

Division of Early Care and Education

2016 ANNUAL REPORT

Early Care and Education in Wisconsin



July 2017



WISCONSIN DEPARTMENT OF
CHILDREN AND FAMILIES



Division of Early Care and Education 2016 Annual Report: Early Care and Education in Wisconsin

The *Division of Early Care and Education 2016 Annual Report: Early Care and Education in Wisconsin* summarizes data related to children and families supported by programs in the Wisconsin Department of Children and Families' (DCF), Division of Early Care and Education (DECE). This report highlights information about regulated child care programs serving Wisconsin families and the activities throughout the Division that support program quality improvement, fraud reduction, and improved access to affordable high-quality child care.

Information highlighted in this report has been collected from bureaus and programs within DECE including: the Bureau of Early Care Regulation (BECR), the Bureau of Early Learning and Policy (BELP), the Bureau of Program Integrity (BPI), and Milwaukee Early Care Administration (MECA). Please refer to the Appendix for an Organizational Chart of DECE.

Report Interpretation

The DECE Annual Report is produced using data collected and stored in DCF automated information systems including: Child Care Statewide Administration on the Web (CSAW), CARES Worker Web (CWW), Wisconsin Child Care Regulatory System (WISCCRS), and YoungStar Case Management. These automated information systems are designed for use by child care eligibility workers, authorization workers, licensing specialists, certification specialists, YoungStar technical consultants, and program integrity staff to support and connect program-wide staff activities and to supply information and documentation regarding services provided to families and children.

This report is available on the Internet at <https://dcf.wisconsin.gov/files/childcare/pdf/2016-dece-annual-report.pdf>



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DECE Vision, Mission, and Values

Vision

All children have access to high-quality early care and education

Mission

To support low-income working families by sharing the cost of child care and to promote the social well-being of all children and families through safe, high-quality early education experiences

Values

<i>Respect</i>	Treat others with the highest degree of dignity and fairness
<i>Accountability</i>	Deliver transparent, fiscally responsible, and programmatically sound services
<i>Collaboration</i>	Work in synergy with stakeholders to deliver quality services
<i>Consistency</i>	Continually deliver reliable services to customers
<i>Effectiveness</i>	Ensure that services strengthen the economic and social well-being of families
<i>Efficiency</i>	Systematically share resources to optimize services



Early Learning and Policy

Bureau of Early Learning and Policy

The Bureau of Early Learning and Policy (BELP) administers the Wisconsin Shares Child Care Subsidy Program and oversees YoungStar, Wisconsin's Child Care Quality Rating and Improvement System. The Bureau also provides support to the Race to the Top - Early Learning Challenge grant that aligns Wisconsin's resources to improve the quality of care provided to Wisconsin's children.

Mission

To provide access to high-quality child care and early education experiences, to enhance children's development, to support their families in work and parenting roles, and to effectively manage the Wisconsin Shares program



Wisconsin Shares Child Care Subsidy Program

The Wisconsin Shares Child Care Subsidy Program helps low-income families with the cost of child care while they are working or preparing to enter the workforce. Wisconsin Shares is implemented at the local level by counties and tribes. DCF contracts with 71 counties and nine Wisconsin tribes to administer Wisconsin Shares. In Milwaukee County, Milwaukee Early Care Administration (MECA) provides direct services for child care authorizations, and the Department of Health Services' Milwaukee Enrollment Services determines financial and non-financial eligibility.

In October 2016, Wisconsin Shares piloted the MyWICChildCare program in the Western Region for Economic Assistance, also known as WREA (La Crosse, Monroe, Vernon, Jackson, Clark, Trempealeau, Buffalo, and Pepin counties). Under the MyWICChildCare program, parents with Wisconsin Shares authorizations receive an Electronic Benefit Transfer (EBT) card, similar to the FoodShare card. Parents pay their child care provider directly, instead of the State reimbursing providers for care given.

During 2016:

- Wisconsin Shares supported 42,404 families (unduplicated counts).
- During each month, Wisconsin Shares supported an average of 44,305 children.
- Wisconsin Shares served 73,906 unique children (unduplicated counts).

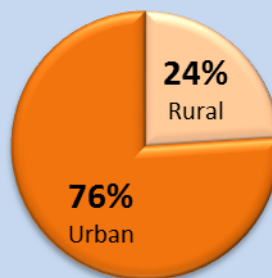
Children Served in Rural and Urban Areas

"Urban" includes: Dane, Brown, Rock, Milwaukee, Waukesha, Racine and Kenosha Counties.

In calendar year 2016:

- An average of 33,532 children living in urban areas benefited from the child care subsidy each month.
- An average of 10,772 children living in rural areas benefited from the child care subsidy each month.

