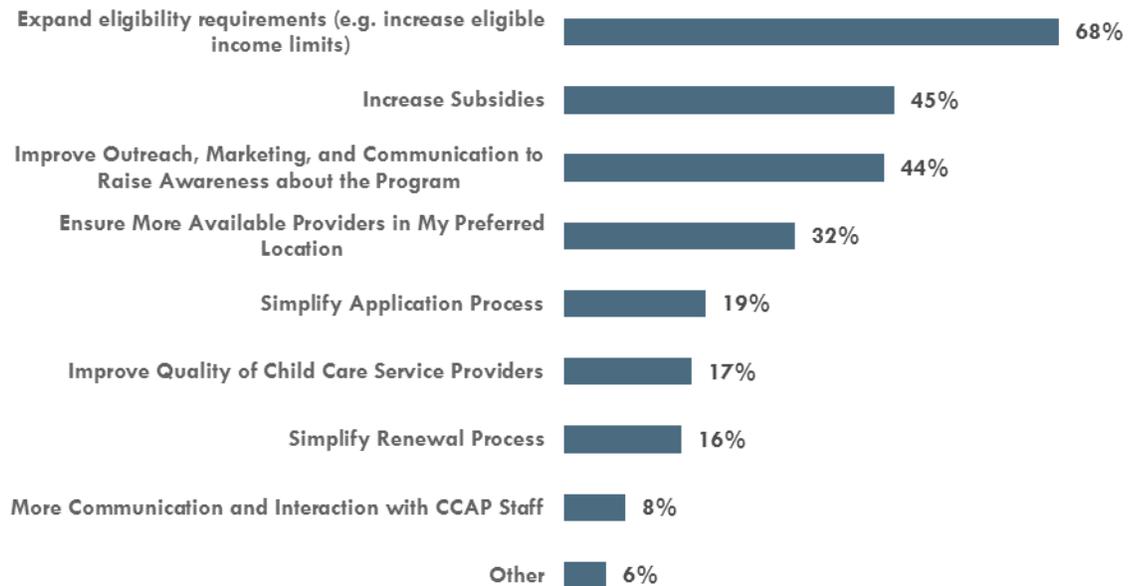


Exhibit 28. Recipient Survey Response: Respondent Suggestions for CCAP Improvements (Choose 3; n = 155)

Source: BERK Consulting, 2018.

Providers

Similar to the feedback from the recipient survey, expanding or increasing income eligibility was also mentioned most often among providers when asked what could be changed or improved about the program. Providers reported that CCAP recipients often struggled to pay the cost of care not covered by the subsidy, and they noticed an increase in this inability after the minimum wage increases: as recipients earn more money, they qualify for less subsidy, but their additional earnings do not make up for the additional cost of child care.

Staff

In interviews, staff reported the following barriers faced by subsidy recipients:

- » The subsidy provided does not cover enough of the cost of care
- » Applicants reporting English as a Second Language (ESL) classes do not meet the in-school credit requirement for eligibility, and without ESL credits they cannot take on the higher credit load needed for eligibility

Continuation

While most survey respondents are satisfied with the overall program process, 16% thought the renewal process could be improved or simplified. Several respondent comments identified that re-submitting previously provided, unchanging information, such as their child's birth certificate, made the process difficult.

"The renewal process is very redundant. I understand submitting proof of income but should not ask for my ID and child's birth certificate every time. That info doesn't change."

Staff

DEEL's PIRs and other staff were unclear about whether the 12-month authorization policy change had happened. Some PIRs have implemented the 12-month authorization period, and some have not.

PROVIDERS

Outreach and Recruitment

Seattle Parks and Recreation (SPR) has preschool and child care services at most of the 26 Community Centers located throughout the City. While interviewing both DEEL and SPR about the possibility of SPR sites accepting CCAP vouchers, technical issues were cited as blocking the addition of these sites to the provider roster.

DEEL staff reported that there had previously been a stronger connection between Seattle Public Schools and CCAP. In the past, Seattle Public Schools were willing to post CCAP flyers to help increase community awareness. This relationship has faded over time and schools are not currently posting CCAP information.

Participation

Overall, providers reported that the program works well and believe the program provides a benefit to the community. Areas of success particularly mentioned include:

- » **Glad to have the program.** Many providers said that having the program was a great help to families to cover the gap in cost and their ability to pay, or to transition them from WCCC. Providers and community organizations noted that recipient families were very happy to receive the assistance.

- » **CCAP staff.** Many providers said that CCAP staff were very helpful, knowledgeable, and treated families and applicants well.
- » **Communication.** Several providers mentioned that aspects of CCAP communications do work well, particularly alerting families when their subsidy is near ending and notifying providers about upcoming trainings. Providers said that most communication with CCAP occurs through email. Providers receive a yearly update on the income guidelines.
- » **Provider resources.** Several providers thought the access to DEEL resources was a benefit of the program.
- » **Invoices and billing.** Providers reported the invoicing process as timely and simple.
- » **Subsidy structure.** Providers reported that the CCAP subsidy is better than WCCC. Several providers mentioned that they did not lose revenue with CCAP, as the entire tuition is covered through both City's subsidy and the family's contribution, whereas too many families with WCCC could impact their business model. Some providers have moved to limit the number of WCCC subsidy recipients they accept.

In focus groups, providers indicated that they have a number of strategies to help families meet the cost of care not covered by CCAP, including offering scholarships and volunteer time in lieu of payment. Providers voiced concern that fundraising and coordinating volunteers requires additional staff and overhead and contributes to the overall increase in the cost of the care they provide.

Recipients

Of the survey respondents who used a CCAP subsidy, 83% used a center-based provider, and 17% chose a home-based provider. Most respondents (61%) thought it was easy or very easy to find a provider that accepted CCAP and met their top criteria (Exhibit 29).

When asked to select the top factors they considered when choosing a provider, most respondents chose a provider based on proximity to their home (62%), followed by cost (43%), provider hours (42%), and proximity to work or classes (41%), as shown in Exhibit 30.

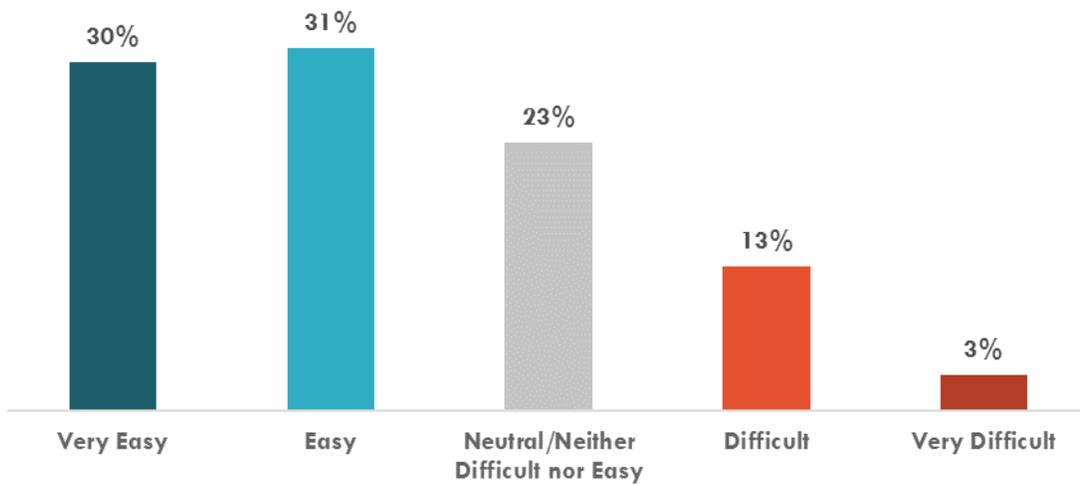


Exhibit 29. Recipient Survey Response: Rate the Difficulty in Finding a Provider Who Accepted the CCAP Subsidy and Met Your Criteria (n = 160)

Source: BERK Consulting, 2018.

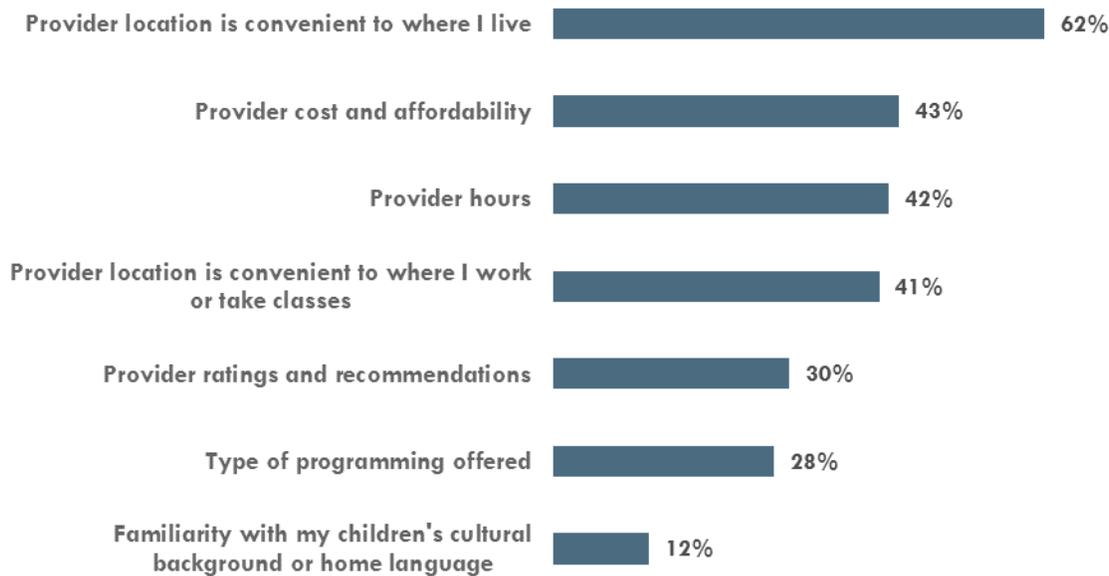


Exhibit 30. Recipient Survey Response: Top Three Factors in Choosing a Provider (Choose 3; n = 159)

Source: BERK Consulting, 2018.

The single largest concentration of respondents (41%) reside and use a provider in District 2, which includes the neighborhoods of Beacon Hill, Rainier Valley, and Columbia City. The greatest geographic concentration of mismatch between location of residence and location of provider was in District 4 (University District, Wallingford, Wedgwood, and Magnuson). About 9% of respondents live there, but only 5% of respondents have a provider located there. However, District 1, which includes West Seattle and Delridge, also has an imbalance between subsidy recipients' residence and provider location.

“NE Seattle needs more providers.”

“In the University District / Wallingford area, there is not much childcare, just not enough choice.”

“There are not a lot of center-based options in West Seattle that take City of Seattle [CCAP subsidies].”

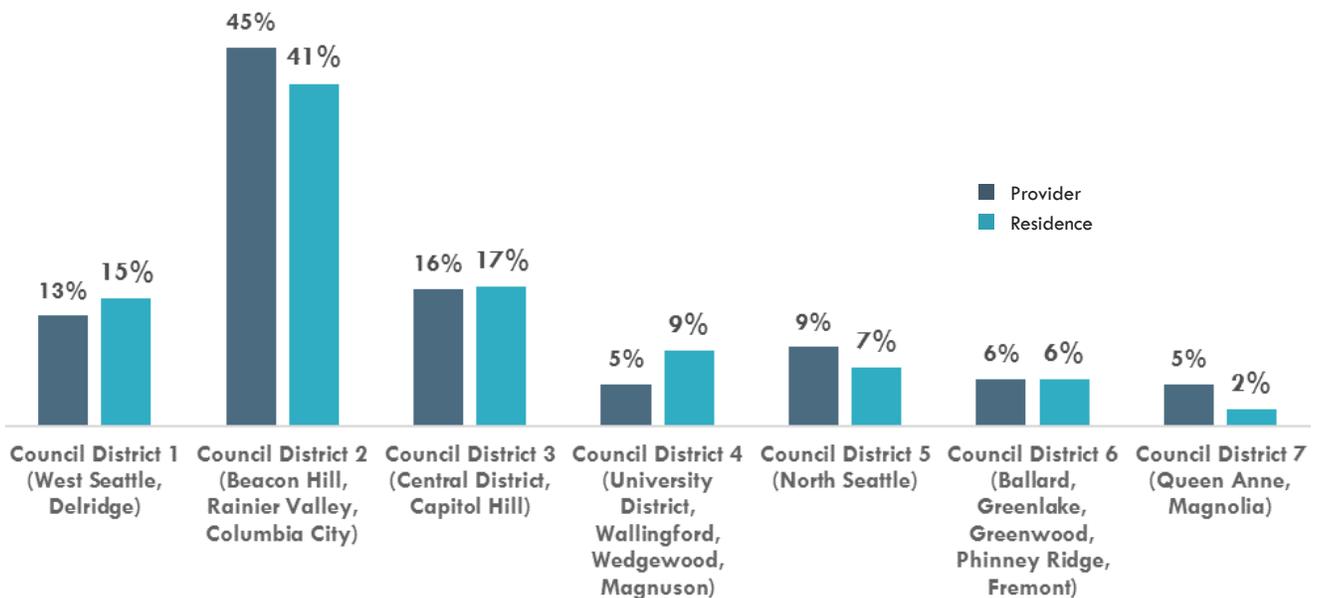


Exhibit 31. Recipient Survey Response: Provider Location (n = 159) and Recipient Residence (n = 144)

Source: BERK Consulting, 2018.

Continuation

Annually, each provider is required to complete a Vendor Services Agreement with DEEL in addition to licensing requirements with the Washington State Department of Early Learning.

COMPARABLE PROGRAMS

WORKING CONNECTIONS CHILD CARE

Administered by the Washington State Department of Early Learning (DEL), Working Connections Child Care program (WCCC) has provided child care subsidies for low-income families throughout the State of Washington. The Department of Social and Health Services (DSHS) has been contracted to implement that program for so long that many people working in child care associate WCCC with DSHS and not DEL.

Program Description

WCCC serves 31,000–32,000 families across Washington. There is a limit to the maximum number of participants—currently, DEL could enroll 33,000 families. When enrollment exceeds 33,000 households, DEL uses a waiting list (the last active wait-list was in place for eight months in 2011). The program cost \$320 million in fiscal year 2017–2018, or a cost of approximately \$10,000 per participant including overhead costs.

The program generally provides services to families earning up to 200% of FPL. DEL does provide a transitional buffer period for participants whose income increases beyond 200% of FPL (transitional continuation, described below) and eligibility requirements covered a greater income range in the past. Specifically, between 2007–2009, Working Connections increased eligibility requirements up to 250% of FPL, overlapping with CCAP during that time.

In addition to the 31,000–32,000 families that are receiving subsidies at any one time, there are an additional 10,000 more family who applied and were approved, but who are not using the subsidy. DEL has conducted some surveys of this group to better understand why almost one quarter of approved program applicants do not use the subsidy. The primary reason that these surveys found that families were not using the subsidies was that their child care needs changed between the time of application and approval.

The DSHS has been contracted to implement the program for almost 20 years.

Application process: Applicants begin the process through a DSHS Customer Service Call Center or [Washington Connection](#). These services are offered in English and Spanish and TTY for deaf/hard of hearing. After an initial phone or internet screening, applicants must be verified by DSHS.

Participation requirements: WCCC participation requirements are similar to CCAP's with key differences in citizenship/residency and accepting Temporary Assistance for Needy Families (TANF)/WorkFirst instead of education requirements.

Participants must meet the following requirements:

- » The child must be a U.S. citizen or legal resident;
- » The family must live in Washington;
- » Family income must be at or below 200% of FPL;
- » The parent must be employed or be participating in TANF/WorkFirst; and,
- » Complete the application and verification process.

There are factors that DEL could use when determining eligibility that are not considered, such as the number of dependents (adult and child) in the household. This simplifies determining eligibility.

DEL acknowledges that the establishing eligibility is one of the most challenging parts to participation. Family income can be complicated and verification can be a multi-step process.

The program allows parents to choose from the following provider types:

- » Licensed or certified child care centers (center-based);
- » Licensed or certified family child care homes (family-based or home-based);
- » Relatives who provide care in their own homes; or
- » Adults who come to the family's home to provide care.

DEL directs families to use Child Care Aware of Washington to find licensed child care providers. There is no additional requirement for providers beyond being licensed or certified by DEL.

The WCCC requirement for children to be U.S. citizens or legal residents may cause some eligible families to not participate. DEL has another program, Seasonal Child Care, that is for families seasonally employed in agriculture living in 12 designated counties (King County is not a designated county); this program does not list citizenship or residency requirements.

Subsidy structure: WCCC sets a payment amount each provider will receive for accepting the subsidy. The amount is set based on the 76% percentile provider rate within that area as determined by a rate study conducted by DEL (for the City of Seattle providers, the relevant region is King County). As per federal requirements, this rate study is conducted every three years. WCCC does not require or request providers to agree to accept subsidy recipients.

While the amount that each provider is paid per slot is set by DEL at a regional level, the amount that each family pays is on either a set amount or on a sliding scale, depending on income and household size. The relationship between income level, child care copay, and remaining income for 2018 income and copay standards is in Exhibit 32.

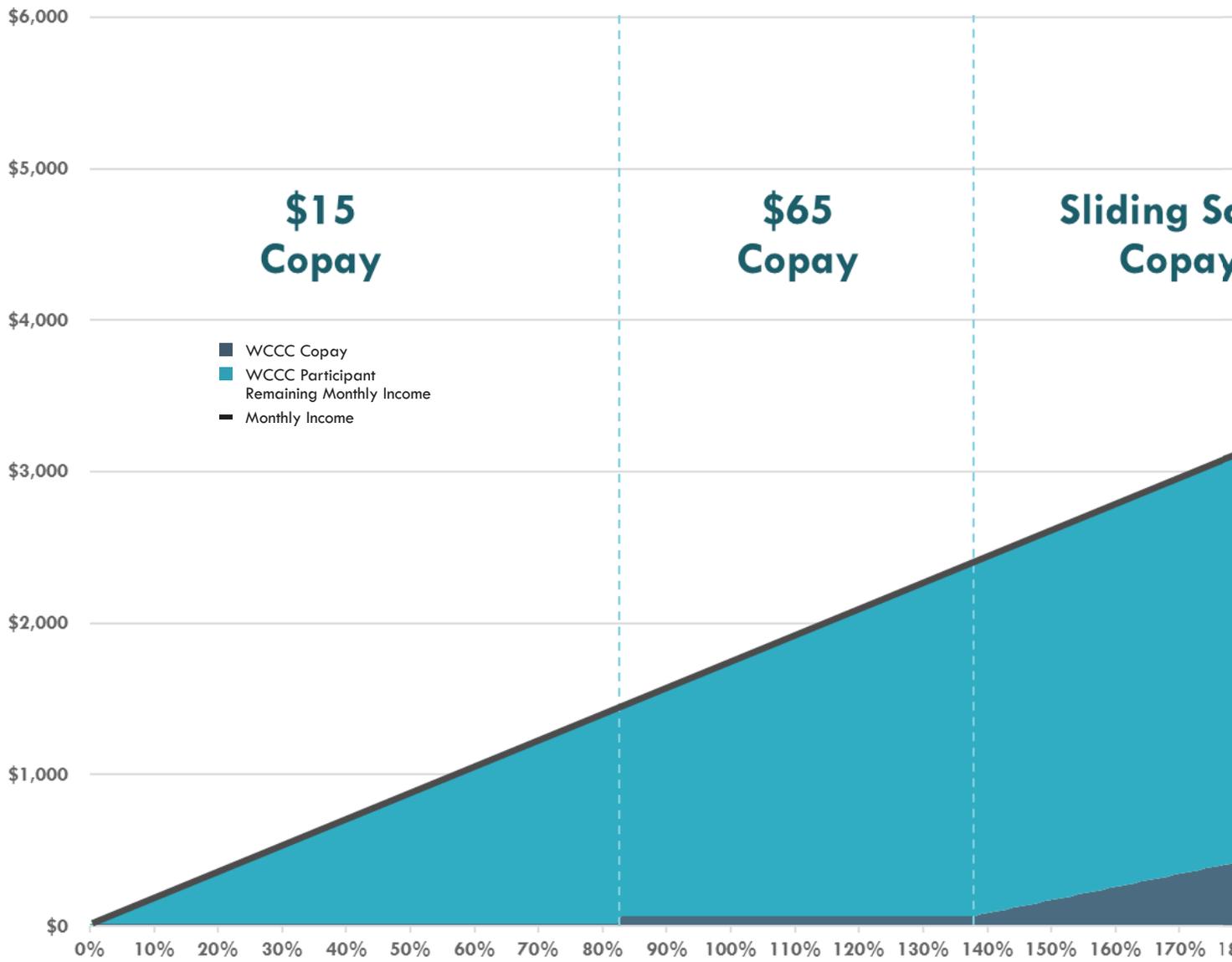


Exhibit 32. DEL Working Connections Child Care: Monthly Income and Copay for a Family of Three, 2018

Source: DEL, 2018; BERK Consulting, 2018.