Children Served by Wisconsin Shares in Urban vs. Rural Areas



Children Served in Wisconsin Shares by Age

A breakdown of children by their age groups as of December 31st, 2016 is found in the table below.

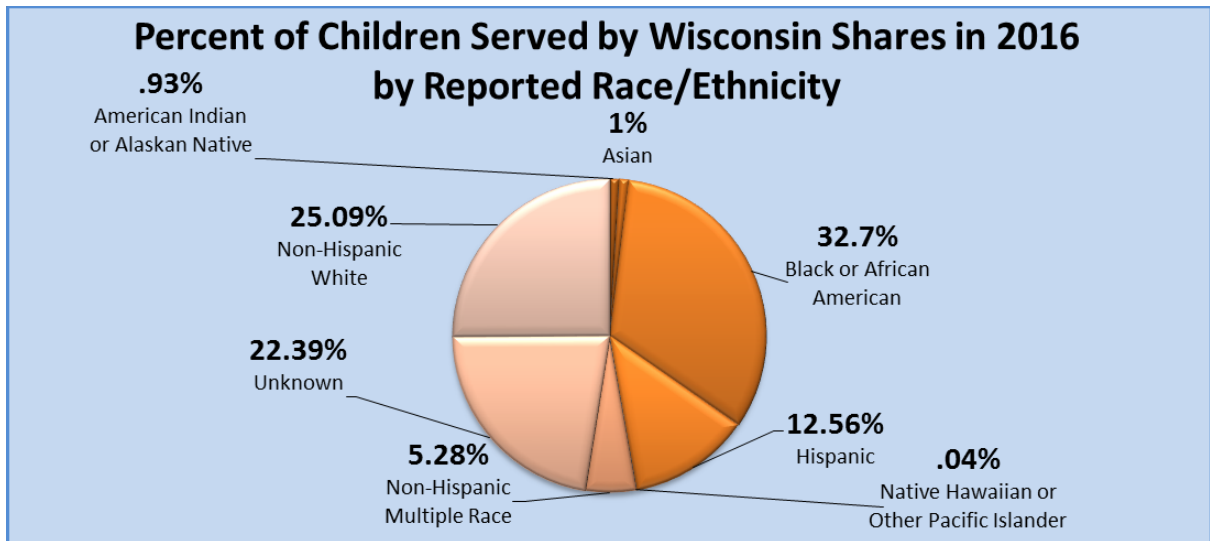
Ages of Children Served by Wisconsin Shares in 2016				
Age Groups ¹	Age	Number ²	Percent of Total	Cumulative Total
00 - <02 Years	0	3,435	4.65	3,435
	1	6,945	9.40	10,380
02 - <06 Years	2	8,380	11.34	18,760
	3	8,389	11.35	27,149
	4	8,642	11.69	35,791
	5	7,585	10.26	43,376
06 - <09 Years	6	6,357	8.60	49,733
	7	5,704	7.72	55,437
	8	5,140	6.95	60,577
09 - <13 Years	9	4,422	5.98	64,999
	10	3,595	4.86	68,594
	11	2,650	3.59	71,244
	12	1,746	2.36	72,990
13 - <14 Years	13	808	1.09	73,798
14 - <15 Years	14	78	0.11	73,876
15 - <16 Years	15	13	0.02	73,889
16 - <17 Years	17	7	0.01	73,896

¹ Color-coded groups detail how data in the Child Care Warehouse is combined into age groups.
² There were six children with an invalid date of birth.

Children Served by Reported Race/Ethnicity

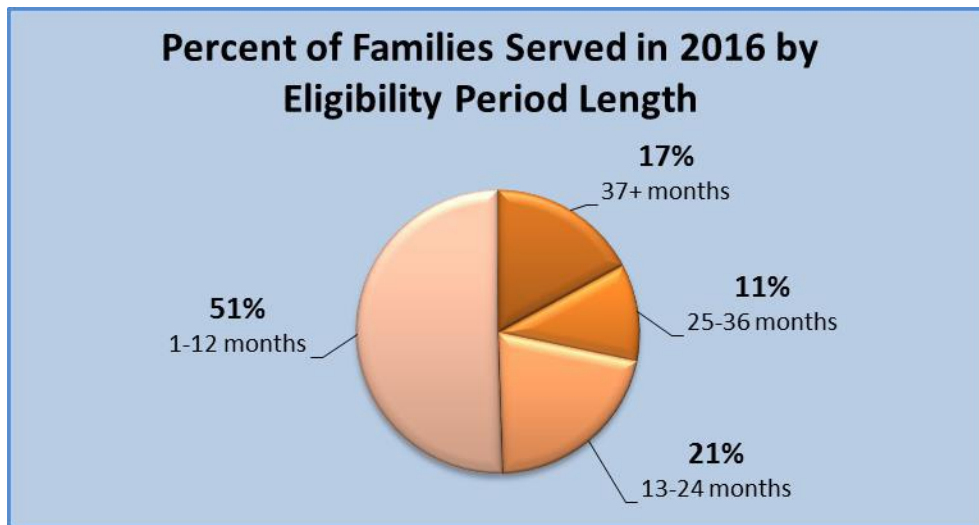
The reporting of race and/or ethnicity is optional and does not affect Wisconsin Shares eligibility.





Families Served by Eligibility Length

The following chart shows the percent of families served in 2016 by the number of months families were eligible for Wisconsin Shares.

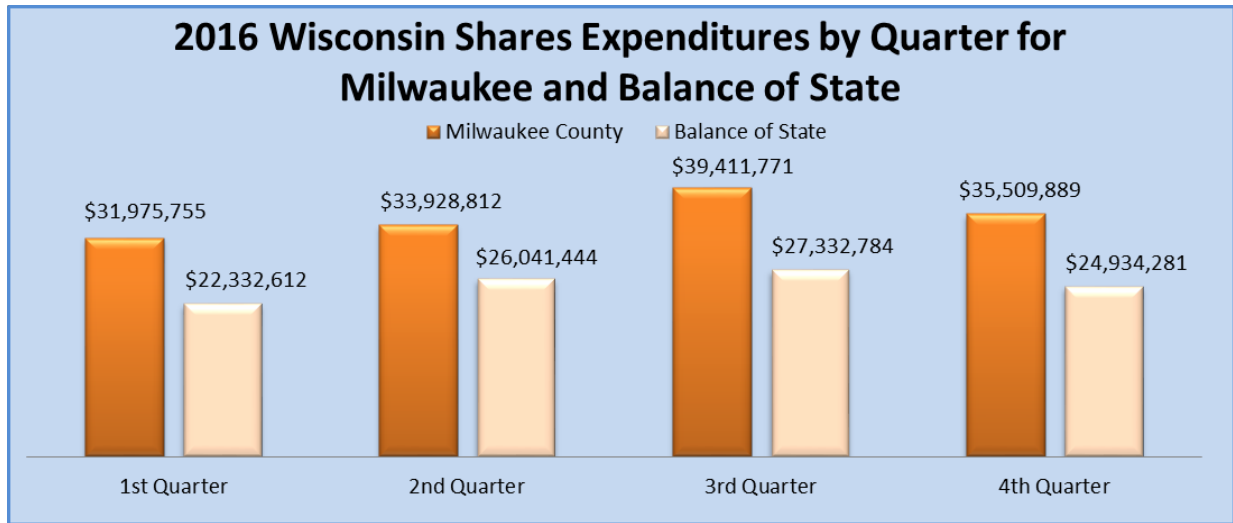


Wisconsin Shares Expenditures

Wisconsin Shares reimbursed child care providers for a portion of the cost of care based on the family's monthly income and number of children in subsidized care.

Calendar Year 2016	Statewide Issuances
1 st Quarter	\$54,308,367
2 nd Quarter	\$59,970,256
3 rd Quarter	\$66,744,554
4 th Quarter	\$60,444,170
TOTAL	\$241,467,348





Children by Copayment Type

Families are required to pay a portion of their child care. Wisconsin Shares calculates a copayment and deducts the copayment amount from the family's subsidy funds. The copayment type is determined by the parent's relationship to the child, or the parent's approved activity. The copayment calculation takes the size and income of the family into account, as well as the copayment type. Some copayment types reduce or even eliminate the copayment.

2016 Wisconsin Shares Children Served by Copayment Type		
Copayment Type	Number of Children Served	Percent of Children Served
Foster (\$0 copayment)	2,295	3.05%
Kinship ¹ (\$0 copayment)	1,312	1.75%
Learnfare (\$0 copayment)	9	.01%
Non-Court Ordered Kinship (minimal copayment)	533	.71%
Regular	70,439	93.70%
Teen Parent in High School (minimal copayment)	223	.30%
W-2 Employment Ending, Regular Employment Beginning (minimal copayment)	364	.48%
TOTAL	75,175	100%

¹ In order to qualify for the Kinship copayment, the child's placement with the Kinship relative must be court ordered.