Continued participation: DEL found that authorizing participation for 12 months did not increase overall participation rates, but did increase the share of participants who enrolled their child in licensed care containing educational components.

In addition to a longer subsidy authorization, WCCC also provides a three-month “phase out” period of a transitional continuation of the subsidy if household income has increased above 200% of FPL but under 220% of FPL at the time of reauthorization.

Outreach efforts: As DEL licenses child care providers, the agency has compared changes in providers across Washington with providers participating in WCCC. While the number of child care providers has decreased through time, the number of providers who accept subsidies is increasing. DEL’s program manager noted that DEL has identified a trend that licensed child care centers are becoming larger (more slots) while there are fewer of them, so the number of slots has remained relatively stable while the number of providers has decreased.

However, despite a relatively stable number of slots, two groups of WCCC participants struggle to find providers; first, those seeking services for newborns and younger children; second, families in rural areas.

Among licensed family child care homes, there is a general trend that as the provider’s own children age out of needing child care, the family stops acting as a child care provider.

CITY OF SEATTLE PROGRAMS

Seattle Preschool Program

The Seattle Preschool Program (SPP) serves a different purpose than CCAP, and is not comparable for that reason. BERK investigated whether the rapid growth of SPP contributed to the decline in the number of CCAP recipients, and found that while preschool aged children are not declining in CCAP at a faster rate than other age groups, DEEL outreach and engagement efforts have focused on SPP in the recent past. Because the data management systems for SPP and CCAP do not overlap, no sophisticated analysis about cross-participation could be done. It follows, however, that because more families are interacting with DEEL through SPP, there are more opportunities for those same families to learn about CCAP and receive child care subsidy for before and after care hours that SPP does not cover.

CITY OF SEATTLE SUBSIDY PROGRAMS

The recently convened City of Seattle Innovation Lab around affordability that is looking at ease and accessibility of City-provided subsidies could have a significant impact in CCAP if the City implements a single application system like the State's [Washington Connection](#). Another possibility outcome of the Innovation Lab could be a process of aligning eligibility requirements between City subsidy programs.

Even without a single application portal, there are opportunities for DEEL to explore accepting other City program eligibility as a meeting some of CCAP's documentation requirements. Given the range of eligibility requirements across City subsidy programs, there might be limited opportunities for cross-program eligibility.

CONCLUSIONS AND RECOMMENDATIONS

OUTREACH AND AWARENESS

Update Website

The CCAP information on the City’s website is sometimes unclear and does not always serve the purpose of the program. To avoid turning potentially eligible applicants away because of miscommunication, DEEL can:

- » **Provide translations of all CCAP website materials** in other languages, and indicate that interpretation is available for over-the-phone interactions;
- » **Re-phrase eligibility requirements for clarity**, including the requirement that applicants are “not eligible for any other child care subsidy program,” and that applicants “currently use a provider contracted with the City of Seattle”;
- » **Cross-reference CCAP information** in other DEEL programs and materials;
- » **Clearly state informal requirements on the website**, including hours of care authorization requirements;
- » **Include eligibility checks on the CCAP homepage** so applicants may quickly determine whether they may be eligible, for example: a web feature that allows families to enter their address to determine if they are within City limits.

Though this feedback did not surface in the recipient survey, informal requirements may have disparate impacts on applicants, including parents who may not qualify for hours of care because they trade shifts or work non-traditional hours.

Potential workarounds to these requirements could include:

- » **Allow transfer of some hours of care needed** when a provider is not available to a time when a provider is available;
- » **Provide a higher level of subsidy for care provided outside of typical provider hours.**

Communication to Providers

“There is confusion between WCCC and CCAP. More clarity is needed as to who is eligible to apply and why parents have to go to other funders first.”

When asked about on-going CCAP communication, providers reported contradictory processes; some providers reported regular communication from DEEL and others expressed little to none. To standardize communication, we recommend the following:

- » **Maintain consistent contact with providers**, such as quarterly emails. Communication issues cited by providers included:
 - Provide timely updates for new rates and eligibility requirements;
 - Continue to send flyers and posters to providers;
 - Push out enrollment notifications several times a year.
- » **Update the CCAP provider circulation list** to assure that all providers receive DEEL communications.

Communication and Outreach to Families

CCAP plays an important role in helping Seattle families. Subsidy recipients were overall grateful for the program and had positive experiences with CCAP staff and providers. Survey results and analysis of CCAP’s program data show that the program reaches diverse populations across the City, and it serves families that speak a variety of languages.

DEEL and the CCAP program should continue many aspects of their current communication techniques, such as providing materials in multiple languages and having intake staff that speak languages other than English. Communication and outreach efforts need be tailored to reach Seattle’s diverse neighborhoods and communities; however, the City has greater outreach needs than resources available across almost all departments, including DEEL. Feedback from the City of Seattle Office of Immigration and Refugee Affairs was clear that successful outreach efforts foster personal relationships and create trust with key community stakeholders or organizations. DEEL reported that they do not have resources for CCAP; DEEL should hire staff to manage these outreach efforts.

While DEEL is aware that the following are important and necessary, they reported that they currently do not have staff capacity. However, we believe it is important to recommend that DEEL implement the following:

- » **Create a consistent marketing package and increase advertising**, including:
 - **Cross-market CCAP with the Seattle Preschool Program;**
 - **Run advertisement campaigns** that place marketing materials in places where the community gathers, such as in community centers, libraries, and local businesses.

Make sure materials are also available with other service providers or places where families connect with services (schools, health care providers, health and human services, etc.)

- » **Create linkages with human service providers, programs, and organizations.** For example, DEEL should work with existing resources, such as the City of Seattle Department of Neighborhoods Community Liaisons and City of Seattle Office of Immigration and Refugee Affairs, to create connections with human services providers, programs, and organizations, including:
 - Seattle Housing Authority;
 - Neighborhood House;
 - Faith-based organizations;
 - Universities and Seattle Colleges (community and technical colleges).
- » **Conduct outreach at Seattle Public Schools.** Both recipients and providers suggested SPS as a partner to improve awareness of the program. A provider suggested disseminating CCAP information and giving a presentation at a meeting of all public-school based providers
- » **Work with DSHS to connect potential families** to CCAP if they are not eligible for WCCC and live in Seattle.
- » **Host and participate in community outreach events, especially in-person outreach within targeted communities across the City.** Examples include staffing a table and presenting at community events, and attending resource fairs. DEEL should host an application night to encourage program sign-ups for potentially eligible families, possibly in combination with other organizations (could be paired with other DEEL programs such as SPP).
- » **Provide outreach to expecting parents.** PEPS suggested several ways to engage expecting and new parents, such as through health care providers and programs that work with low-income and under-represented populations, such as nurse practitioners who provide home visits and Open Arms, a doula service.

SERVICE AVAILABILITY

Child care providers are found throughout the City; CCAP participating-providers do not show the same geographic distribution, with concentrations of CCAP providers in southern Seattle and Downtown (Exhibit 21 on page 25).

To meet the needs of subsidy recipients and increase participation, DEEL needs to increase the number of providers who participate and the number of slots for CCAP voucher recipients.

The City has a difficult balance to strike between fulfilling a regulatory function assuring quality of care provided to CCAP subsidy recipients and assuring enough supply to meet the program's goal of helping working families. There is a tension between quality control and encouraging more providers by decreasing barriers to market entry.

The demand for child care, and especially infant care, is high, while the supply of child care may not be keeping pace with this demand. Survey respondents commented on the difficulty of finding a provider with an available space, and that many had waiting lists, which was confirmed in interviews with providers. While many providers do not have quotas for CCAP recipients, their feedback highlighted potential barriers to expanding capacity or participating in CCAP. Licensing requirements exclude certain service provision models, such as nanny care which is unlicensed in the State and does not qualify. Because child care demand in Seattle is high, financial incentives to join CCAP may not be adequate; reimbursement, the time devoted to paperwork and processing, and additional efforts to assist families in meeting their copays, may not be worth it when a provider can charge privately. Providers reported that there are regulations that prevent current facilities from expanding or new businesses from starting or operating a facility within Seattle.

- » **Recruit providers to participate in CCAP**, particularly in Northgate/Lake City, University District, West Seattle, and Georgetown/South Park. Both feedback from providers and analysis show that the number of CCAP providers are relatively low in these areas, but the DEL licensing data show that there are providers present (see Exhibit 22 on page 26). Compared to other areas in the City, the Northgate/Lake City area has very few home based and general providers. Recipients who responded to the survey also highlighted areas in Northeast, University District/Wallingford, and West Seattle as not have many options for center-based child care.
- » **Create a second subsidy that can be used at SPR child care sites.** Adding SPR preschool and child care services to the list of approved providers would immediately add over 20 new sites located throughout the City. While interviewing both DEEL and SPR about the possibility of SPR sites accepting CCAP vouchers, technical issues were cited as blocking the addition of these sites to the provider roster; creating a new subsidy specifically for this purpose would allow these technical issues to be bypassed.

- » **Make changes to the Vendor Services Agreement to incentivize accepting CCAP vouchers**, either through service quality improvement and other DEEL trainings or through financial incentives (which could include an increased subsidy as outline below).
- » **Examine methods to support expansion of child care facilities**, such as providing funding for child care facility expansion, updating land use and permitting regulations, and providing information to potential child care providers and staff.

SUBSIDY RECIPIENT ACCESS

- » **Add English as a Second Language/English Language Learners as an acceptable education enrollment standard for CCAP participation.** Current CCAP participation requirements do not include ESL/ELL programs. While this recommendation is unlikely to increase participation numbers substantially, it delivers a benefit to a specific population that faces additional barriers.
- » **Standardize the voucher size to letter (8.5 by 11 inches).** Currently, the voucher prints on a legal paper size (8.5 by 14 inches). DEEL requires that subsidy recipients return a signed copy, preferable by fax or electronically scanned, but the legal paper size adds an unnecessary complication in either cost for scanning or finding a facility with a scanner with legal paper size capabilities.
- » **Expand income eligibility requirements.** 68% of survey respondents thought expanding income eligibility requirements would help serve more families in need. Changes to eligibility requirements included expanding income eligibility by increasing the income limits. Some felt the income limits were not realistic for Seattle, and that Seattle is getting more expensive to live in. Some felt that basing the income guidelines on gross income, rather than adjusted income, did not account for mandatory expenses that they may need to pay, such as union dues, mandatory pension contributions, college-age dependents, etc.

SUBSIDY RECIPIENT QUOTES

Subsidy recipients who completed the online survey suggested the following outreach ideas:

“Develop partnership plan with Seattle Public Schools Family and Community Engagement Programs and Taskforce Board to give CCAP Overview Training and materials so CCAP and SPS jointly may create an awareness campaign for schools.

“CCAP outreach promo in SPU/City Light Utilities mailer insert monthly bill for services.”

“Partnership and awareness campaign development for all SPL locations and on SPL’s website!”

Expanding or increasing income eligibility was also mentioned most often among providers when asked what could be changed or improved about the program.

To that end, BERK recommends expanding income eligibility on both sides of the current income eligibility range from 200%–300% to 185%–350% of FPL.

– **Decrease income eligibility to include 185%–200% of the FPL income range.**

CCAP has been aligned with the WCCC program at DEL, which has an upper income limit of 200% of FPL. However, WCCC uses a sliding-scale for copays for incomes above 137.5% of FPL. Based on the assumed child care costs used by DEEL for the City of Seattle, CCAP would decrease the amount families in this income range, who currently use WCCC, spend on child care.

Exhibit 33 shows the alignment between WCCC and CCAP as each exists now and Exhibit 34 shows how the two programs would interact under the recommended decrease in income eligibility. These graphs show program alignment for a family of three with a child in preschool, as these are the averages for CCAP, but these savings hold for all family sizes and age categories.

DEEL makes a key assumption about the cost of child care for CCAP subsidy recipients each year in setting annual rates; if this assumption is under the actual costs faced by subsidy recipients, the income savings will decrease accordingly.

Under the City of Seattle's minimum wage of \$15 per hour, full-time employment at minimum wage is equivalent to 192% of FPL; lowering income eligibility would better align with the minimum wage and 185% of FPL is easily tracked because it corresponds with the federal income requirement for participation in SNAP (food stamps).

Families who are determined to be income-eligible for both WCCC and CCAP would self-determine which of the programs to participate in. Families would not be able to receive subsidies from both programs at once. The programs have had income-eligibility overlap in the past, as a result of WCCC increasing its income-eligibility to as high as 250% of FPL, with CCAP continuing to serve families in the overlapping income range.

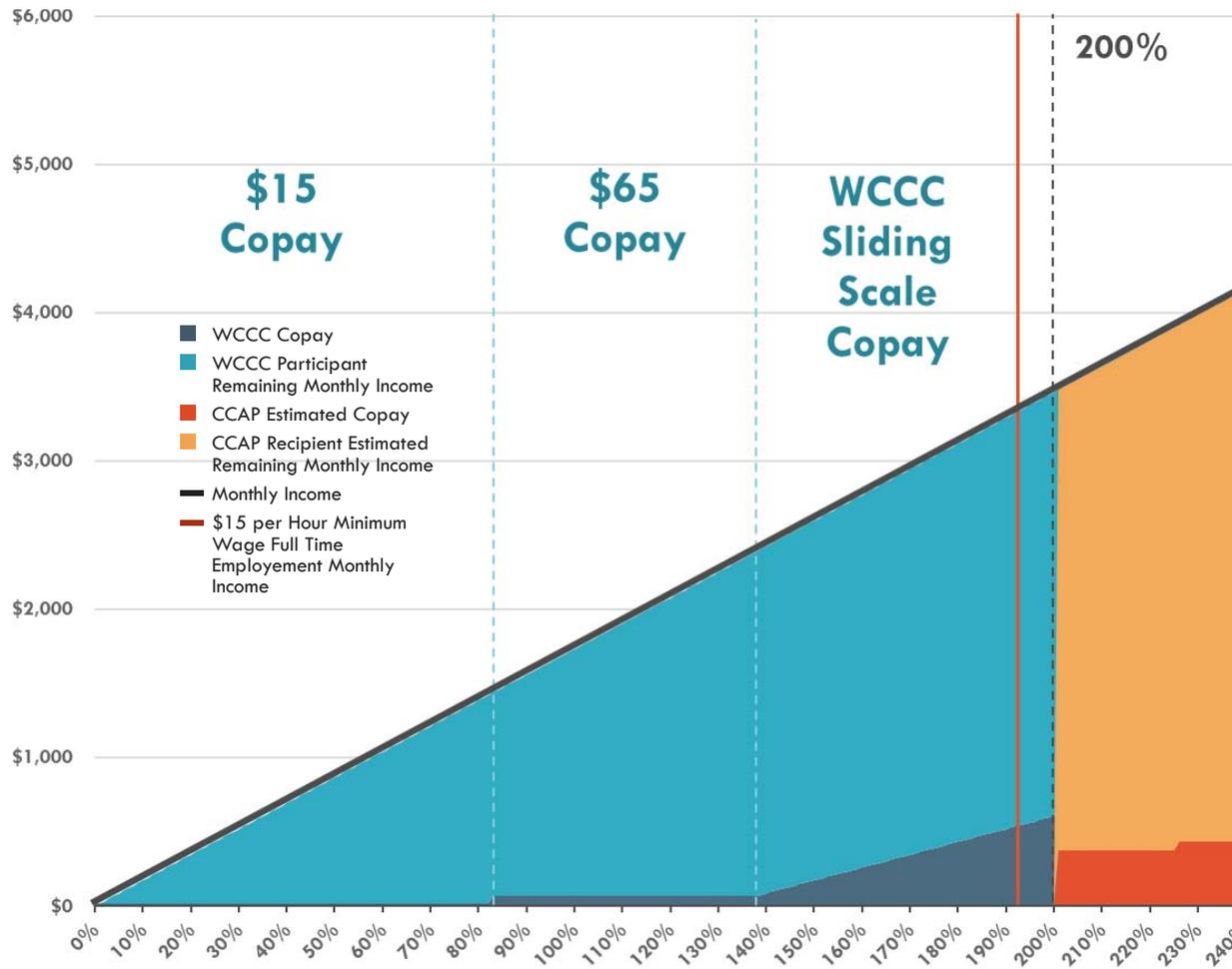


Exhibit 33. Current Working Connections Child Care and Child Care Assistance Program Eligibility Requirements, Copay Amounts, and Remaining Income for a Family of Three (Preschool), 2018

Sources: DEL, 2018; DEEL, 2018; U.S. HHS, 2018; BERK Consulting, 2018.