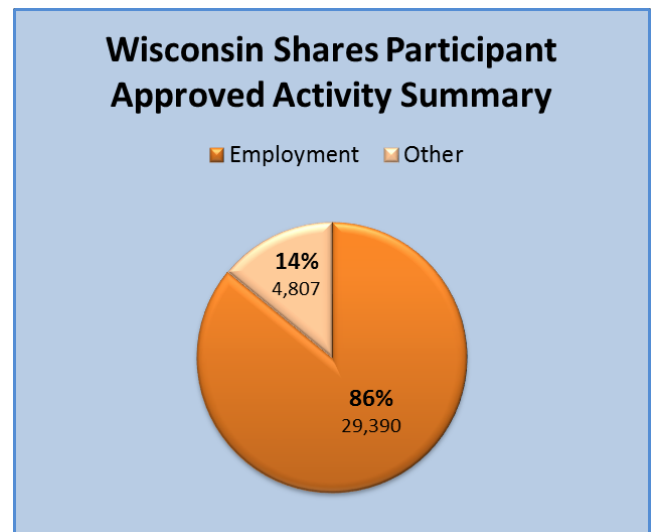
² Due to changes in a child's living situation, it is possible for a child to be counted in more than one copayment type in a year.

Approved Activity Summary for Individuals Served by Wisconsin Shares

The Wisconsin Shares Child Care Subsidy Program assists low-income families with a portion of the cost of quality child care while they are working or participating in activities that will lead to work. To

be eligible for the child care subsidy, a parent, foster parent, relative, or person acting in place of a parent must require child care to be able to participate in one of the following activities: Employment, high school (if a parent is over 20 years of age, they must also be working), Wisconsin Works (W-2) activities, education while working, Tribal TANF activities, or FoodShare Employment and Training (FSET) work search or work experience activities.

In a representative sample taken in May of 2016, eighty-six percent (86%) of Wisconsin Shares participants were eligible because of employment; fourteen percent (14%) were participating in other approved activities.



Average Wages and Hours Worked by Parents Served By Wisconsin Shares

Parents who participated in Wisconsin Shares had an average hourly wage of \$12.23 statewide and worked an average of 33.7 hours per week.

Average Wages and Hours Worked per Served Parent		
	Average Hourly Wage	Average Weekly Hours
Milwaukee	\$11.76	33.9
Balance of State	\$12.64	33.5
Statewide	\$12.23	33.7

YoungStar: Wisconsin’s Quality Rating and Improvement System

YoungStar, Wisconsin’s Quality Rating and Improvement System (QRIS), was developed to improve the quality of child care for Wisconsin children. YoungStar establishes a consistent standard for measuring child care quality based on educational qualifications, learning environment and curriculum, business practices, and health and well-being of children. Programs are evaluated and rated using a 5 Star rating scale.



YoungStar addresses several key issues in Wisconsin’s child care system. YoungStar:

- Improves the overall quality of child care
- Creates a clear, understandable tool for parents to choose quality child care
- Creates incentives for providers to improve services, particularly for low-income children
- Supports ongoing child care quality improvement by linking higher quality care to higher Wisconsin Shares subsidy amounts through YoungStar Quality Adjustments.

YoungStar offers child care providers technical assistance, micro-grants, professional development counseling, and a variety of training opportunities to support quality improvement efforts. YoungStar offers parents resources and the Child Care Finder application to help them identify key elements of quality in child care so they can choose the best program for their children.

Beginning July 1, 2016, Supporting Families Together Association (SFTA), became the administrator of all YoungStar services across the state. SFTA contracts with Wisconsin's ten Child Care Resource & Referral (CCR&R) agencies to provide services to local provider communities.

Child care programs must be regulated and participate in YoungStar to be eligible to receive Wisconsin Shares subsidy payments.

YoungStar Highlights in 2016

Validation Study Results

Final results of the YoungStar validation study were released this year. The research found that YoungStar does differentiate among programs of varying observed quality. Specifically, programs rated 2 Star had lower observed levels of quality than programs rated 3 Star, 4 Star, or 5 Star. Also, the total number of points in all four rating domains predicted observed quality. The differences were statistically significant and meaningful. This suggests that the YoungStar rating system has achieved validity as a measure of child care quality.

Following the results of the validation study, DCF successfully partnered with the University of Wisconsin – Madison, Institute for Research on Poverty (IRP) to begin refining the YoungStar rating scale into one that better predicts and supports children's outcomes. Working together with an advisory group made up of key early education stakeholders, changes to the rating scale could be made by 2019.

YoungStar Adjustment

YoungStar will continue to reward the highest quality programs across Wisconsin by providing a YoungStar Adjustment that is paid directly to 4 Star and 5 Star providers who have current Wisconsin Shares authorizations. YoungStar Adjustments, for up to 10% or 25% of current Wisconsin Shares authorization amounts, respectively, will be made directly to the parent-selected programs to support quality services within the program's setting.



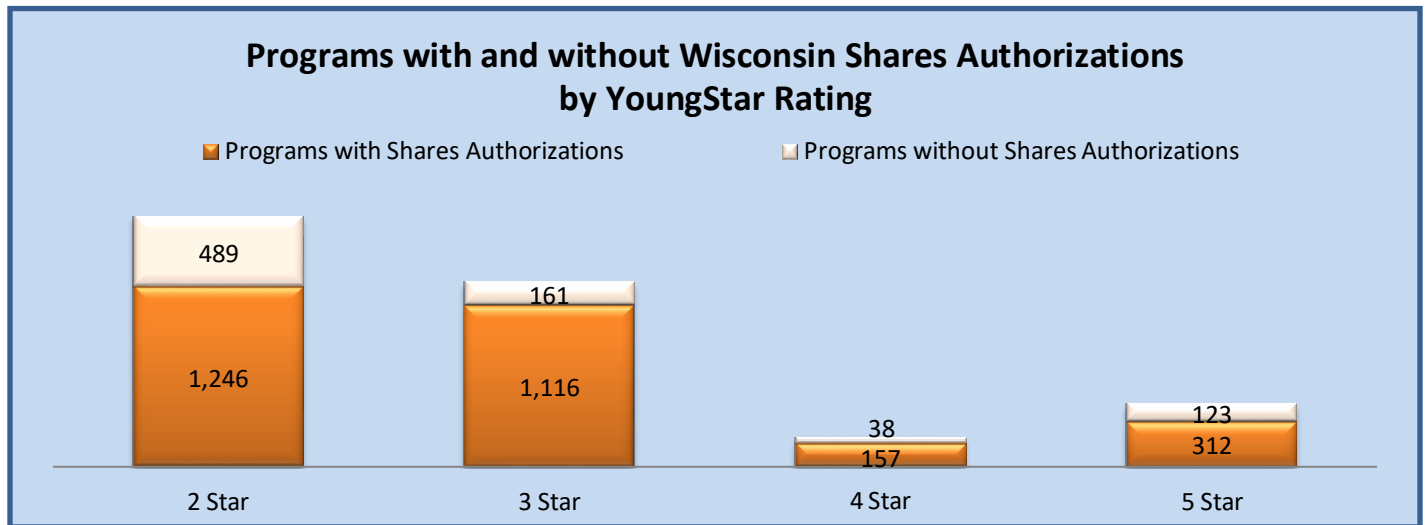
Bi-Annual Rating

Beginning in 2017, programs participating in YoungStar will only need to be rated every two years. This will give programs more time to improve their quality between ratings. All currently participating program sites were divided between even year and odd year rating groups in 2016. The change to less frequent YoungStar ratings was requested by multiple programs and early education associations in Wisconsin. Programs may, and will be encouraged to, receive on-site coaching support annually to continue their quality improvement efforts.



YoungStar Data in 2016

As of December 31, 2016, there were 3,829 regulated programs participating in YoungStar and therefore eligible to accept Wisconsin Shares payments. Of those programs participating in YoungStar, 2,954 (77%) provided care for a child served by Wisconsin Shares.



Note: As of Dec. 31, 2016, there were 17 YoungStar programs that were rated 1 Star. Wisconsin Shares authorizations cannot be made to programs rated 1 Star. An additional 170 programs were in the process of being rated.

As of December 31, 2016, a total of 45,648 children from families participating in the Wisconsin Shares program were authorized to attend YoungStar rated child care programs. The table below details the distribution of these children by the YoungStar rating of their child care program. Approximately 75% of children were in high-quality care, as defined by programs rated 3 Star, 4 Star, or 5 Star.

Children from Families Participating in Wisconsin Shares by YoungStar Level ¹					
Region	2 Star	3 Star	4 Star	5 Star	Total
Southeastern	610	2,689	31	568	3,898
Milwaukee	6,435	14,016	1,033	3,684	25,168
Northeastern	1,017	2,536	505	1,109	5,167
Northern	570	877	197	242	1,886
Southern	1,818	2,335	412	2,273	6,838
Western	1,006	1,127	173	385	2,691
TOTAL	11,456	23,580	2,351	8,261	45,648