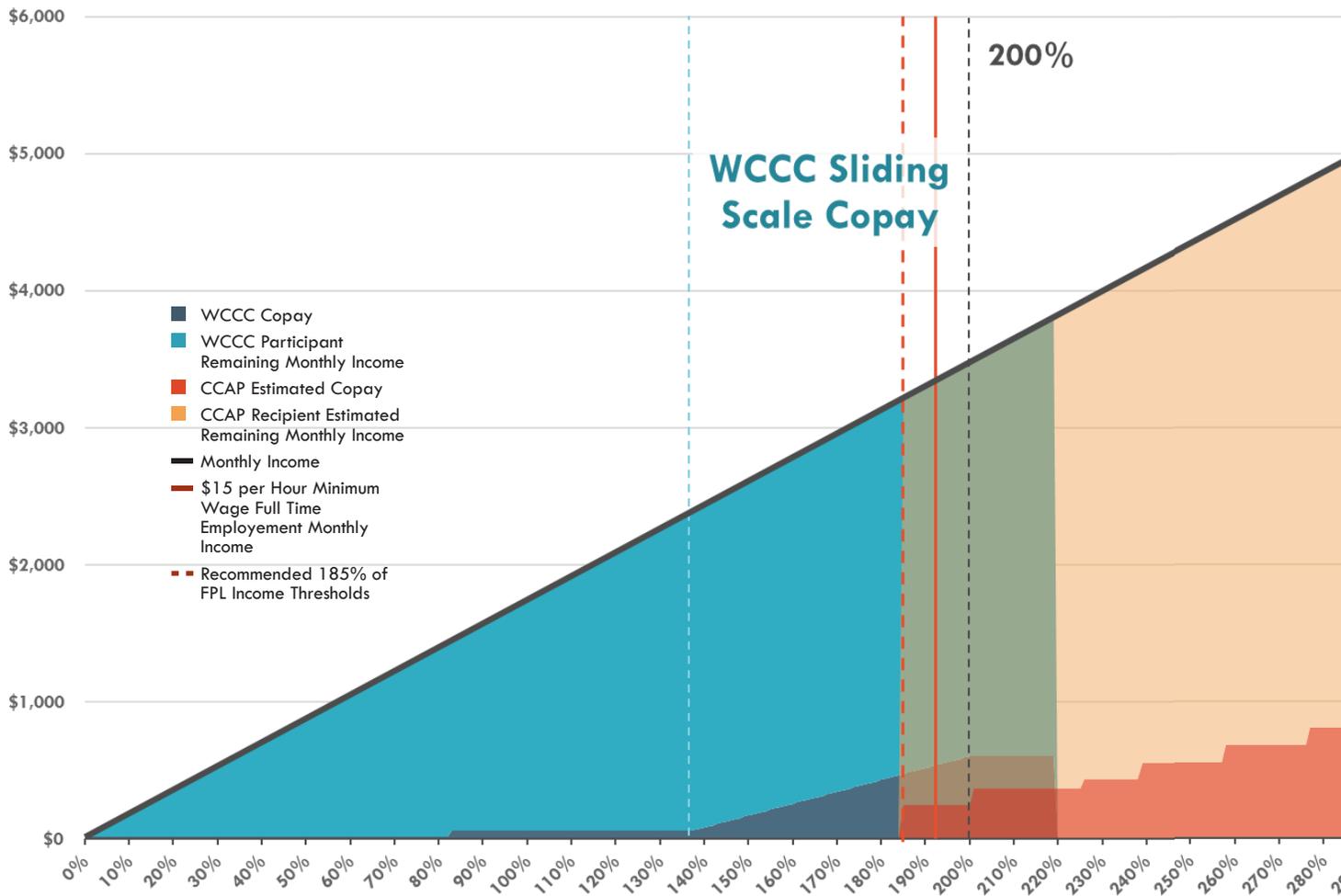
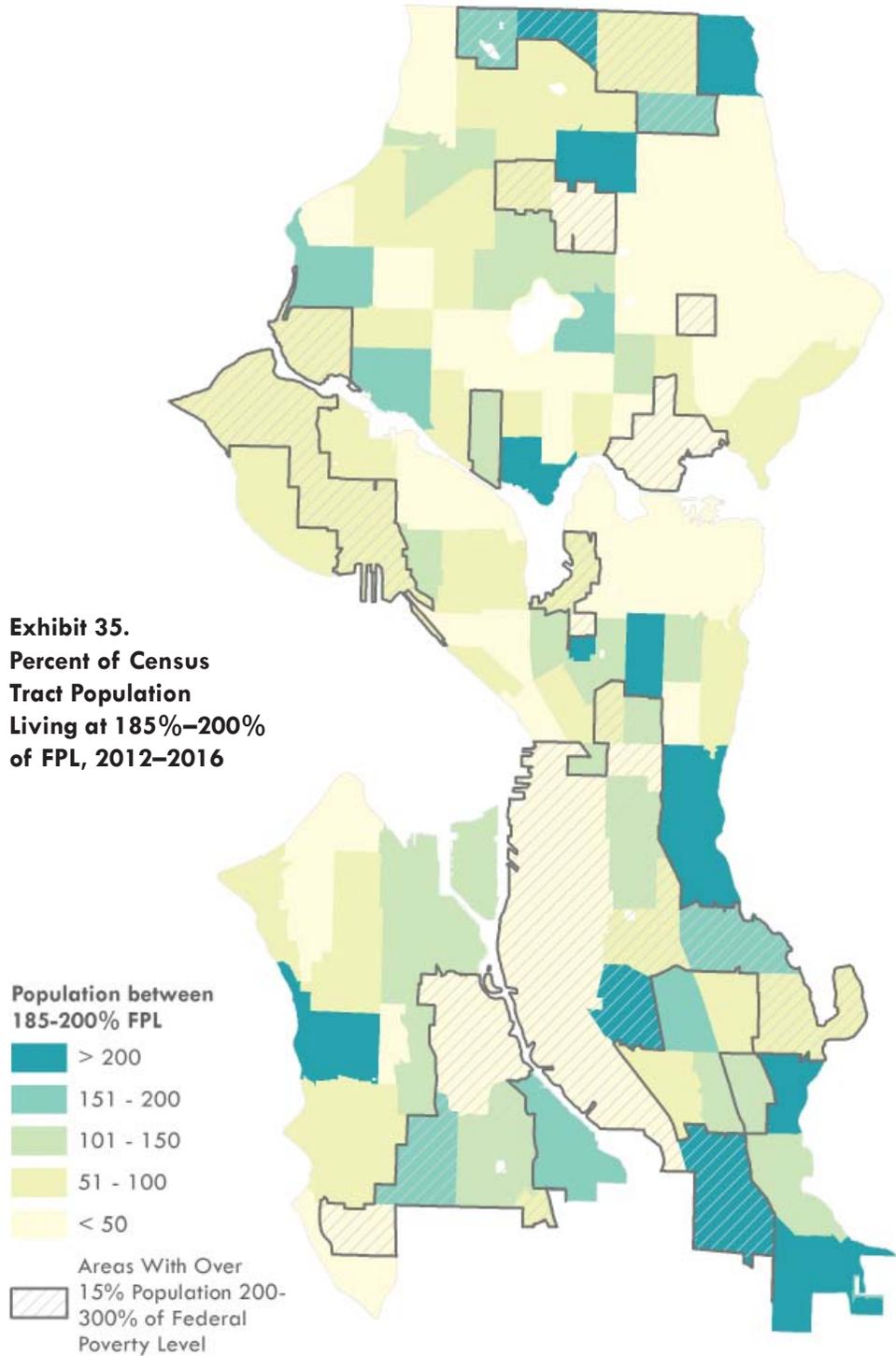


Exhibit 34. Working Connections Child Care and Recommended Child Care Assistance Program Eligibility Requirements Copay Amounts, and Remaining Income for a Family of Three (Preschool), 2018

Sources: DEL, 2018; DEEL, 2018; U.S. HHS, 2018; BERK Consulting, 2018.

Exhibit 35 contains the geographic distribution and number of individuals earning 185%–200% of the FPL as of the 2016 American Community Survey from the Census Bureau.



Source: U.S. Census American Community Survey, 2012-2016; City of Seattle, 2018; BERK, 2018.



- **Increase income eligibility to include 300%–350% of the FPL income range.**
As the median area income has increased in the City of Seattle, the 200%–300% income range has become less relevant. Providers reported that the number of families who need assistance with child care costs but who do not qualify for the existing programs because of income has increased.

We recommend increasing income eligibility to 350% of FPL to match increases in median income and cost of living, but the choice of 350% is a suggested test-point. For a family of three living at 350% of FPL, monthly preschool child care spending is expected to be 17% of total income at 2018 CCAP voucher amounts (see Cost Scenario 3 on page 70 for an explanation of assumptions). We recommend that DEEL monitor participation and adjust the upper range of income eligibility to match available funding.

Exhibit 37 shows the alignment between WCCC and CCAP implementing both recommendations of expanding the income eligibility range from 200%–300% to 185%–350% of FPL. Exhibit 36 shows the number of income eligible families with children birth to age 12 that fall within the income ranges for CCAP’s current requirements and the recommended bands of this report.

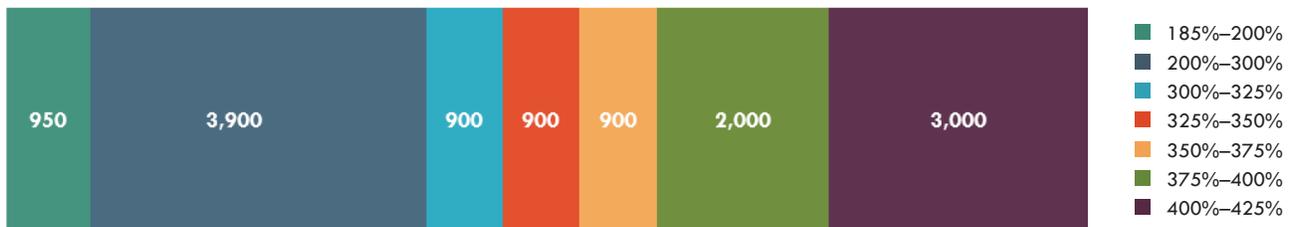


Exhibit 36. Estimated Number of Families with Children Aged 0–12 by Percent of FPL, Average of 2010–2014

Sources: U.S. HUD, 2010–2014; U.S. Census Bureau, 2010–2015, BERK Consulting, 2018.

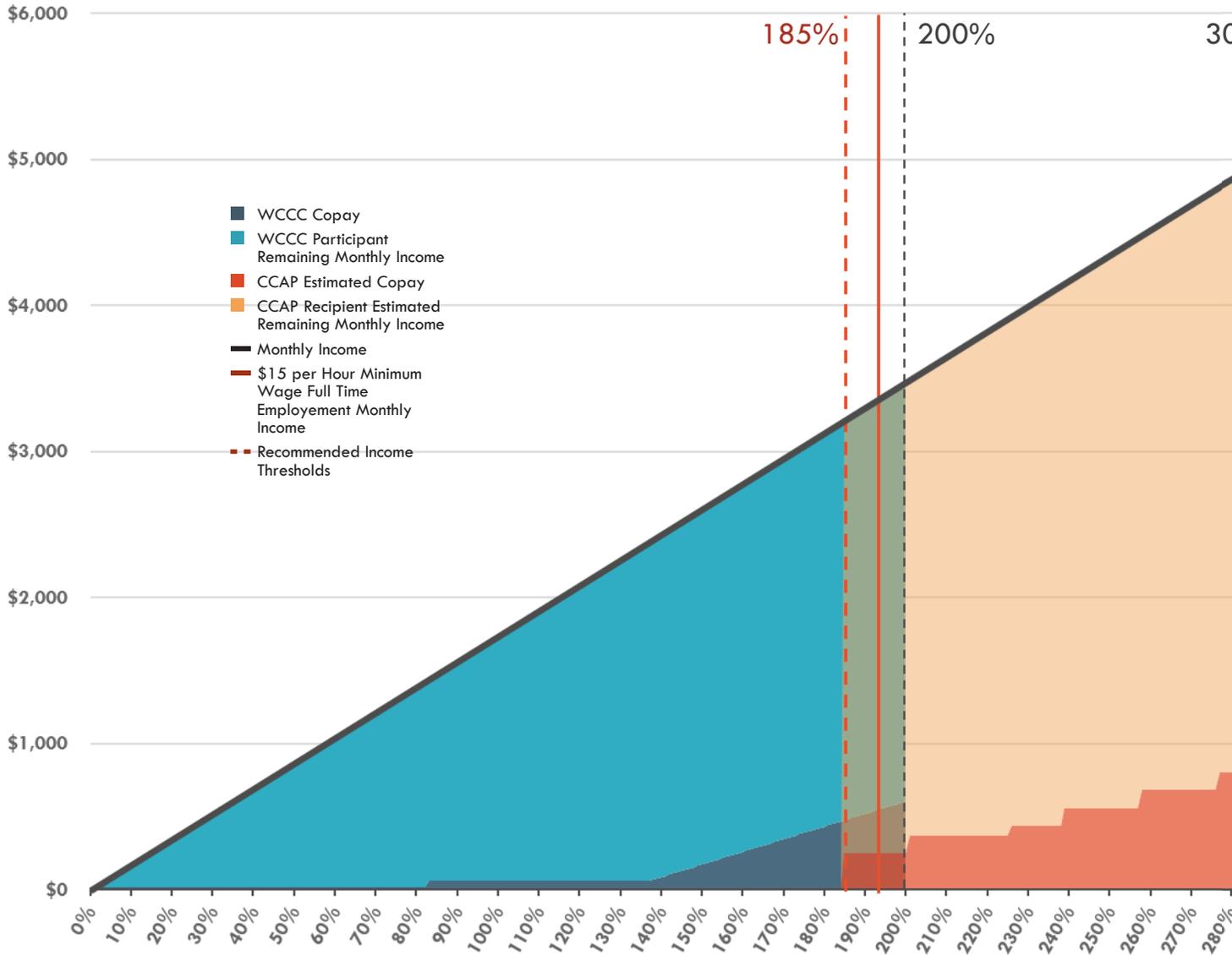


Exhibit 37. Working Connections Child Care and Recommended Child Care Assistance Program Eligibility Requirements Copay Amounts, and Remaining Income for a Family of Three (Preschool), 2018

Sources: DEL, 2018; DEEL, 2018; U.S. HHS, 2018; BERK Consulting, 2018.



- » **Update work eligibility requirements to include families with split schedules or non-traditional hours.** Both providers and survey respondents felt that the work eligibility requirements did not consider families or parents with non-traditional work schedules. They suggested allowing more flexibility in the work schedule requirements to expand eligibility to more families.
- » **Increase the CCAP subsidy amount.** 45% of respondents chose this improvement as one of their top three. For some, the subsidy amount is not enough to make child care affordable, particularly as the cost of living in Seattle increases. Increasing the subsidy amount was also mentioned frequently by providers, particularly because of the rising costs of child care. Due to increasing costs of doing business on the provider side (increasing rents, increasing wage for staff, costs related to meeting regulations and ratio requirements, etc.), many providers have had to increase their rates for child care.

“Even with the subsidy I do receive, I still struggle to pay the difference for childcare, it was decreased when I renewed. I am considering quitting my job and finding a work from home job or become a nanny which is sad because I have a master’s degree and would not be able to afford to pay my student loans.”

“The amount from CCAP (around \$200) barely made a dent in the monthly childcare costs. It can for sure help save some parents a couple hundred [dollars] a month, but it was nothing close to the inexpensive co-pay along with full-time hours based off the parent’s work schedule like DSHS provides.”

“Grateful to be able to have this assistance however with living cost in Seattle I believe that we should be able to have an increase in subsidy.”

- » **Adjust subsidy payment schedule to cover gaps.** Families with guardians enrolled in education programs face difficulties in paying for child care during breaks in their courses, such as winter break. Both guardians and providers reported issues with gaps in coverage during no school days and some school breaks; DEEL reported that most breaks are built into the voucher system, with some known exceptions such as conference weeks and certain holidays. DEEL should audit whether there are gaps, address any found, and update program intake representative training.

“I am grateful for CCAP, more should be done around no school days/breaks to make it truly accessible for low income families.”

“I am VERY grateful for the help I received when my children needed after school care. However, I thought it was unfair that we were charged the full amount for a partial month (like June and September) by our provider and only given a small portion of subsidy. Those months were very hard to afford because we were paying for weeks where we didn’t have childcare. We often had to pay even more for daily care over breaks that were not covered.”

- » **Clarify the authorization period policy with DEEL intake staff.** DEEL has implemented a policy for 12-month authorization for subsidy recipients, but there was confusion among DEEL's PIRs if this policy was in place.
- » **Simplify the authorization renewal process,** specifically address two issues:
 - **Remove duplicative requests for materials that do not change over time,** such as birth certificates.
 - **Clarify policy for acceptable forms of proof of address.** Some respondents reported that they were told that they needed an ID with the current address, which is barrier for those furthest from opportunity that may have less stable housing situations and difficulty paying for ID updates.

FISCAL IMPACT ESTIMATES

COST ESTIMATION METHODOLOGY

Many of the recommendations in this report are expected to have a minimal impact on the program cost, either because they are changes to procedure or because they will increase equity but will not substantially increase the number of subsidy recipients (e.g., adding ESL/ELL as an acceptable education standard). Those recommendations that are likely to change program costs are expected to do so through three mechanisms:

- » Eligibility requirements
- » Outreach efforts
- » Subsidy amounts

Together, these mechanisms are expected to deepen the participation among the currently eligible population and broaden participation to currently ineligible populations. However, data limitations result in a high degree of uncertainty around estimates. These limitations come from both external data sources and internal CCAP program data, and stem from:

- » Public data sources do not release income information at the needed detail while also including family status and children's ages; specifically, recent point-in-time estimates are unavailable. The most recent and accurate estimates are 2010–2014 averages from U.S. Department of Housing and Urban Development (HUD).
- » Internal CCAP data subsidy rates do not match with either income rate tables or CCAP's recorded family income; we could not use these data to project subsidy spending by age category and income bracket.

BERK used scenarios to estimate costs given the level of data uncertainty, and the assumptions used in each scenario are demarcated within the individual scenario descriptions below.

The other benefit from using scenarios is that BERK anticipates that the City will need to calibrate any changes over time. However, as discussed in Eligibility Requirements below, the City's ability to use a wait-list should limit any fiscal risk from over-enrollment or higher use of CCAP.

Eligibility Requirements

We project that the recommendation to increase income eligibility requirements will have the largest budget impact. Accurate estimation of the effect of expanding income eligibility on program spending requires understanding the population that might become eligible. Unfortunately, the data available on the eligible population of families with children aged zero to 12 within the eligible income brackets are incomplete and limit our ability to project program costs.

CCAP's unique program structure allows limiting negative budgetary effects, as intake is an on-going process, the City can place potential recipients on a wait-list, as it has in the past. A wait-list is an imperfect solution, but unmet demand suggests better operations than a program with unspent funds, and allows the City flexibility in responding to demand fluctuations. Implementing a wait-list would allow the City to prioritize recipients based upon need.

Eligible Population

After consulting with data specialists at the U.S. Census Bureau and researchers at DEL, BERK determined that the publicly-available data were limited and a combination of data sources would be necessary to estimate the income-eligible families with children aged zero to 12.

Specifically, in addition to program data from the City of Seattle, BERK used demographic data from:

- » U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy data for 2010–2014 (five-year estimates)
- » Washington State Office of Financial Management (OFM)
- » U.S. Census Bureau's American Community Survey (ACS), both one-year and five-year estimates

Subsets of these data sources were only cross-analyzed when they shared an underlying variable. As both the HUD and ACS data are generally multi-year averages, BERK averaged CCAP data to correspond with the same period when these data were compared.

These data do not all use the same measures of income; for example, the HUD data are expressed in the federally-determined area median income (AMI) and not percent of FPL. HUD AMI brackets were converted to FPL, using a family size of three. This family size most nearly correlates with Seattle's average family size of 2.89, and CCAP subsidy recipients. When HUD's AMI brackets spanned multiple FPL brackets, families were distributed evenly along the FPL range down to the one percent level.

These data sets also aggregate groups at different levels; for example, ACS data provide two age groupings, birth to under 5 years and birth to under 18 years. When population estimates for age ranges were broader than CCAP's eligible age range, BERK distributed these estimates evenly along the age range at one-year intervals.

CCAP serves an income range that only recently was reported publicly in the ACS, starting with 2015 estimates. The ACS estimates for families with children living within 200%–300% of FPL conflict between the 2015 and 2016 ACS data sets (1-year and 5-year estimates). This highlights the data issues any analysis faces when attempting to breakdown income groups at the City-level.

BERK estimated the expected population of families that would be eligible for CCAP (Exhibit 38). For a full description of that data and approach, see Appendix E. However, it is important to note that CCAP requires these families to be employed or enrolled in an approved education program, which is not accounted for in the below estimates.

Exhibit 38. Estimated Number of Families with Children Aged 0–12 by FPL Bracket

INCOME BRACKET	ESTIMATED NUMBER OF FAMILIES
185%–200%	950
200%–300%	3,900
300%–325%	900
325%–350%	900
350%–375%	900
375%–400%	2,000
400%–425%	3,000

Source: HUD, 2010–2014; BERK Consulting, 2018.

Outreach Efforts

To estimate the possible effects on participation, we would typically look to past changes in outreach efforts and compare with changes in participation. However, DEEL outreach staff reported outreach efforts for CCAP were minimal and have diminished further as resources were shifted to support the Seattle Preschool Program.

Studies have examined the effects of child care subsidy programs on the price of care and the operation of child care markets, and on outcomes for families who receive subsidies, including length of total participation as program details change. Estimating the effect of program changes (including outreach) on participation requires determining an elasticity of child care demand: i.e., formalizing an equation for how demand for child care fluctuates as variables change. Formal studies estimating the price elasticity of child care do not address the elasticity of demand, as child care prices are easier to quantify and measure in response to specific changes than population-level demand for child care.

Additionally, measuring changes due to outreach are complicated by exogenous factors. Primarily, outreach efforts may be a response to lagging participation. Attempting to measure the effect of prior outreach efforts on historic enrollment without measuring the effect of the cause of flagging participation (rising incomes due to minimum wage,

displacement of communities to areas outside of Seattle City limits, etc.) results in an inaccurate effect attributed to outreach.

Because time-specific information on past outreach efforts is unavailable, quantifying an estimated impact on participation from increased outreach is impossible. However, by testing multiple reasonable scenarios, we can determine the estimated range of impacts expected, even if outreach efforts are not specifically quantified.