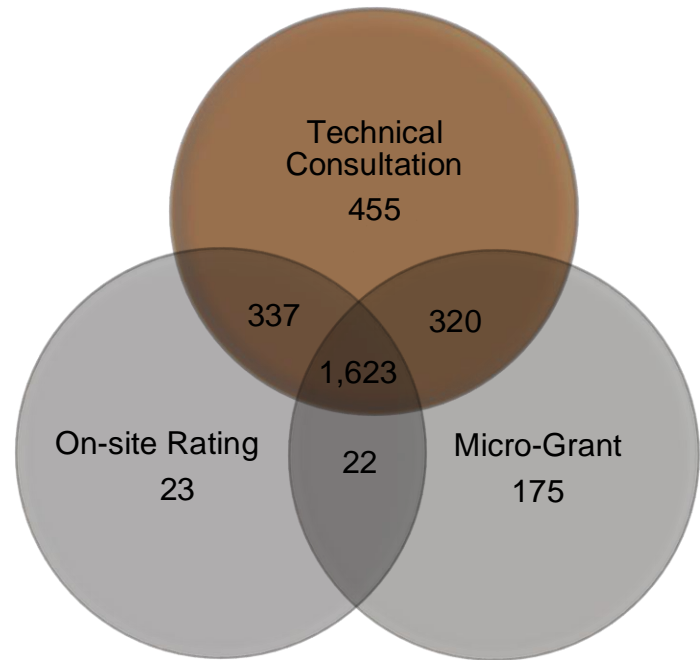
¹Families participating in Wisconsin Shares cannot receive authorizations to providers rated 1 Star.



2016 YoungStar Support Service Use

In addition to rating programs on a scale of 1 Star to 5 Star, YoungStar provides a variety of free and low-cost supports to child care programs to encourage continuous quality improvement efforts. These services include on-site mentoring and consultation, micro-grant awards, and relevant trainings. In 2016, 3,025 programs received at least one on-site service through YoungStar.

Of the 3,025 programs receiving at least one YoungStar support service in 2016, most (54%) utilized all three available services. Seventy-one percent of programs receiving technical consultation also received a micro-grant.



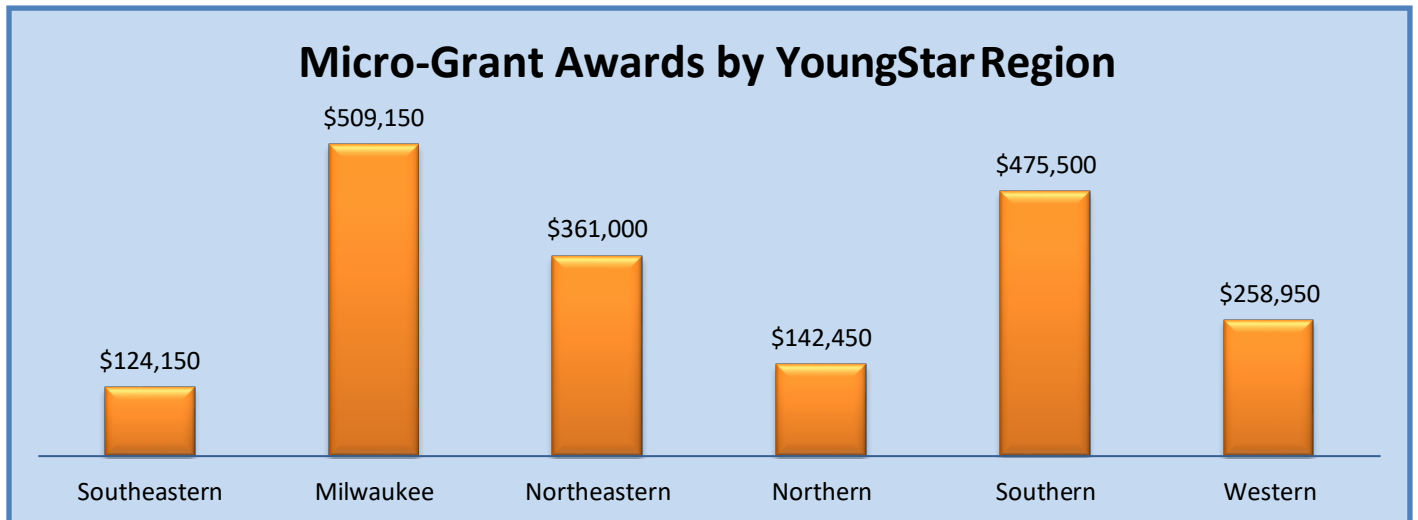
YoungStar Micro-Grant Program

YoungStar micro-grants are funds provided to support program quality improvement. SFTA administers the tracking, eligibility determination, and distribution of micro-grants to child care programs/providers. YoungStar participants must actively engage in quality improvement efforts with their YoungStar Technical Consultant or be accredited and provide required documentation to be eligible for a micro-grant. Eligible YoungStar participants are awarded a micro-grant in the following amounts every year that they complete technical assistance service requirements:

- \$1,000 for a licensed Group Child Care or School-age program
- \$500 for a licensed Family Child Care program
- \$250 for a certified Family Child Care program
- \$200 for a licensed Day Camp program

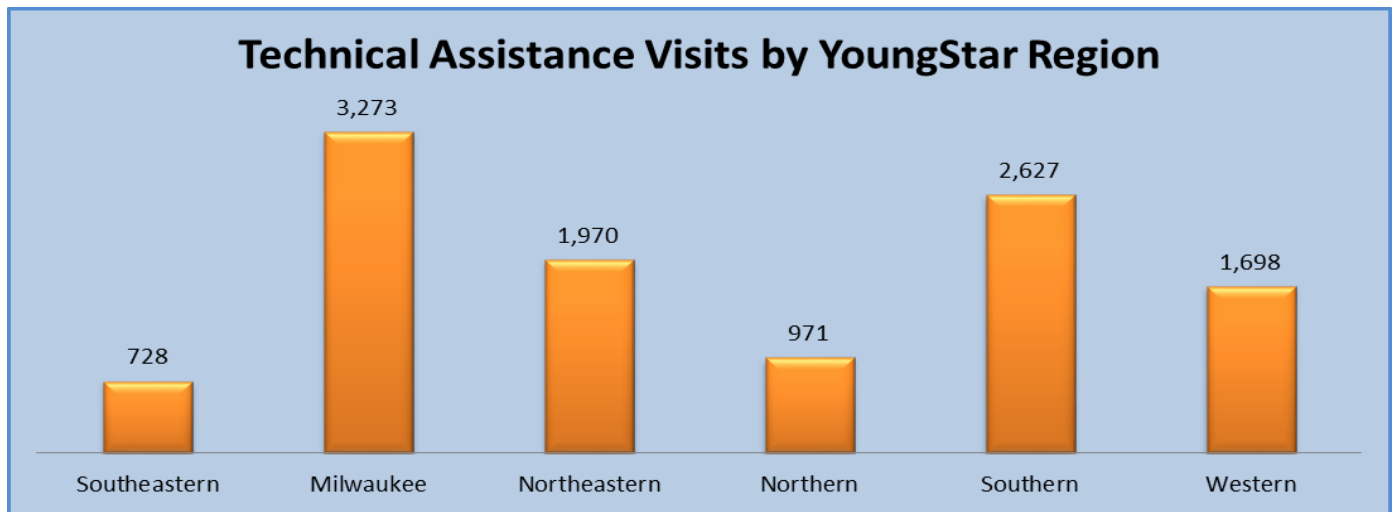


During calendar year 2016, over \$1.8 million in micro-grants were awarded to YoungStar participants.



YoungStar Technical Assistance

YoungStar technical assistance is provided to child care programs (when requested) to work on collaborative Quality Improvement Plans and support defined steps for program enhancement. Technical consultation support is available on-site to programs for an average of ten hours per program, per year. YoungStar provided more than 11,000 technical assistance visits to nearly 2,800 child care programs in 2016.



T.E.A.C.H. Early Childhood® Wisconsin

T.E.A.C.H. Early Childhood® Wisconsin is a statewide scholarship program designed to help teaching staff in child care centers and afterschool programs, Head Start teachers, family child care providers, and center directors and administrators advance their educational qualifications while continuing their current employment in regulated early childhood and school-age care settings. T.E.A.C.H. links education, compensation and commitment to improving the quality of early education.