Subsidy Amounts

To accurately estimate how families would react to increased subsidy amounts is beyond the scope of this project. Qualitatively, we know from both recipients and providers that raising the subsidy level would better allow existing CCAP recipients to afford child care CCAP. However, to measure the effect of subsidy increases, we would need to know both the price elasticity of demand and supply, which are not available.

From existing literature on the effect of subsidies on the child care market, we know there are possible unintended consequences if providers increase rates in response to increased subsidies, as subsidy recipients may not see a change in their available income—the increased subsidies are paid to providers.

FISCAL IMPACT SCENARIOS

BERK estimated four scenarios, one baseline and three that implement the recommendations most likely to result in the largest fiscal impacts, changes in subsidy and efforts to increase participation (both outreach and increased income eligibility requirements)

In addition to the status quo, DEEL requested four scenarios to look at the effect of individual variables:

- » Status Quo: Inflation Increase in Subsidy, Decline in Subsidy Recipients
- » Scenario 1: What would the cost be with marketing alone? [Outreach]
- » Scenario 2: If the voucher amount increased by 10%? [Subsidy Amounts]
- » Scenario 3: If income eligibility is decreased to 185% of FPL? [Income Eligibility]
- » Scenario 4: If income eligibility is increased to 350% of FPL? [Income Eligibility]

All five scenarios rely on some based assumptions:

- » **Average Participation:** The average number of months that a subsidy recipient will participate in CCAP; based on past participation across age groups.
- » **Part-time/Full-time Factor:** The average time a child is enrolled in a program on a daily basis that could range from 50% if all children attend part-time care to 100% if all children attend full-time care; represents the average program day length.
- » **Participation Growth:** The expected change in CCAP subsidy recipients; for the Status Quo, participation changes are based on the historic average, and for Scenarios 1, 2, and 3, the participation growth is based on the expected participation rate from the eligible population. Scenario 3 incorporates an expanded underlying population.
- » **Subsidy Structure:** Each year, DEEL creates subsidy voucher payments from an estimated base fee by age group; each subsidy is then multiplied by the FPL bracket to create the paid subsidy. A comparison of DEEL's base subsidy rates by age group are show in Exhibit 39 and Exhibit 40 contains the base subsidy amount DEEL pays by percent of FPL.

BERK applied these assumptions to estimate program costs for a five-year period, 2018–2022. The results of these estimates are contained in Exhibit 41 and Exhibit 42.

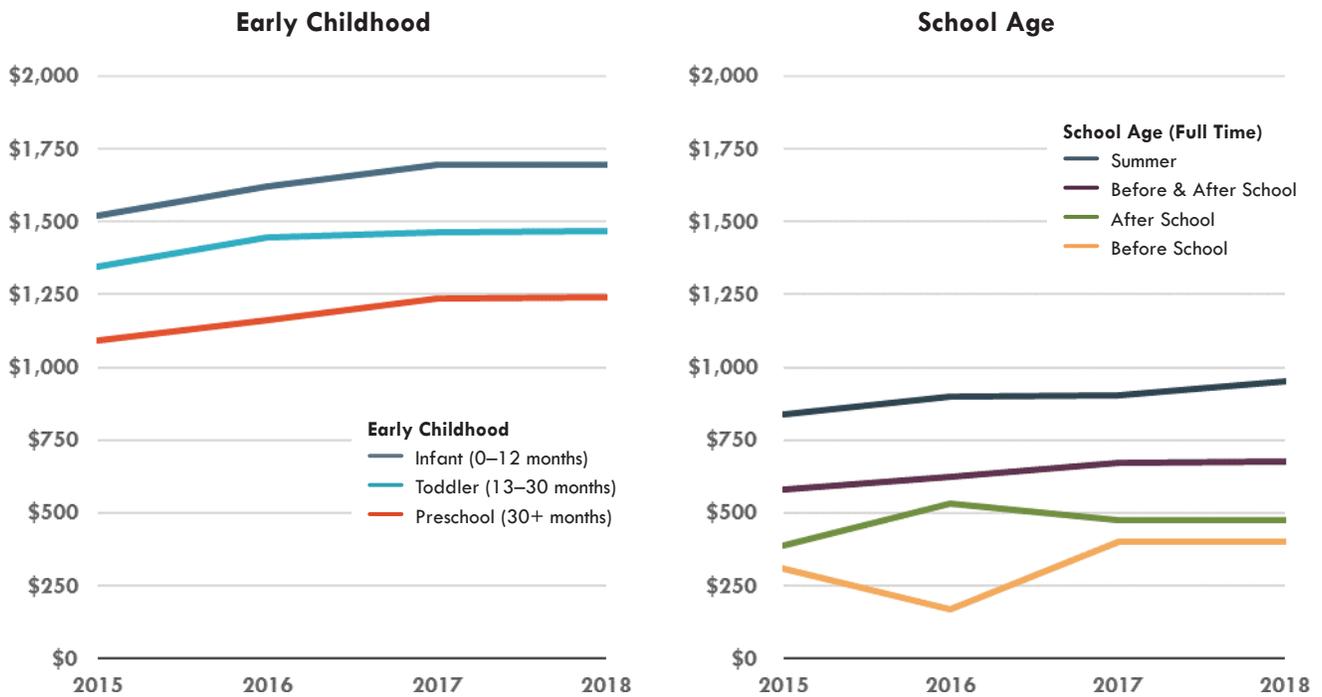


Exhibit 39. Actual CCAP Base Subsidy Rates, 2015–2018 (YOE\$)

Sources: DEEL, 2018; BERK Consulting, 2018.

Exhibit 40. CCAP Voucher Rate by Percent of FPL, 2018

PERCENT OF FPL	VOUCHER RATE OF BASE SUBSIDY
0%–110%	90%
110%–200%	80%
200%–225%	70%
225%–238%	65%
238%–257%	55%
257%–276%	45%
276%–293%	35%
293%–300%	25%

Sources: DEEL, 2018; BERK Consulting, 2018.

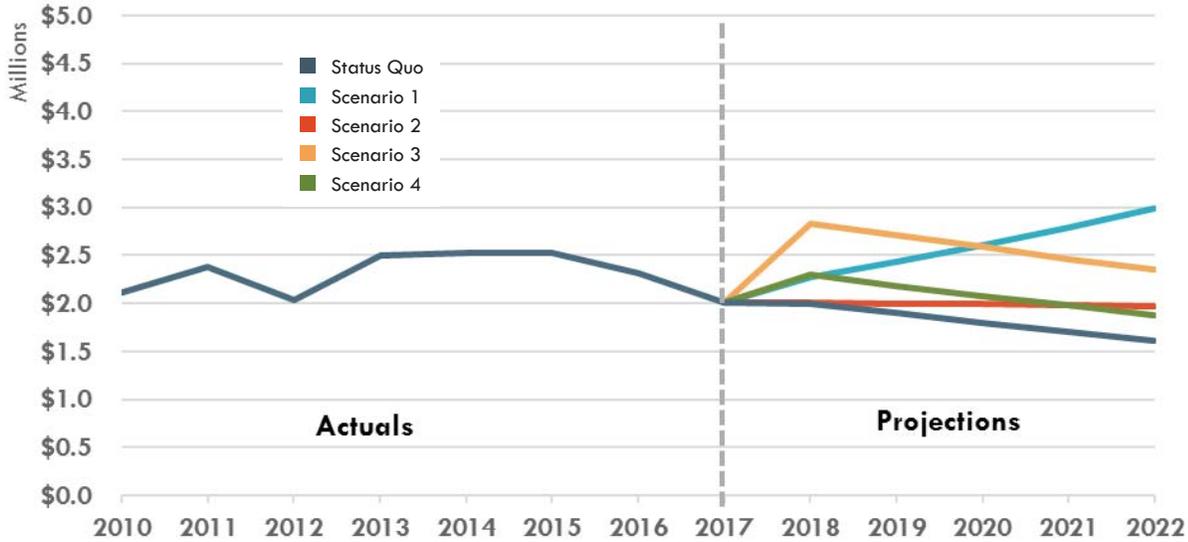


Exhibit 41. Child Care Assistance Program Cost Estimation, Actuals 2010–2017 and Projections 2018–2022 (YOE\$)

Sources: BERK Consulting, 2018.

Exhibit 42. Cost Estimate Scenario Comparison, 2018–2022 (YOE\$)

SCENARIO	2018	2019	2020	2021	2022	2018–2022 TOTAL
Status Quo	\$2,005,000	\$1,900,000	\$1,800,000	\$1,705,000	\$1,610,000	\$9,020,000
Scenario 1	\$2,265,000	\$2,420,000	\$2,590,000	\$2,775,000	\$2,970,000	\$13,020,000
Scenario 2	\$2,000,000	\$2,000,000	\$1,990,000	\$1,985,000	\$1,975,000	\$9,950,000
Scenario 3	\$2,830,000	\$2,700,000	\$2,580,000	\$2,460,000	\$2,345,000	\$12,915,000
Scenario 4	\$2,290,000	\$2,180,000	\$2,075,000	\$1,975,000	\$1,875,000	\$10,395,000

Source: BERK Consulting, 2018.

STATUS QUO:

Inflation Increase in Subsidy, Decline in Subsidy Recipients

The status quo is a baseline scenario that projects the recent past into the future. This includes a substantial decline in program recipients, no change in income-eligibility, and only historic inflation increases in subsidy amounts.

Overall participation has declined at a rate of 9.4% annually in 2015 and 2016 to 2017. This assumption is particularly sensitive to time frame, as shown in Exhibit 43, and the decline in participation has been the greatest annual average change in over a decade. However, by using the historic participation growth rate, the status quo is a conservative comparison. The expected number of subsidy recipients by age group is shown in Exhibit 44.

Exhibit 43. Change in Overall CCAP Participation Compared to 2017, by Year

COMPARISON YEAR	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
2017 Percent Change	-1.0%	-0.6%	-3.9%	-4.9%	-3.7%	-2.1%	0.9%	-0.2%	0.3%	-5.0%	-6.7%	-9.4%	-9.4%

Source: BERK Consulting, 2018.

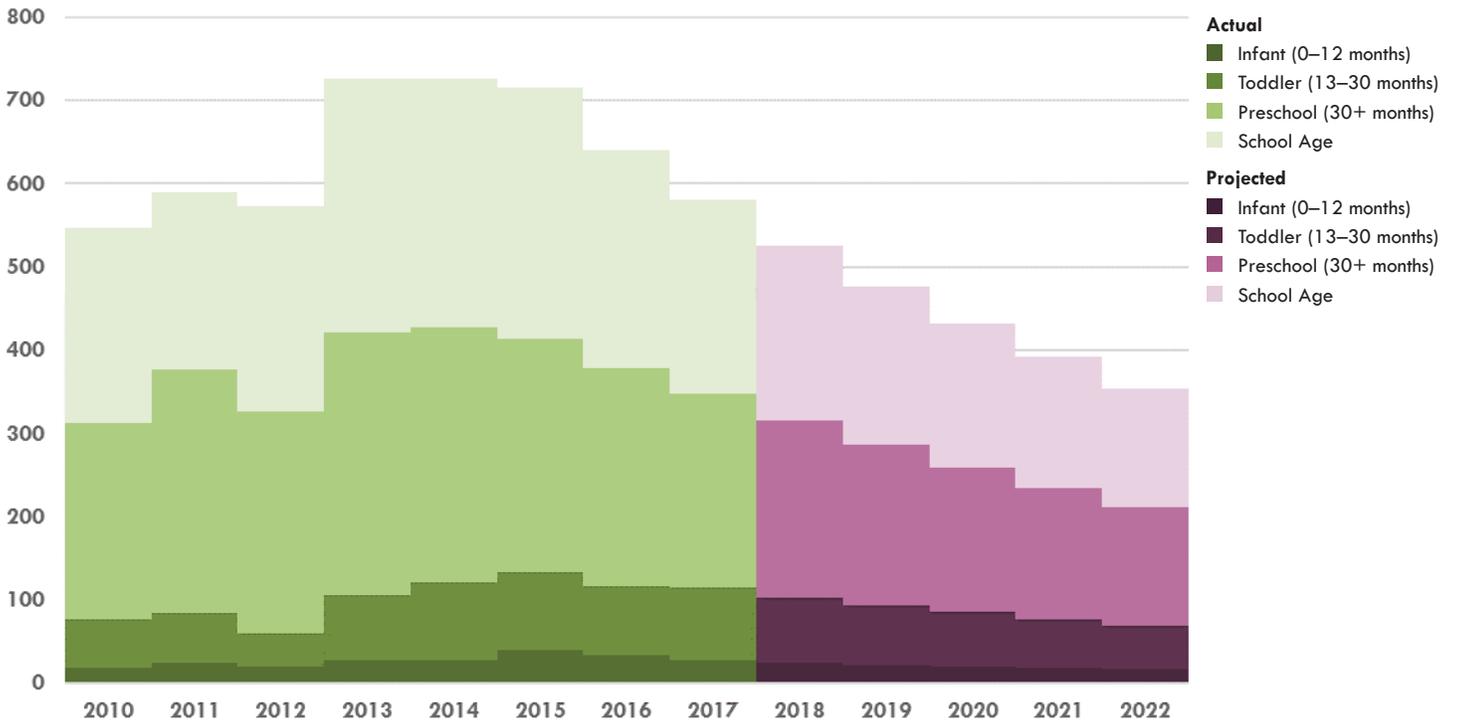


Exhibit 44. Status Quo CCAP Recipients by Age Category, Actuals 2010–2017 and Projections 2018–2022

Sources: BERK Consulting, 2018.

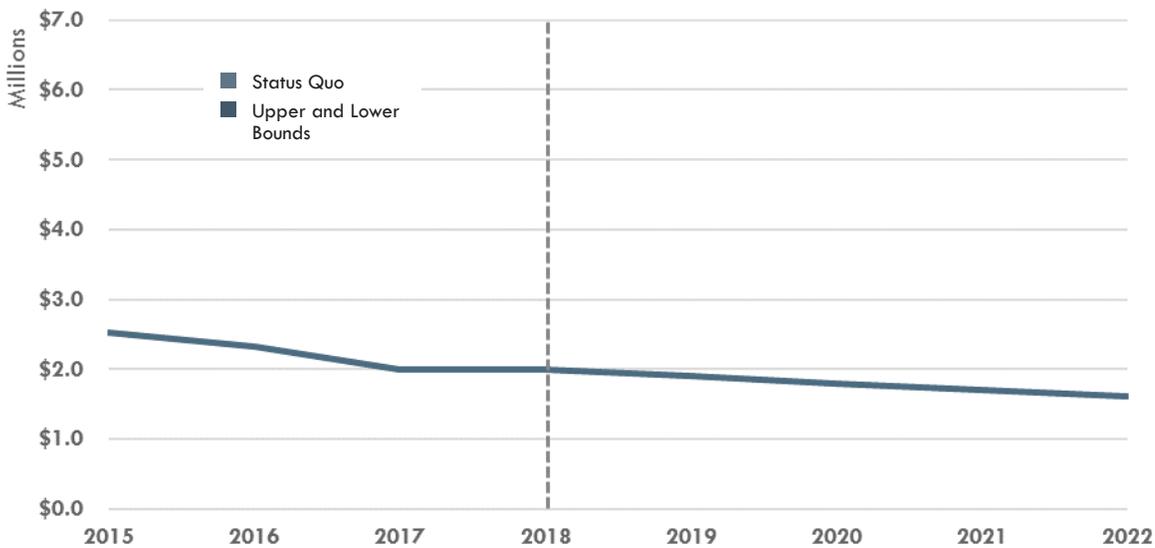


Exhibit 45. Status Quo CCAP Cost with Upper and Lower Bounds, Actuals 2015–2017 and Projections 2018–2022 (YOE\$)

Sources: DEEL, 2018; BERK Consulting, 2018.

SCENARIO 1: Outreach Efforts

Scenario 1 estimates the effect of outreach efforts on participation rate. The baseline scenario 1 assumes that outreach efforts will keep the program growing at the same rate as the overall City population. Specifically, that outreach will increase annual recipients at Seattle's historic average annual population growth of 2.5% (OFM, 2010–2017).

This is a significant increase in participation as it both negates the 9.4% annual decline in recipient participation and adds 2.5% to current participation.

BERK estimated upper and lower bounds for scenario 1 by using different assumptions about the effect of outreach. As discussed in Outreach Efforts above, quantifying the impact of outreach is difficult and complicated by a lack of historic data as DEEL has not changed outreach to potential subsidy recipients since taking over administration of the program. Bounds are included for comparison with differing assumptions, but there is a great deal of uncertainty around the estimates in scenario 1.

BERK estimated a lower bound program cost based on a more conservative effect of outreach that would reverse the annual decline and keep participation growing at 50% of the overall population growth (1.2% annually). To estimate the upper bound, BERK assumed that outreach would increase program participation 50% faster than population growth, or 3.7% annually.

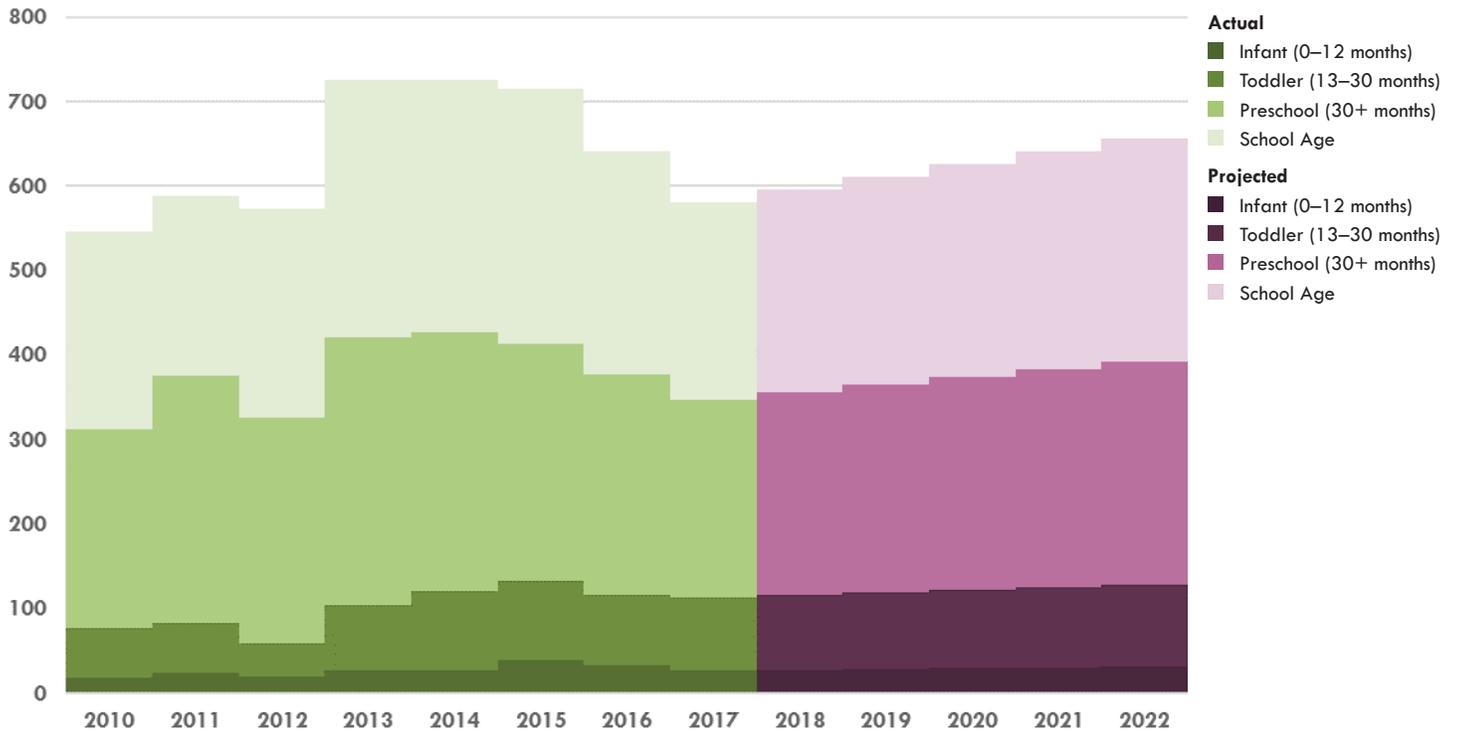


Exhibit 46. Scenario 1 CCAP Recipients by Age Category, Actuals 2010–2017 and Projections 2018–2022

Sources: DEEL, 2018; BERK Consulting, 2018.

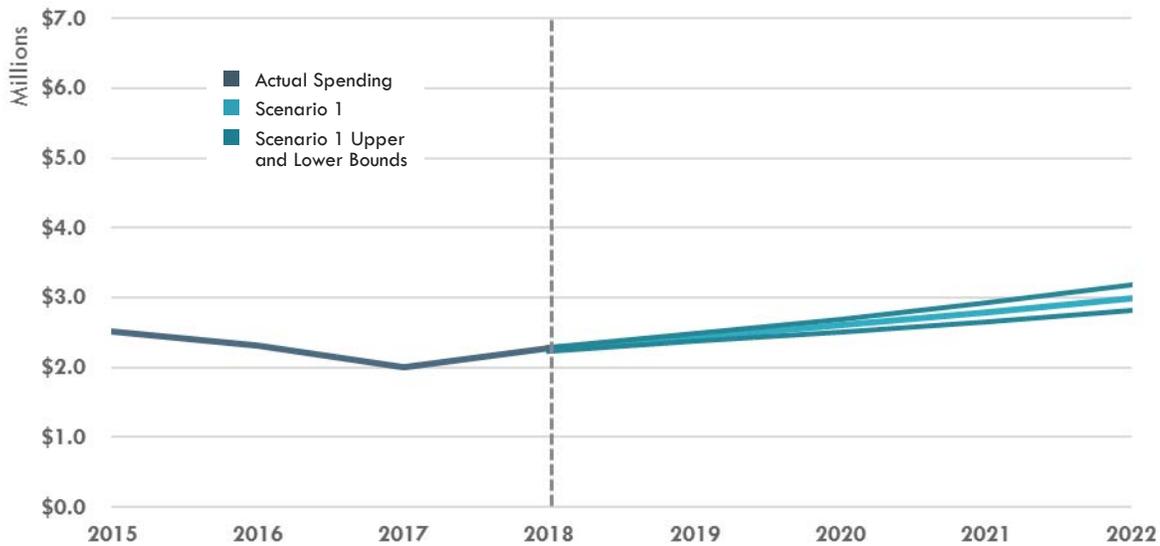


Exhibit 47. Scenario 1 CCAP Cost with Upper and Lower Bounds, Actuals 2015–2017 and Projections 2018–2022 (YOES)

Sources: DEEL, 2018; BERK Consulting, 2018.

SCENARIO 2:

Increase Subsidy Amounts by 10%

Scenario 2 represents a 10% annual increase in CCAP subsidies. As scenario 2 used the same 9.4% annual decline in population as the status quo scenario, program costs increase at only 0.6% annually.

No bounds were created for this scenario.

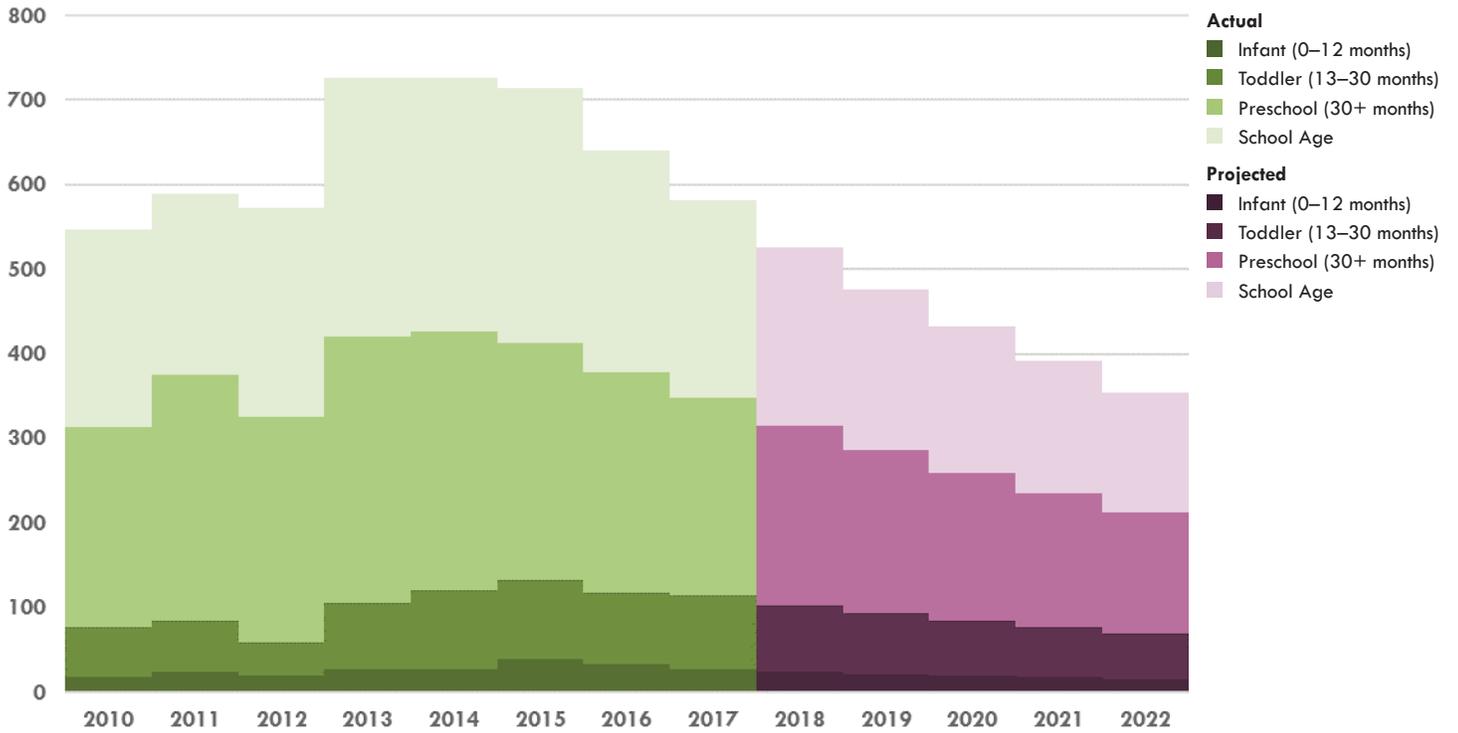


Exhibit 48. Scenario 2 CCAP Recipients by Age Category, Actuals 2010–2017 and Projections 2018–2022

Sources: DEEL, 2018; BERK Consulting, 2018.

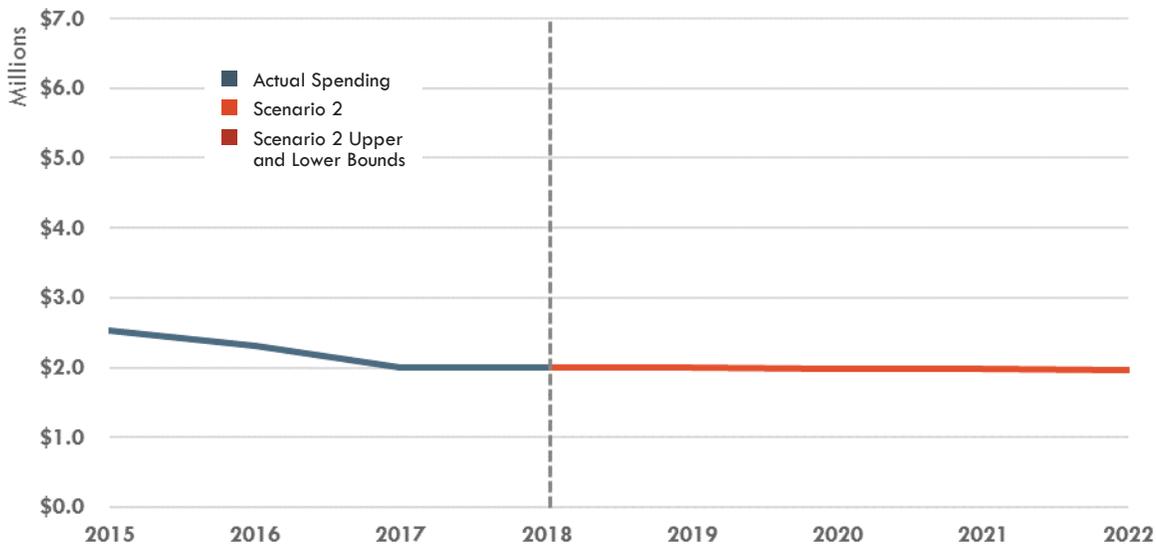


Exhibit 49. Scenario 2 CCAP Cost with Upper and Lower Bounds, Actuals 2015–2017 and Projections 2018–2022 (YOE\$)

Sources: DEEL, 2018; BERK Consulting, 2018.

SCENARIO 3:

Expand Income Eligibility to 185%–300% of FPL

Scenario 3 estimates the effect of widening the income eligibility range from the current 200%–300% to include 185%–200% of FPL. As discussed in the Recommendations, including this range would include single-income families that earn the City of Seattle \$15 per hour minimum wage (equivalent to a full-time employment income of 192% of FPL).

DEEL calculates a percent of cost paid for bands within the current 200%–300% of FPL (Exhibit 41). For the baseline scenario 3, BERK used DEEL's CCAP subsidy rate of 80% for families at 185%–200% of FPL.

BERK estimated upper and lower bounds for scenario 3 by using different assumptions about the subsidy rate schedule. For the lower bound, a consistent subsidy rate of 70% was applied to the expected additional subsidy recipients from families at 185%–200% of FPL. The upper bound estimates the program cost if all subsidy recipients at 185%–200% of FPL were assigned a 90% subsidy rate, higher than the current rate.

Keeping with DEEL's request to look at the change of one variable, all other variables were kept consistent with the status quo scenario. This includes the change in recipient program participation, which has been declining at 9.4% annually. Exhibit 51 contains the actual and projected CCAP. There is an initial bump in CCAP subsidy recipients, but an annual decrease of 9.4%.

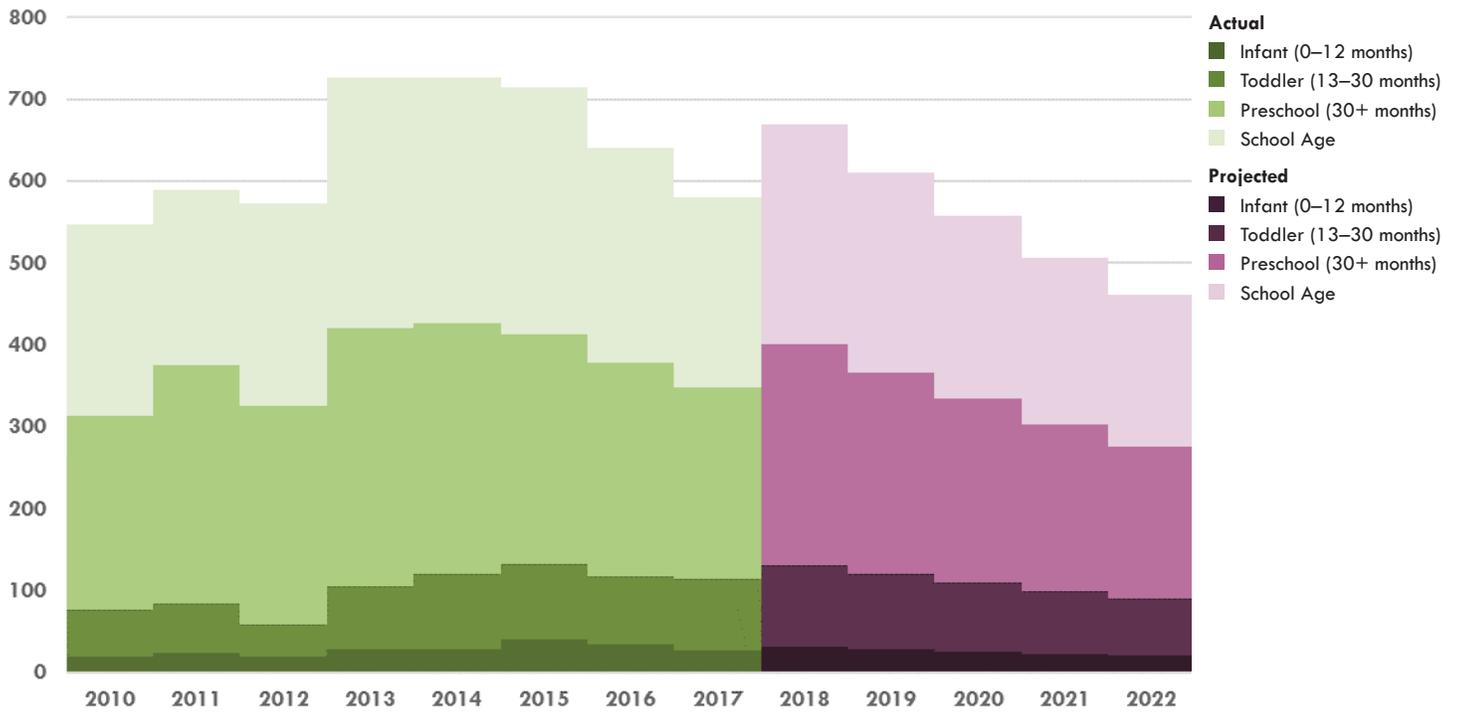


Exhibit 50. Scenario 3 CCAP Recipients by Age Category, Actuals 2010–2017 and Projections 2018–2022

Sources: DEEL, 2018; BERK Consulting, 2018.

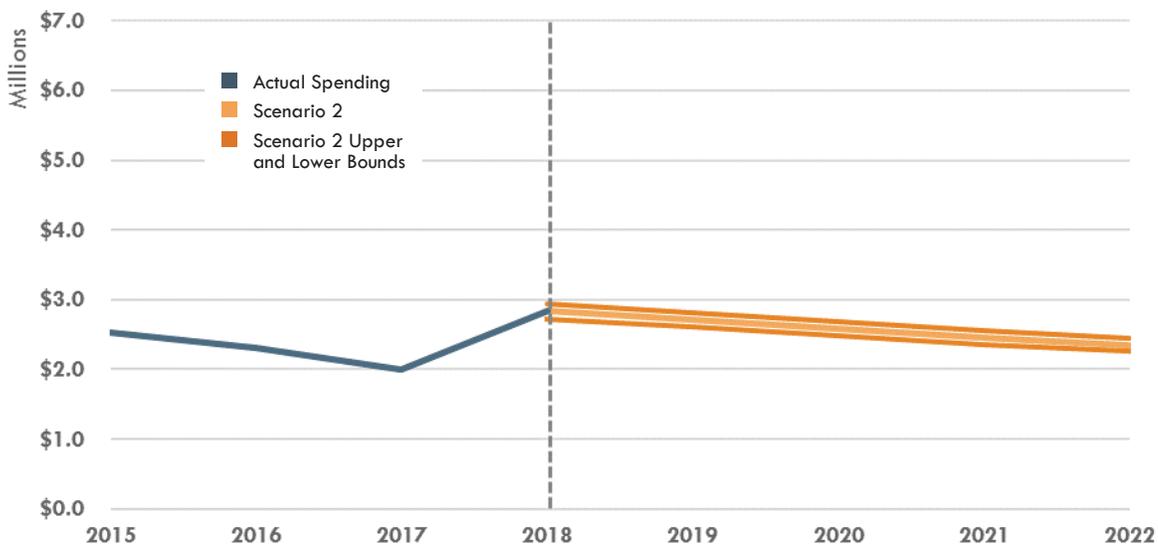


Exhibit 51. Scenario 3 CCAP Cost with Upper and Lower Bounds, Actuals 2015–2017 and Projections 2018–2022 (YOE\$)

Sources: DEEL, 2018; BERK Consulting, 2018.

SCENARIO 4:

Expand Income Eligibility to 200%–350% of FPL

Scenario 4 estimates the effect of widening the income eligibility range from the current 200%–300% to include 300%–350% of FPL.

DEEL calculates a percent of cost paid for bands within the current 200%–300% of FPL (Exhibit 42). For scenario 4, BERK extended DEEL's CCAP subsidy rate chart in a similar income bracket approach. The baseline scenario 4 subsidy rates are assumed to be:

- » 300%–310% of FPL: 25% of school care cost
- » 310%–330% of FPL: 15% of school care cost
- » 330%–350% of FPL: 10% of school care cost

BERK estimated upper and lower bounds for scenario 4 by using different assumptions about the subsidy rate schedule. For the lower bound, a consistent subsidy rate of 15% was applied to the entire 300%–350% of FPL income band. The upper bound estimates the program cost if all subsidy recipients in the 300%–350% of FPL were assigned a 25% subsidy rate, equal to DEEL's current highest income group, 294%–300% of FPL.

At DEEL's request, all other variables were kept consistent with the status quo scenario. This includes the change in recipient program participation, which has been declining at 9.4% annually. In Exhibit 59, there is an initial bump in CCAP subsidy recipients, but an annual decrease of 9.4%.

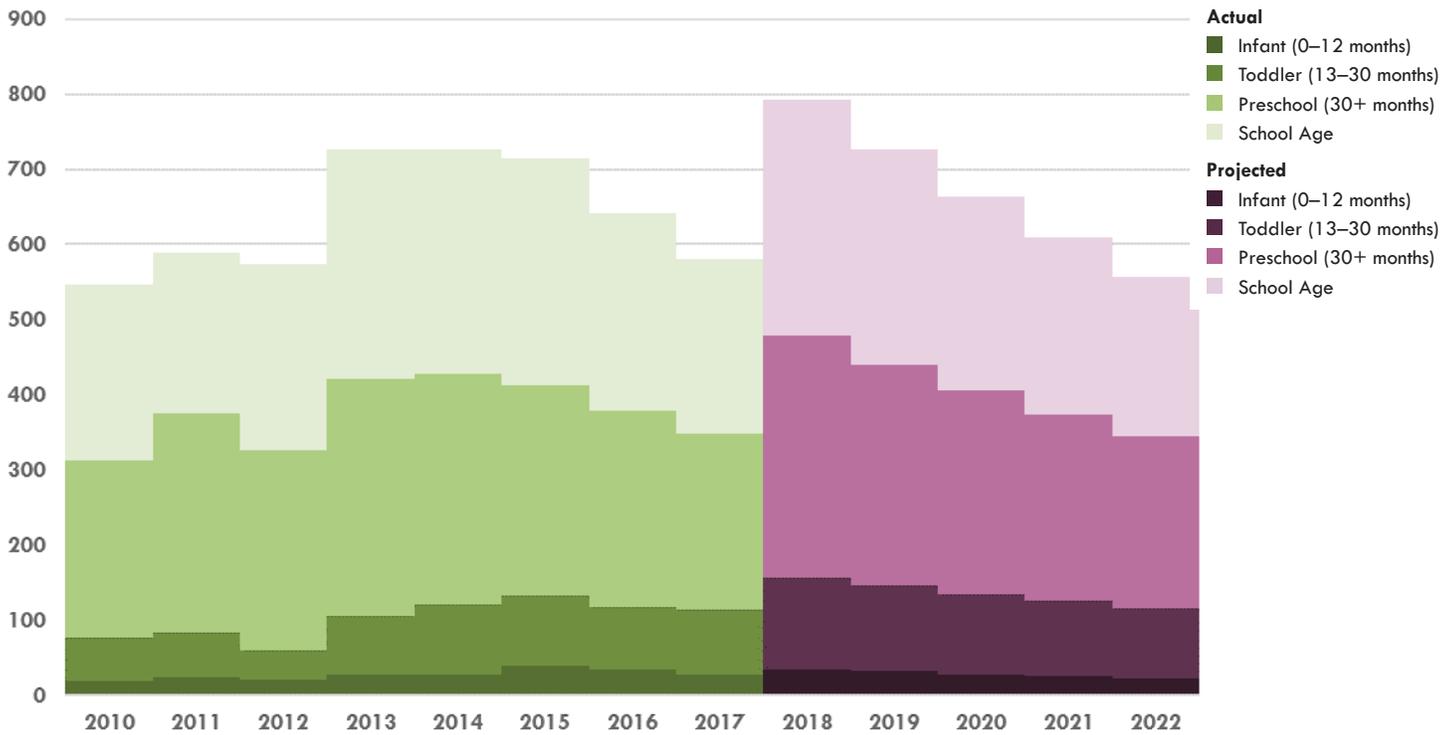


Exhibit 52. Scenario 4 CCAP Participants by Age Category, Actuals 2010–2017 and Projections 2018–2022

Sources: DEEL, 2018; BERK Consulting, 2018.

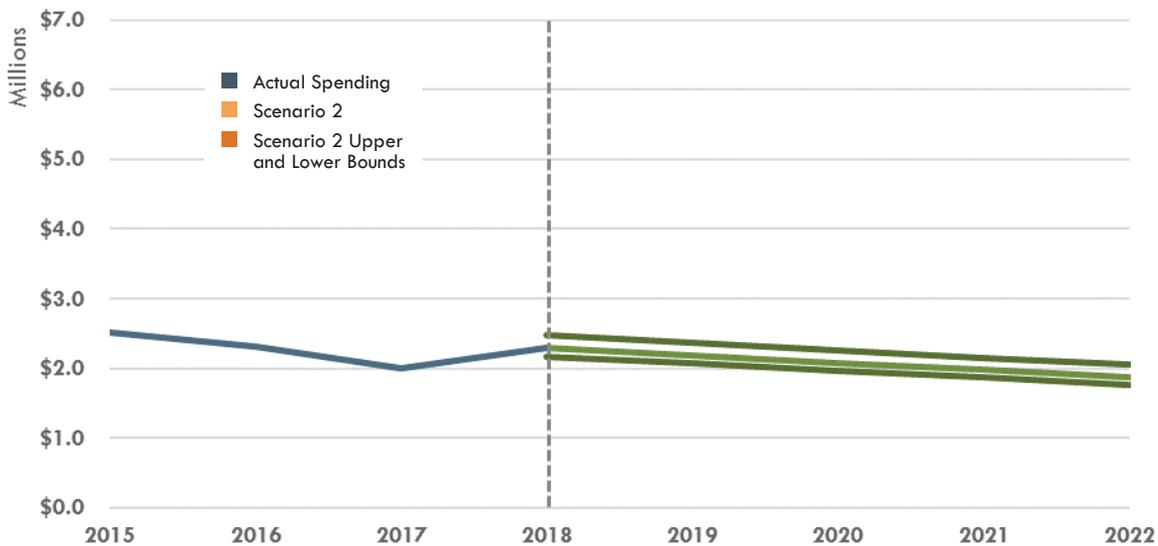


Exhibit 53. Scenario 4 CCAP Cost with Upper and Lower Bounds, Actuals 2015–2017 and Projections 2018–2022 (YOE\$)

Sources: DEEL, 2018; BERK Consulting, 2018.

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APPENDICES

CITY OF SEATTLE DEEL · CCAP ANALYSIS AND RECOMMENDATIONS

Appendix A. Race and Social Justice Initiative

Appendix B. Subsidy Recipient Survey

Appendix C. CCAP Analysis and Recommendations Project Scope Crosswalk

Appendix D. Original Research Questions

Appendix E. Methodology

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APPENDIX A. RACE AND SOCIAL JUSTICE INITIATIVE

Step 1.

Set Outcomes. Leadership communicates key community outcomes for racial equity to guide analysis.

At the beginning of the project, BERK and the DEEL project management team defined success as identifying strategies for reducing underspend in CCAP by better serving those furthest from opportunity. Throughout the analysis, BERK revisited possible lines of inquiry and recommendations with this in mind and evaluated policy options for efficiency and equity.

Step 2.

Involve Stakeholders + Analyze Data. Gather information from community and staff on how the issue benefits or burdens the community in terms of racial equity.

BERK worked with and interviewed DEEL staff from Program Intake Representatives to Education Specialists and Managers; we deployed a survey in the top seven languages spoken at home by CCAP families; and we held focus groups and one-on-one interviews with identified community stakeholders and providers. In analyzing the qualitative and quantitative data we received, we looked for evidence of disparate impacts on communities of color, low-income communities, and undocumented communities.

Step 3.

Determine Benefit/Burden. Analyze issue for impacts + alignment with racial equity outcomes.

The policy recommendations included in this document represent the nexus between efficiently reducing underspend and prioritizing solutions that result in greater racial equity and social justice. At times, we highlight recommendations unlikely to resolve CCAP underspend, but likely to importantly improve the program's benefits to prioritized communities. When efficient recommendations were obvious, we looked for ways to maximize the degree to which those solutions benefited prioritized communities.

Step 4.

Advance Opportunity or Minimize Harm. Develop strategies to create greater racial equity or minimize unintended consequences.

The recommendations we present are our best efforts at advancing racial equity in CCAP, both by making CCAP subsidies more available to prioritized communities and by reducing existing inequities in how the program is structured and managed.

Step 5.

Evaluate. Raise Racial Awareness. Be Accountable. Track impacts on communities of color overtime. Continue to communicate with and involve stakeholders. Document unresolved issues.

This step is for DEEL to implement. DEEL is aware of inconsistencies in how the CCAP data management system tracks key indicators like family income over time. Their planned updated data management system, currently being revised for use for the Seattle Preschool Program, may assist their efforts to remain accountable over the long term.

Step 6.

Report Back. Share information learned from analysis and unresolved issues with Department Leadership and Change Team.

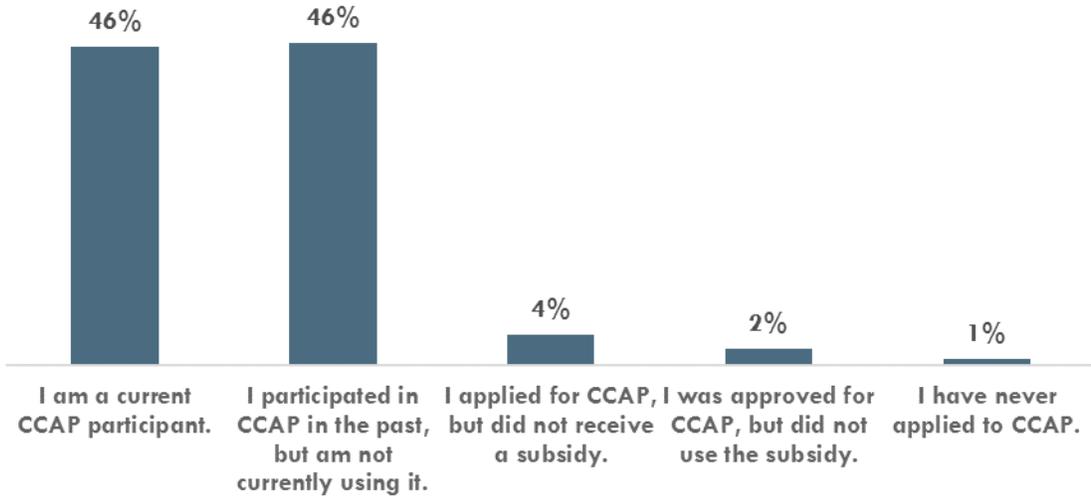
This step is for DEEL to implement.

APPENDIX B. SUBSIDY RECIPIENT SURVEY

Survey Respondent Characteristics Summary

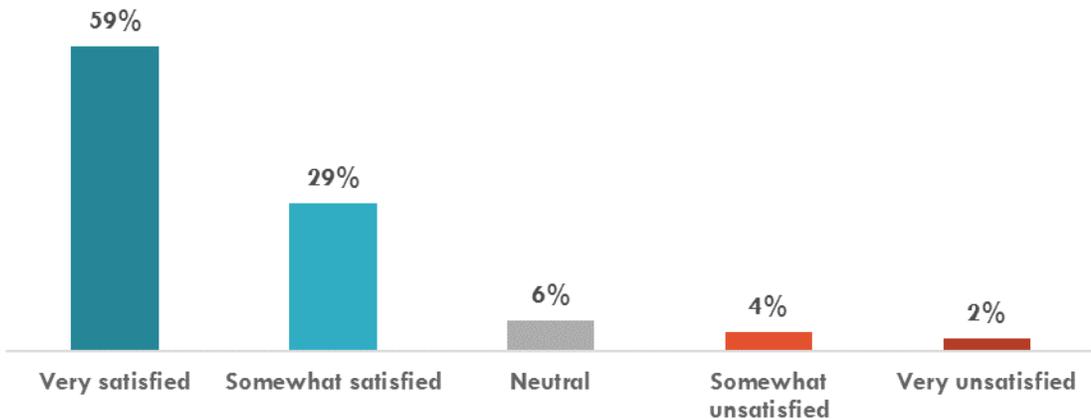
- » Most respondents (63%) did not participate in other child care subsidy or assistant programs. Among those that did, 24% participated in WCCC, 10% received a private tuition scholarship, and a few received other Seattle assistant programs, such as SPP, Step Up/Ahead, and SPR scholarships.
- » Most respondents (90%) live in Seattle. These respondents mostly lived in Council District 2 (41%), followed by Council District 3 (17%), and Council District 1 (15%). Of the 10% that live outside Seattle, most lived in other parts of King County (Skyway, Auburn, Burien, Tukwila, Lynnwood, Kent), and a few lived in other parts of Washington State or had moved out of state.
- » 40% of respondents made between \$35,000 to \$49,999 in gross income over the past year. 27% made between \$50,000 and \$74,999, and 25% made between \$25,000–\$34,999. (Question 19)
- » Most respondents (82%) were employed full time, and 10% were employed part time. 11% were enrolled in school or classes either part-time or full-time. (Question 20)
- » Many respondents were single parents raising one child. About 40% of respondents had only 2 people in their household, including adults and children (Question 21). 50% of respondents only had one child, and 34% of respondents had two children (Question 23). 76% of respondents were single parents. (Question 22)
- » The majority of respondents were people of color. 40% of respondents identified as white, 34% as Black or African American, 22% as Asian or Pacific Islander, and 15% as Hispanic or Latino. (Question 25)

Question 1. What is your experience with CCAP? (n = 201)



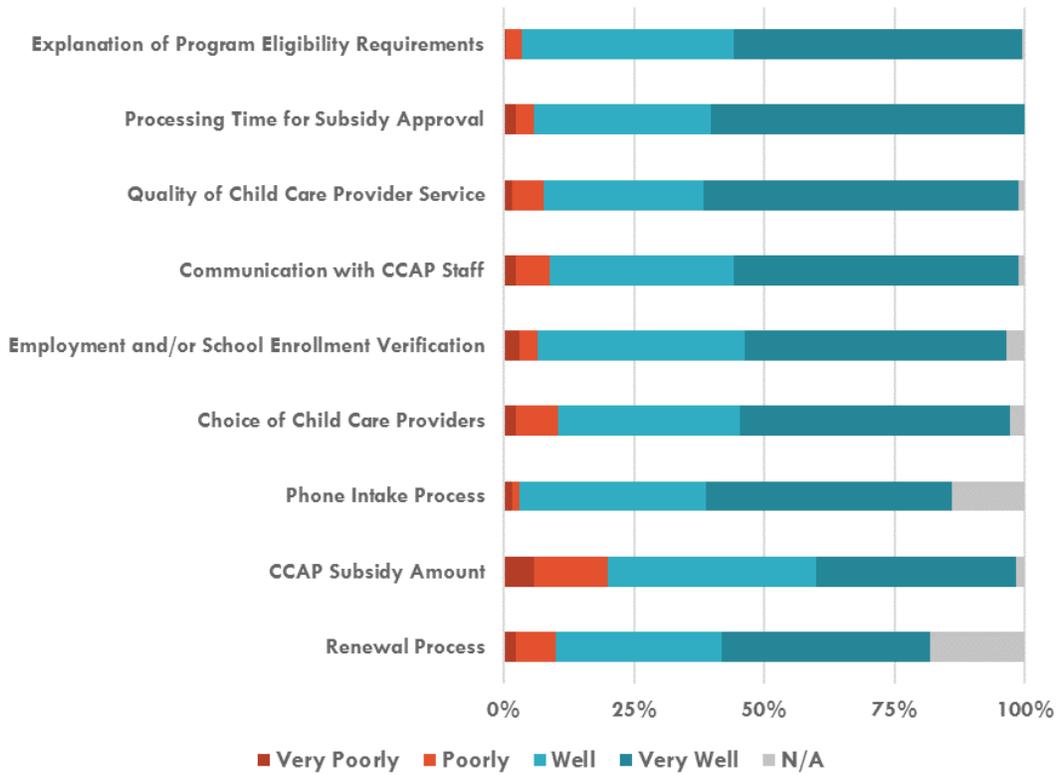
Sources: BERK Consulting, 2018.

Question 2. How satisfied are you with your CCAP experience? (n = 170)



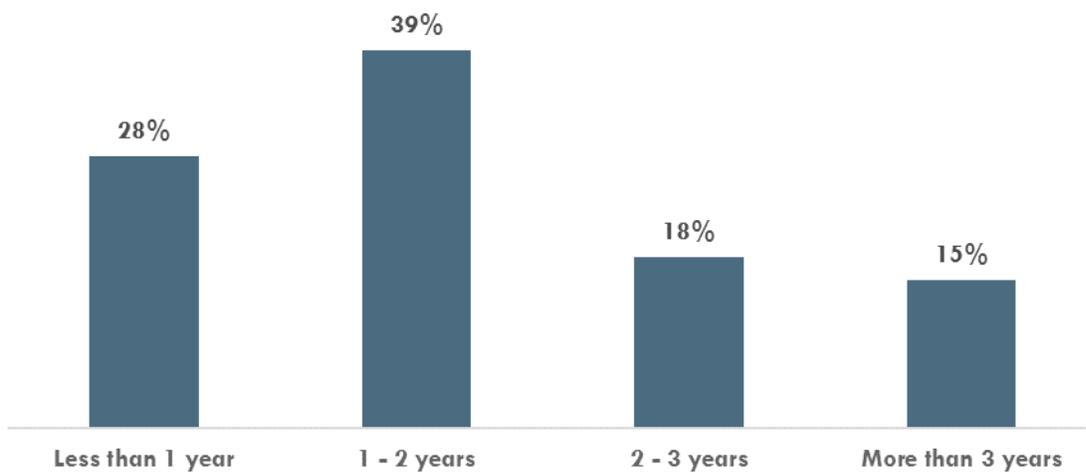
Sources: BERK Consulting, 2018.

Question 3. How well did the following parts of the program work for you? (n = 170)



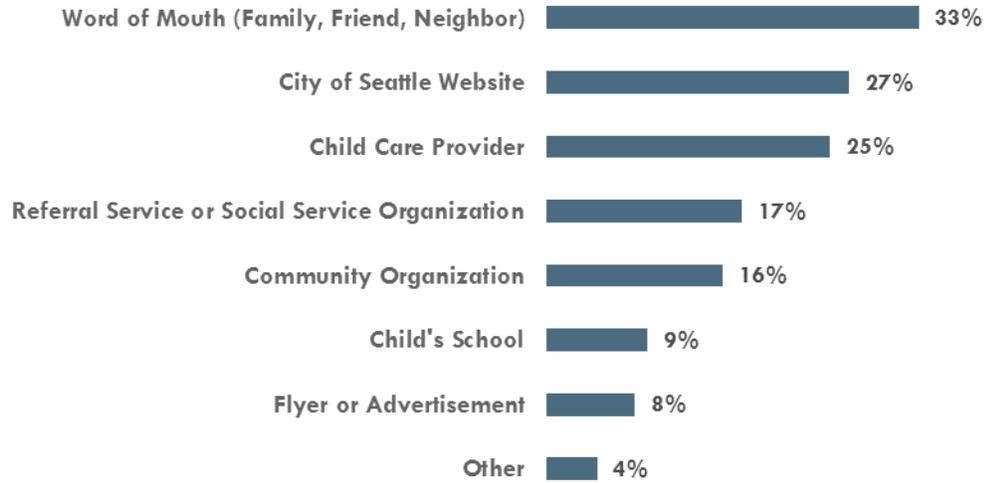
Sources: BERK Consulting, 2018.

Question 4. How long have you participated in CCAP? If you had any breaks, add all the months you participated together. (n = 164)



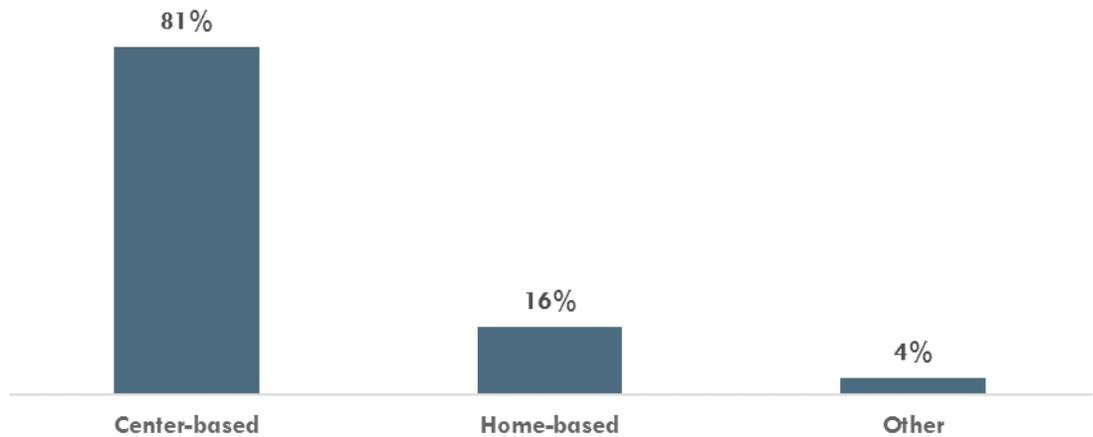
Sources: BERK Consulting, 2018.

Question 5. How did you hear about CCAP? Check all that apply. (n = 180)



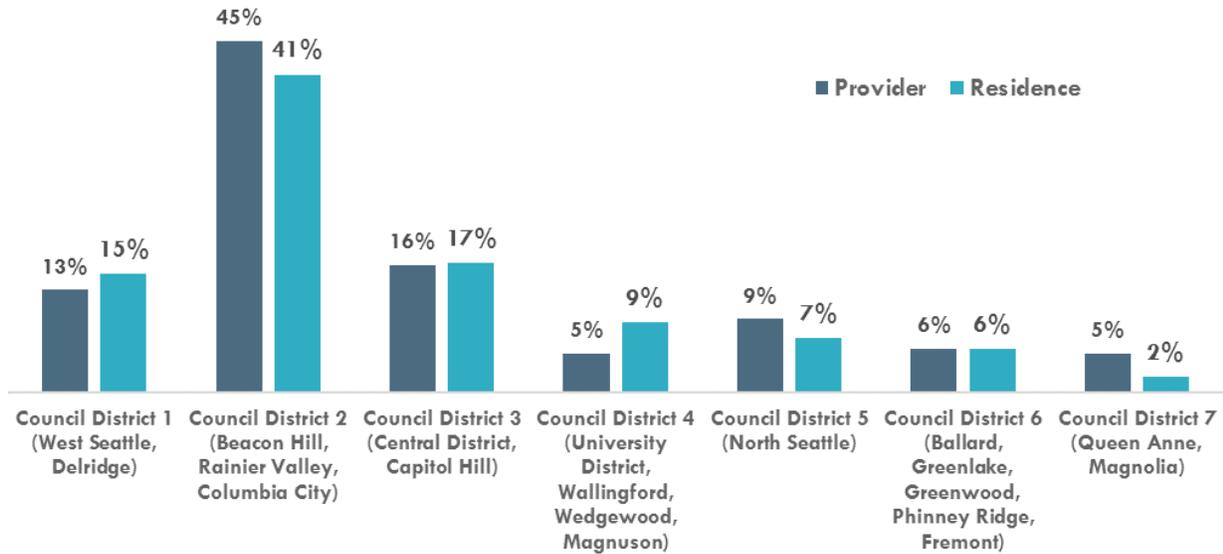
Sources: BERK Consulting, 2018.

Question 6. What type of facility is your current or past child care provider? (n = 159)



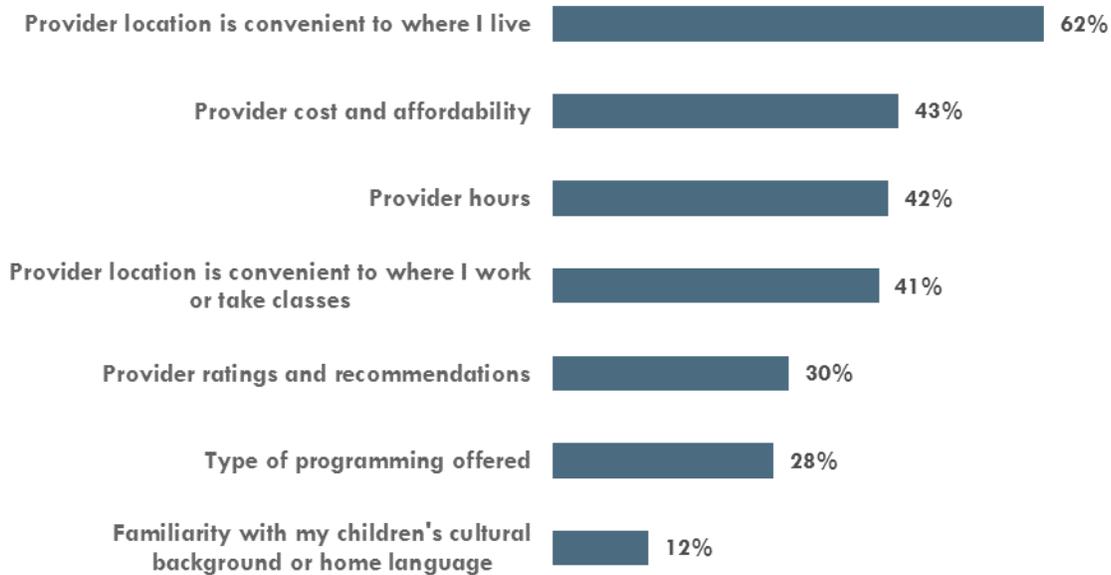
Sources: BERK Consulting, 2018.

Question 7. Where is/was your provider located? Where do/did you reside? (Map provided for reference; n = 159)



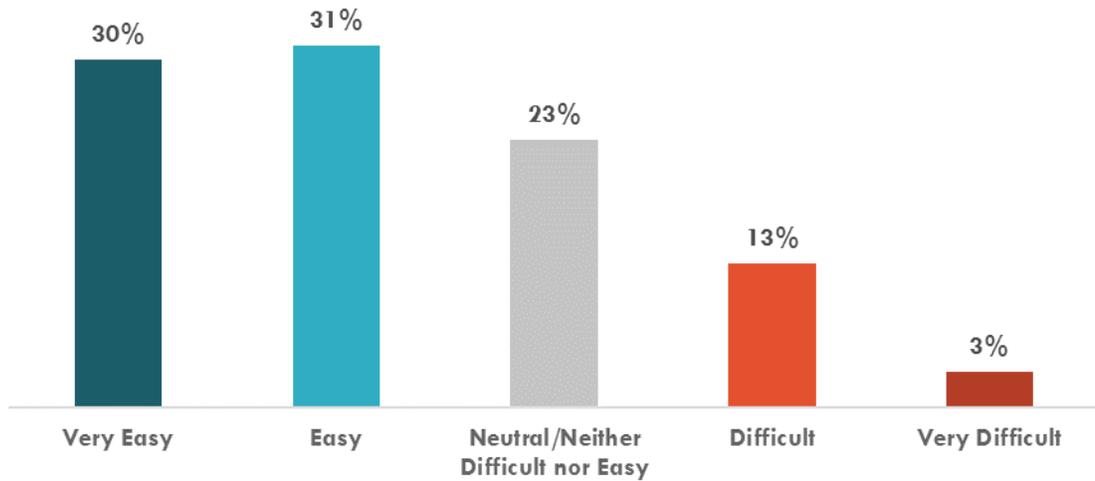
Sources: BERK Consulting, 2018.

Question 8. What were your top three factors in choosing a provider? Select up to three. (n = 159)



Sources: BERK Consulting, 2018.

Question 9. How easy or difficult was it to find a provider who accepted the CCAP subsidy AND met your top criteria? (n = 160)



Sources: BERK Consulting, 2018.

COMMENTS

I received information about the subsidy program after enrolling my son with the provider.

I was shocked at how difficult it was to find appropriate childcare in Seattle.

It was very hard to find a daycare with availability

I ultimately found what I needed, but It was tremendously difficult. I tried many providers.

Many many of the home based locations I looked at had different care providers there each day I went.

Most childcare closes too early. I work until 5 downtown and take bus to pick up kid, childcare must be open until 6 at least, 7 preferred. -in University District/Wallingford area, there is not much childcare. just not enough choice.

They're doing better on being attentive to my child's needs...

I was using my provider before applying for CCAP, and my provider told me about CCAP, so this was not a factor for me at all.

Great program, thank you!

A lot of the places I would even consider had no openings for my daughters age.

My provider was the ONLY one accepting my infant that was 3months at the time!! Everyone else on the list either didn't have room or drop in time was later than I needed.

This was a few years ago, I imagine it would be more difficult today

I used providers in Central district and Rainer valley

There are not a lot of center based options in West Seattle that take City of Seattle.

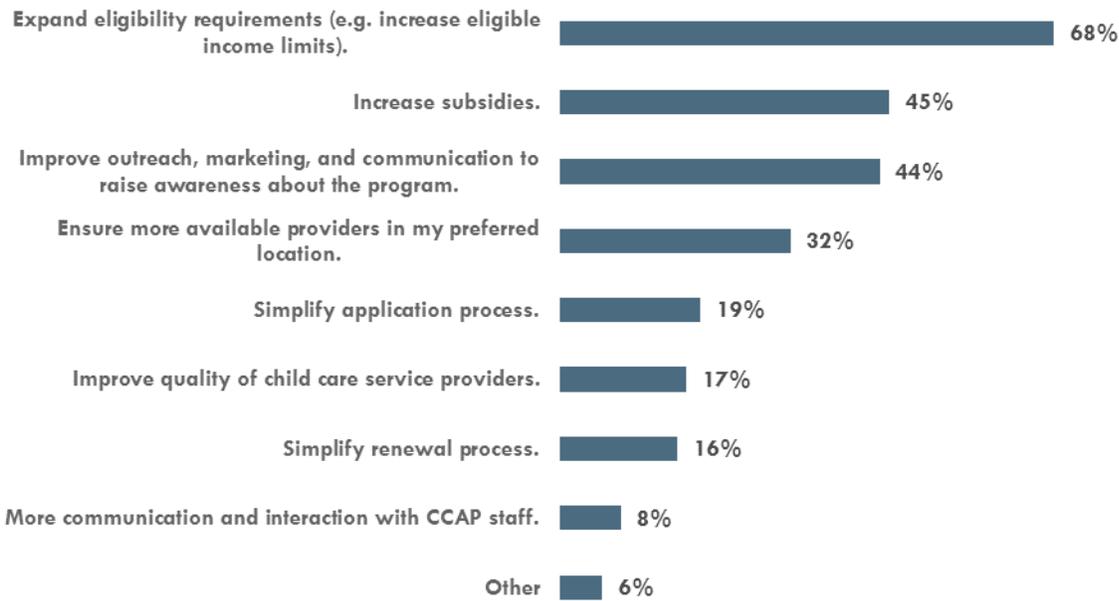
CCAP is too racist.

Child care is way too expensive. While I'm grateful for all help received, my subsidy did not cover enough to pay my portion comfortably.

For number 8, the choice of provider was based solely on simply finding a provider that had a slot, and/or returned my phone call.

Children already attended the center

Question 10. To help reach more families in need, what improvements to the CCAP program would you recommend? Choose your top three. (n = 155)



Sources: BERK Consulting, 2018.

COMMENTS

Have more of a description of benefits and incorporate other income expenses.

I only have those two improvement recommendations.

Seeing where providers are located on a map would be helpful. Sometimes it's hard to tell based off of zip codes. Some providers were not easy to get a hold of also.

I have no idea

There was a lot of phone tags and not easily available to talk to a live person.

Develop partnership plan w/ Seattle Public Schools Family & Community Engagement Programs and Taskforce Board (both located at SPS District HQ - JSCEE) to give CCAP Overview Training & materials so CCAP & SPS jointly may create an awareness campaign for schools: overview training for relevant Staff/School Partners (such as on-school site Boys & Girls Club locations, etc) & next launch CCAP awareness event/outreach materials distribution which are "student + parent focused".

Another recommendation is to develop CCAP outreach promo doc to be used as SPU/Sea City Light Utilities mailer insert with City of Sea/SPU Customers monthly bill for services.

Also, a partnership and awareness campaign development for all SPL (Seattle Public Libraries) locations & on SPL's website. Hope some of these suggestions are helpful!

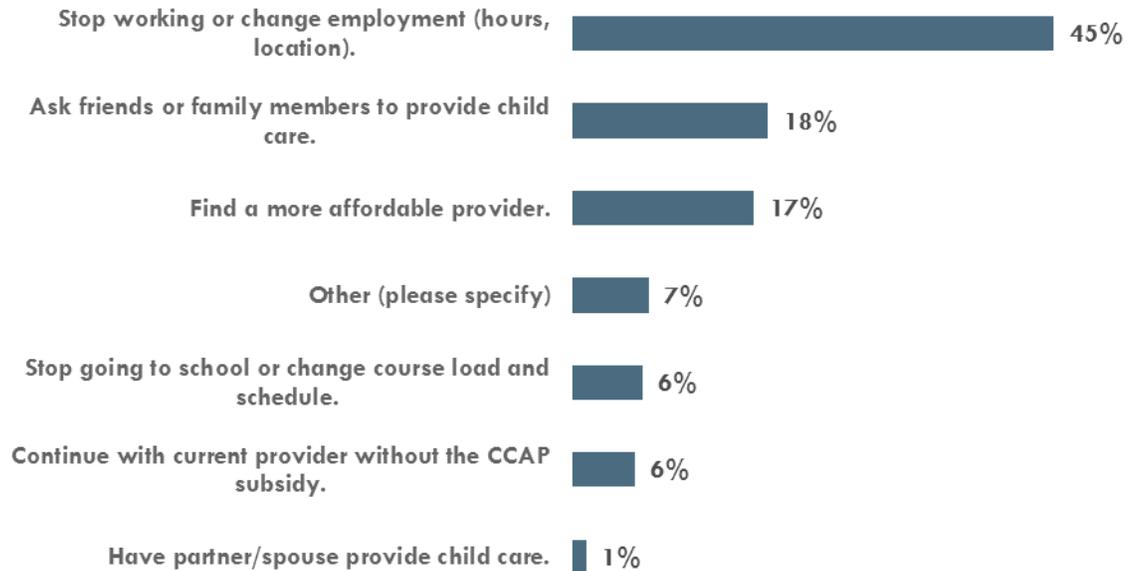
Lower eligibility requirements for income. I know that DSHS will provide subsidies for lower incomes but, for me, the DSHS program ultimately caused me and my family more harm than good. Due to a domino effect of dysfunctional policy our family was on the brink of homelessness after trying to utilize the DSHS program. The City of Seattle childcare subsidy program was amazingly functional and helpful in contrast.

Decrease barriers around full time employment for both parents

More assistance during school gaps to account for studying/registration/etc

Question 11. What other ways can CCAP improve? (n = 40)

40 comments, some of which include identifying information and cannot be included.

Question 12. Without the CCAP subsidy, how would you meet your child care needs? Choose the one action you would most likely take. (n = 155)

Sources: BERK Consulting, 2018.

Question 13. Is there anything else you want to share about your experience with CCAP? (n = 64)

64 Comments, some of which include identifying information and cannot be included.

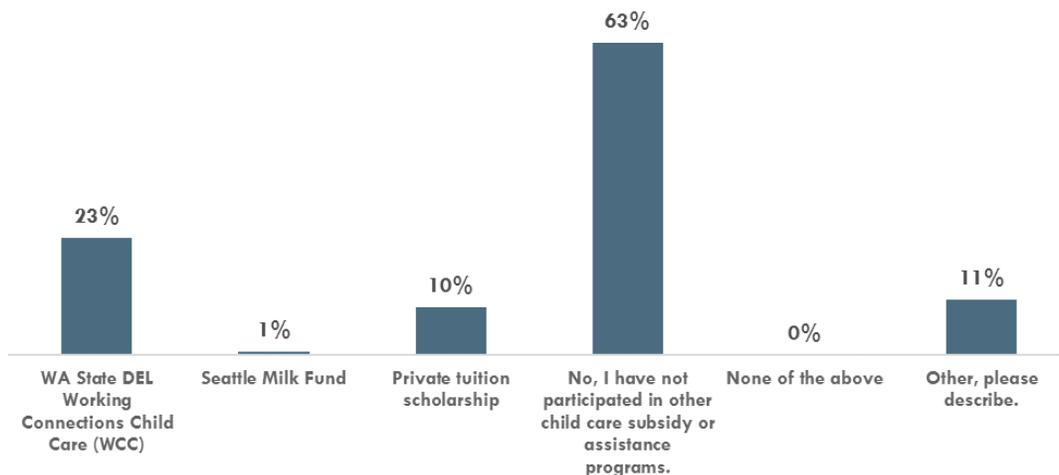
Question 14. (If you did not receive or use the CCAP subsidy) Please share why you did not receive or did not use the CCAP subsidy. (n = 11)

COMMENTS
Changed jobs
Live outside Seattle
I am currently receiving CCAP voucher and I am happy by the support and program
No open slots or receiving centers
Even the discounted amount was more than I could afford
Did not qualify
Move out to pierce county
Because I work on the weekends, I was told I can technically take care of my [child]. However, I need childcare because I'm trying to transition into a career. This requires me to work on my portfolio and resume and start actively searching for jobs. My weekend job was never meant to be a long-term solution. But a necessity to help pay bills. Also, in other countries, families get stipends whether they choose to stay at home parents or not. Also the website has dead links and is not accurate. When I applied, I met the requirements. However, after applying, this stipulation of my schedule was communicated. Why is this not communicated on the website? It would also be great if we could use the stipend for more childcare places than just on the provider list.
N/A
income requirement
Got a subsidy from my child's program
Graduate students don't qualify.
I either didn't complete the renewal paperwork in time or my income increased, or both
Because I am "over the income limit"

Question 15. How did you hear about CCAP? Check all that apply.

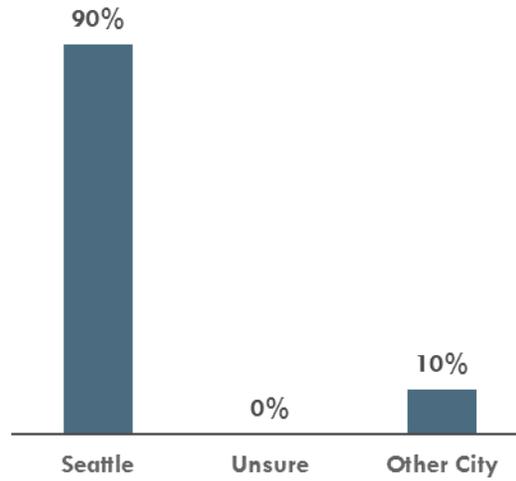
See Question 5.

Question 16. Have you participated in or received other child care subsidies? Check all that apply. (n = 145)



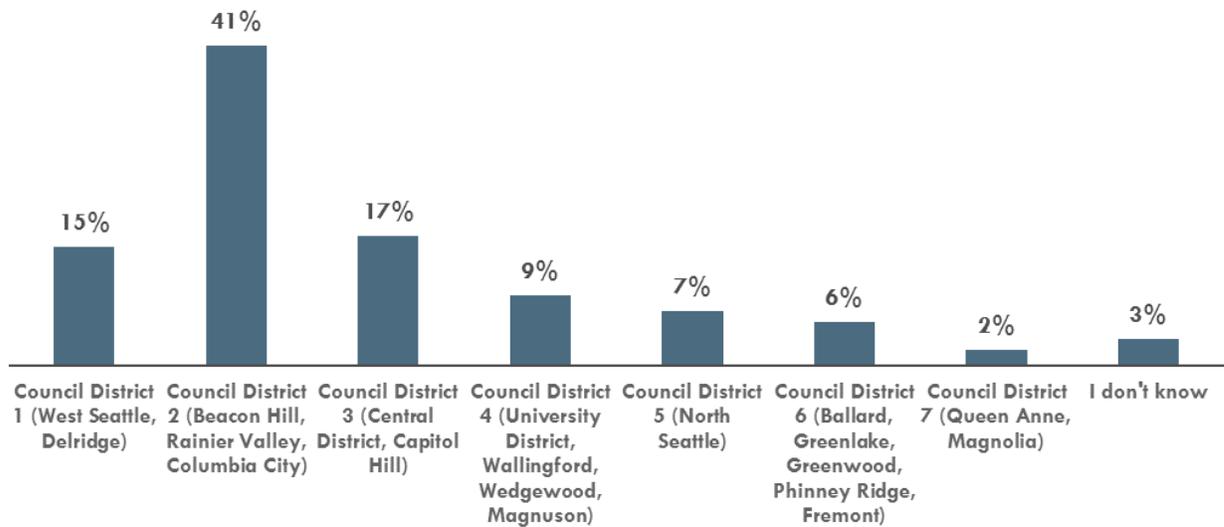
Sources: BERK Consulting, 2018.

Question 17. What city do you live in? (n = 157)



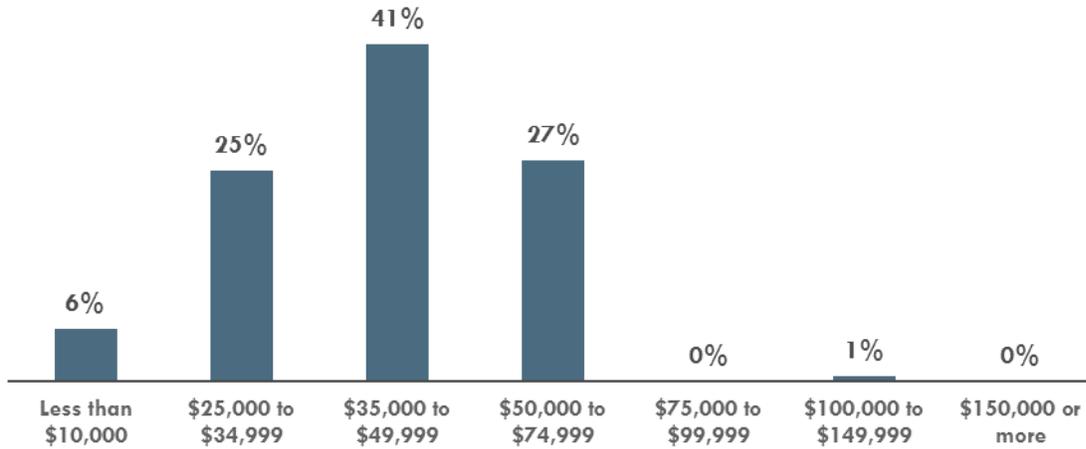
Sources: BERK Consulting, 2018.

Question 18. If you live in Seattle, what district do you live in? Use the map below. (n = 144)



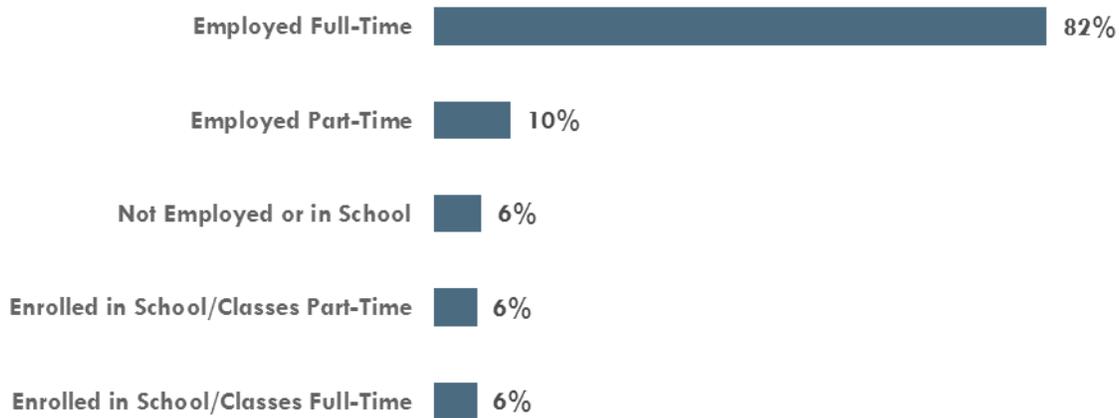
Sources: BERK Consulting, 2018.

Question 19. What was your total household income before taxes during the past 12 months? (n = 157)



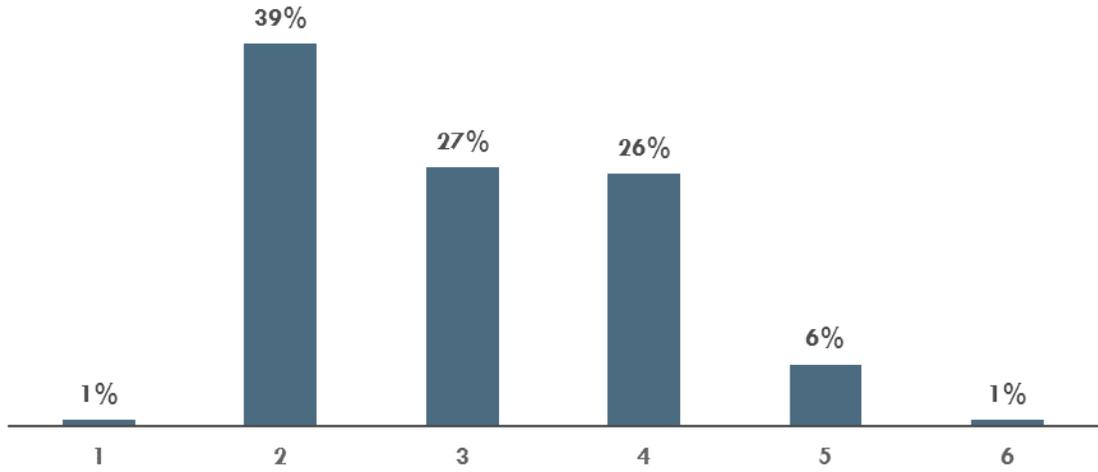
Sources: BERK Consulting, 2018.

Question 20. What is your current employment and enrollment status? Choose all that apply. (n = 157)



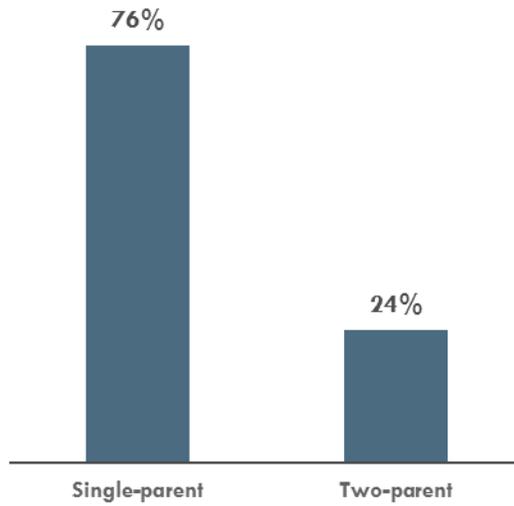
Sources: BERK Consulting, 2018.

Question 21. How many people live in your household (adults and children)? (n = 157).



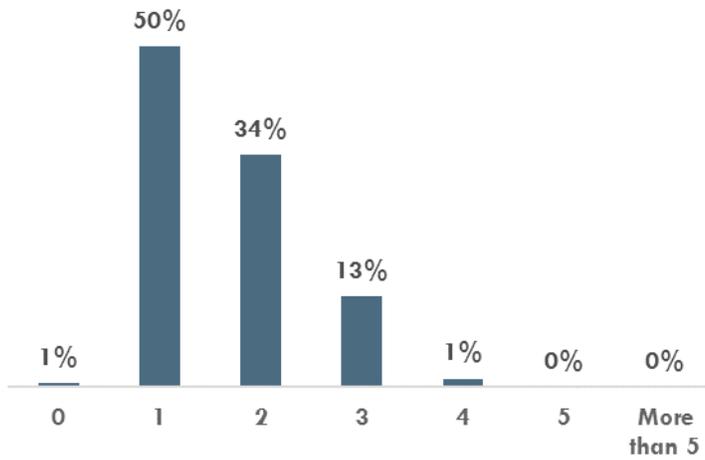
Sources: BERK Consulting, 2018.

Question 22. Are you a single-parent or two-parent household? (n = 157)



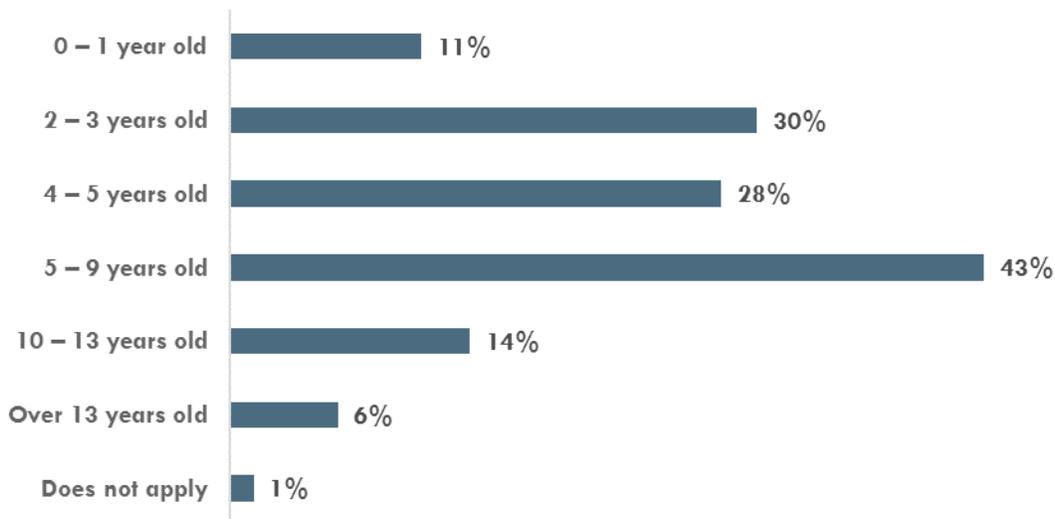
Sources: BERK Consulting, 2018.

Question 23. How many children live in your household? (n = 157)



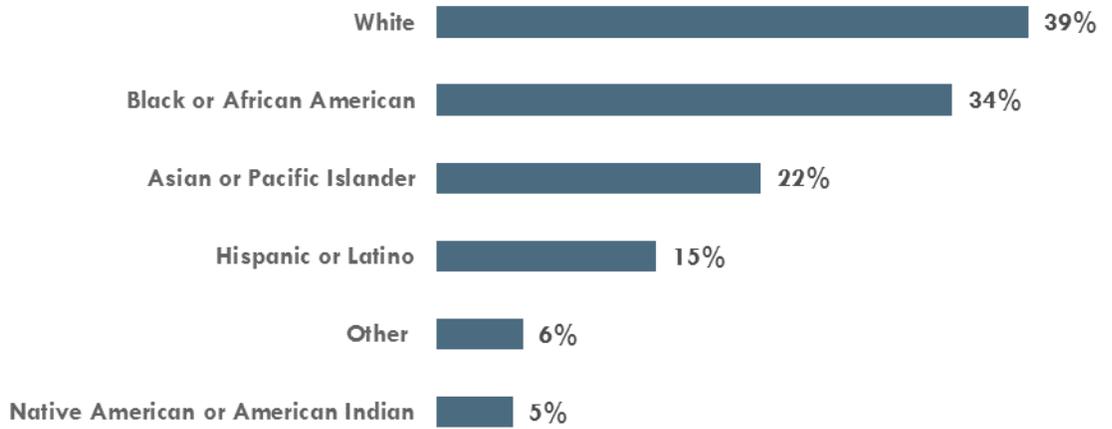
Sources: BERK Consulting, 2018.

Question 24. How old are your children who are (or were) enrolled in CCAP? Check all that apply. (n = 147)



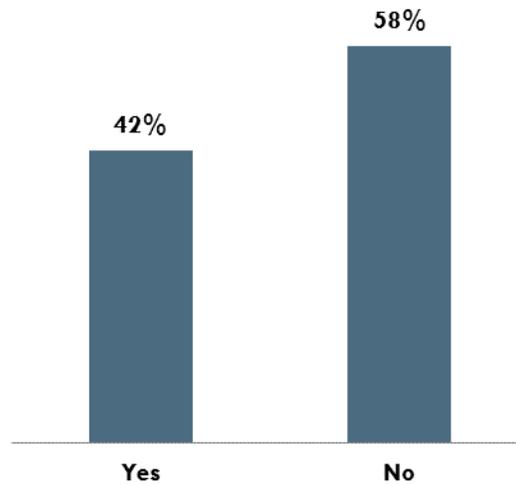
Sources: BERK Consulting, 2018.

Question 25. Which of the following describes you? Choose all that apply. (n = 157)



Sources: BERK Consulting, 2018.

Question 26. Would you be willing to participate in a follow-up phone interview or focus group? (n = 146)



Sources: BERK Consulting, 2018.

APPENDIX C. CCAP ANALYSIS AND RECOMMENDATIONS

PROJECT SCOPE CROSSWALK

DATA, TECHNICAL BACKGROUND, AND IMPROVEMENT RECOMMENDATIONS REPORT SCOPE	IDENTIFICATION IN REPORT
Identify program gaps and summary of community characteristics	CCAP Program Information, Demographics; CCAP Program Information, Providers, Enrollment; CCAP Program Information, Providers, Service Gaps; Program Operations; Conclusions and Recommendations
Provide sources, references, or justifications for all data estimates	<i>Provided throughout</i>
Answer DEEL Research Questions	Delineated in Appendix D. Original Research Questions
Evaluate impact, pros, and cons of various policy recommendations	Executive Summary
Estimate the financial and operational implications associated with different options	Fiscal Impact Estimates

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APPENDIX D. ORIGINAL RESEARCH QUESTIONS

RESEARCH QUESTION	KEY FINDINGS
What are the opportunities to align CCAP with the State voucher program (Working Connections/Department of Social and Health (DSHS))?	Working Connections' subsidy at its highest income eligibility levels burdens those families with a higher copay than their higher-earning peers who qualify at 200% income Federal Poverty Level (FPL) eligibility. We recommend expanding eligibility down to 185% FPL to provider some overlaps for the families who may be better served by CCAP than by Working Connections.
What specific outreach/communications efforts activities would impact the number of families accessing the CCAP subsidies?	<p>Some families navigating public agencies with language barriers or who may be undocumented may find the English-language website difficult to navigate, prompting potentially eligible families not to inquire further. We recommend updating online materials to be more accessible in tone and language to these potentially eligible families.</p> <p>CCAP is primarily spread through word of mouth, and we recommend a more robust approach to outreach to broaden the communities who may have contact with CCAP, including:</p> <p>Place CCAP information in libraries, schools, community centers, local businesses, health care providers</p> <ul style="list-style-type: none"> » Use existing resources, like DEEL staff and Department of Neighborhoods' Community Liaisons, for outreach to providers, programs, organizations, and potential applicants » Partner with programs involved in services to and with expecting low-income parents, like Open Arms and Nurse-Family Partnership
How could the City expand eligibility in a way that maximizes benefits for families furthest from opportunity (income requirement, residency requirement for Seattle-public sector employees)?	In addition to recommending expanding eligibility down to 185% FPL, we recommend increasing eligibility to 350% FPL. Additionally, we recommend adding English as a Second Language/English Language Learners as an acceptable education enrollment standard.
What are the characteristics of families that could benefit from the CCAP in Seattle as they relate to family gross income levels, parent employment/educational program enrollment status, child's age, race, ethnicity, geographic distribution, and childcare alternative?	<p>We identify District 5 as an area with key qualifying and demographic characteristics currently underserved by CCAP, including:</p> <ul style="list-style-type: none"> » Concentration of people of color » Concentration of people between 200% and 300% FPL » Concentration of children aged 0–12 » Relative lack of CCAP providers available compared to other Districts <p>Data allowing analysis by parent employment/educational program enrollment status was not available.</p>
What is the projected uptake rate and financial implications of any recommended policy changes?	The uptake rate cannot be projected. We use our estimated historic uptake rate as a basis for scenario modeling in Fiscal Impact Estimates to evaluate how fiscal impacts change with adjustments to the uptake rate.

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APPENDIX E. METHODOLOGY

BERK's approach included integration of qualitative and quantitative data analysis and program review. These approaches were framed by the Racial Equity Toolkit and attempted to apply the racial equity and social justice lens throughout.

Race and Social Justice Initiative

While designing this project with DEEL, BERK tracked our analytic steps to the steps of the racial equity toolkit. For a full description of how the racial equity toolkit was considered, please see Appendix A. RSJI on page 91.

BERK followed lines of inquiry that we determined could reveal actual or potential disparate impacts based on race, documentation status, and economic conditions. We sought means of comparative analysis that allowed us to evaluate level of representation, highlighting where CCAP is succeeding in equity and where its operations can be adjusted for greater equity moving forward.

Due to the condensed timeline, BERK was able to perform limited outreach and engagement necessary to garner feedback from the Seattle populations who may most benefit from CCAP and those Seattle populations who may not currently have access. As in other program-specific outreach efforts, reaching the non-recipient, non-applicant population was a challenge. DEEL is aware of this challenge and has made internal changes to track potential applicants who do apply for CCAP subsidy or who DEEL determines do not qualify, to support future efforts to meaningfully engage this population.

Qualitative

To understand the successes and challenges of CCAP from the perspective of both program subsidy recipients and non-recipients, BERK employed an engagement approach that targeted three groups:

- » Child Care Providers and Community Organizations
- » CCAP Family Users (Subsidy Recipients)
- » Staff and Comparable Programs

Until late 2017, DEEL did not have a system in place to collect information for families that applied for CCAP but were determined ineligible. Families who were found to be ineligible between late 2017 and early 2018 were included in the qualitative process through the CCAP Subsidy Recipient Survey; 4% of survey respondents were from families who applied for CCAP subsidies but were found ineligible.

- » Child Care Providers and Community Organization Feedback
- » Child Care Providers

BERK gathered feedback from child care providers to better understand their perspective on what works well about CCAP and what could be improved to serve more qualifying families in need. To hear the provider perspective, BERK conducted phone interviews and facilitated two focus groups. BERK contacted 30 child care providers who operate within Seattle and were identified by the DEEL team as important stakeholders. Eleven of the 30 providers agreed to phone interviews, which were completed between February and March 2018.

BERK led a focus group discussion at the monthly DEEL Director's Meeting on March 20, 2018. There were approximately 40–50 participants. Most participants were directors of child care centers who accepted CCAP vouchers, and a few were non-licensed providers. There were also Seattle Public School and City of Seattle representatives. They were asked to discuss child care challenges today, as well as challenges with CCAP and solutions or ideas for improvement. The group was given an opportunity to follow up via email on any additional thoughts or suggestions for improving outreach and communication to potentially qualifying families. Four providers submitted additional comments through this method.

Community Organizations

As a proxy method to reach those communities whose participation rates are lower than would be expected, BERK held a focus group with community-based organizations. BERK invited 15 organizations; two organizations attended: Child Care Resources, a statewide nonprofit that connects parents with child care providers and improves the quality of child care providers in King and Pierce Counties, and the Program for Early Parent Support (PEPS), a Seattle-based nonprofit that helps new parents connect and support each other. The focus group was held on Friday, March 21, 2018 at the Seattle Municipal Tower. The representatives of these organizations were asked to provide feedback on general challenges for child care in Seattle, issues and improvements to CCAP, and suggestions for outreach and communication, especially to those communities who may be underrepresented in the subsidy recipients.

CCAP Family Users (Subsidy Recipient Survey)

CCAP family users were asked to provide feedback on their CCAP experience to better understand what works well about the program and what can be improved. To hear from CCAP families, an online survey was emailed to 848 recipients. Those receiving the survey fell into the following groups:

- » Applicants who were CCAP recipients from 2015–18 (corresponding to the years DEEL has managed CCAP);

- » Applicants who applied, were found eligible, and did not enroll; and
- » Applicants who were found ineligible (income, out of City service area, etc.).

In total, 201 subsidy recipients responded to the survey. Of these, 185 were current or former recipients; the full breakdown of survey respondents' relationship with CCAP is in Exhibit 3.

As the majority of responses (92%) came from current and former subsidy recipients, this survey is referred to as the subsidy recipient survey throughout this report.

The online survey was translated into Spanish, Chinese (both simplified and traditional characters), Vietnamese, Amharic, and Somali. 15 respondents took the survey in a language other than English.

- » 7 responded to the Chinese simplified translated survey;
- » 4 responded to the Amharic translated survey;
- » 1 responded to the Spanish translate survey;
- » 3 responded to the Vietnamese translated survey.

For more information regarding the subsidy recipient survey results, please see Appendix B on page B-1.

Staff and Comparable Programs

BERK interviewed City of Seattle staff who currently or formerly worked with the CCAP program to gather information on program operations and perceived programmatic strengths and weaknesses. In addition to gathering information directly from staff, BERK reviewed program materials, including the 2017 CCAP Policy and Procedure Manual, City of Seattle website, and Vendor Services Agreement.

To gather information on comparable programs, BERK conducted interviews with Washington State Department of Early Learning (DEL) staff from the WCCC program. In addition to speaking with WCCC staff at DEL, BERK also conducted an interview with staff from DEL's Research Division to discuss DEL's research efforts around child care issues and suggestions on data sources for this study.

Quantitative

BERK provided program and demographic data analysis to identify trends in program usage and highlight program gaps, calibrated iteratively as qualitative insights became available.

CCAP Data

DEEL provided us with subsidy recipient, financial, and programmatic data. DEEL collects these data through multiple channels, including the recipient intake process, financial systems, and internal data systems.

DEEL provided historic CCAP data for the years 1995–2017 and partial data for 2018. This dataset included the following provider and non-identifying subsidy recipient information, which BERK relied on for our program data analysis and fiscal impact analysis:

- » Unique child and family codes
- » Race and ethnicity for recipient children
- » Language spoken at home
- » Final paid subsidy amounts
- » Month and year of final paid subsidy amounts
- » Age of recipient children
- » Providers used by recipient families
- » Provider addresses

DEEL staff alerted BERK that while the CCAP data management system records family income, the data field is revised as family income changes. Family income entries are replaced across a recipient's records and could not be accurately tracked for this analysis.

DEEL provided a range of program and financial data, including:

- » Actual CCAP spending for 2010–2017
- » Budgeted CCAP spending for 2015–2018
- » Reimbursement rates and income guidelines for 2015–2017

Other Data Sources

BERK relied on several data sources in our demographic and fiscal impact analysis, including:

- » U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) data, 2010–2014
- » U.S. Census Bureau American Community Survey (ACS) data, 2006–2016
- » Washington State Office of Financial Management (OFM) population data, 2010–2017
- » Washington State Department of Early Learning (DEL) Working Connections Child Care program eligibility data, 2017
- » Washington State Department of Early Learning child care licensure and certification database, 2016

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