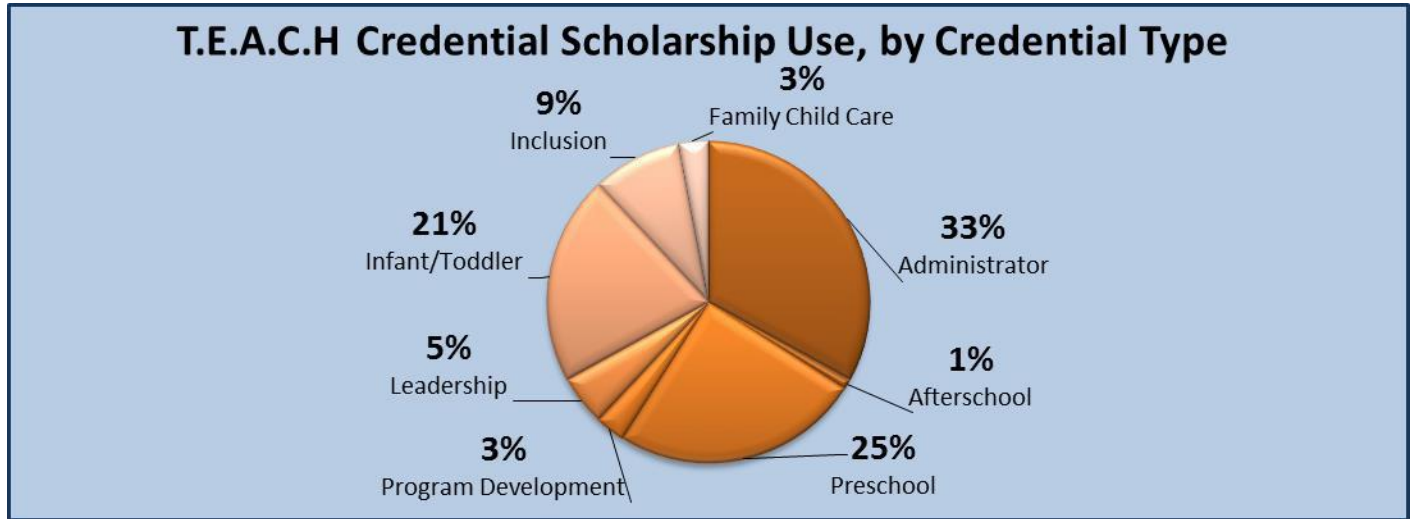
T.E.A.C.H. offers a variety of scholarship models designed to meet the diverse needs of the workforce. All models support credit-based education in Wisconsin institutions of higher education. In 2016, T.E.A.C.H. awarded a total of 1,342 scholarships to recipients who collectively completed more than 6,000 courses. This year marked the most scholarships awarded in a single year since the program began in 1999. By working in partnership with programs and scholarship recipients, T.E.A.C.H. pays the largest share of expenses related to the completion of a credential, degree, or coursework related to improving a YoungStar rating. T.E.A.C.H. also provides counseling, administrative support, and a contract completion bonus.

T.E.A.C.H. Early Childhood® Wisconsin – Fiscal Year 2016		
Scholarship Type	Description	Number of Active Contracts
9-18 Credits	A 1-time opportunity to complete 9-18 credits of early childhood coursework	30
Bachelor's Degree 19+ Credits	Scholarship for providers interested in earning 19 or more credits	126
Associate's Degree 19+ Credits	Scholarship for providers interested in earning 19 or more credits	156
Bachelor's Degree	A 1-year (3-semester) renewable scholarship for providers interested in earning 9 or more credits	90
3 to 8 Credits	A flexible scholarship designed for providers interested in earning 3-8 credits over 3 semesters	332
Associate's Degree	A 1-year (3-semester) renewable scholarship for providers interested in earning 9 or more credits	301



The Wisconsin Registry Credential	A 2-year scholarship awarded for <i>The Wisconsin Registry Credential Program</i>	906
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Providers with administrator and preschool credentials were the most common recipients of T.E.A.C.H. scholarships.



REWARD Wisconsin

The REWARD Wisconsin Stipend Program is a compensation and retention initiative for members of the early care and education workforce who are at Registry Level 9 or higher. For a portion of 2016, the threshold for participating in REWARD was lowered to include Registry levels 7 and 8 as well, attracting a new group of providers to the program. Incremental salary supplements are awarded based on the participant's educational attainments and longevity in the field, with the average stipend award equaling \$757. This program encourages increased education and retention through increased compensation.

REWARD Wisconsin Activity for Fiscal Year 2016	
Active agreements during the fiscal year	5,424
Recipients active during the fiscal year	4,033
Agreements/recipients awarded during the fiscal year	3,524
First time recipients	1,916
Average years of experience	11.9
Average years at program	7.9
Turnover rate	124 (2.3%) ¹
Discontinued participation rate	282 (5.2%) ²
Average stipend	\$470
Recipients who have received T.E.A.C.H.	1,182 (29.3%)

Programs represented	1,463
Counties served – by recipient’s county of employment	70
Counties served – by recipient’s county of residence	70
¹ Of the 124 turnovers, 106 went to other child care programs. Eighteen left the profession. ² Of the 282 individuals that discontinued participation, 86 were because program no longer met program eligibilities, 196 because of unreturned materials.	

Early Care Regulation - Licensing and Certification

Bureau of Early Care Regulation

The Bureau of Early Care Regulation (BECR) is responsible for the licensing and regulation of child care. The Bureau regulates family and group child care centers and day camps. BECR also provides training and consultation to child care certifiers employed by counties, tribes and subcontracted agencies.

Mission

To promote and protect the health, safety and welfare of children in child care settings by ensuring the quality and safety of care in licensed facilities through monitoring for compliance with licensing standards

Requirements for family child care, group child care, and day camps protect and promote practices that are intended to enhance the health, safety and welfare of children. BECR works to ensure licensing and certification requirements are met through inspections of child care facilities. The Department contracts with SFTA, a private, non-profit agency to provide start-up pre-licensing assistance to child care applicants.





Additionally, BECR has begun implementing new requirements resulting from the reauthorization of the federal Child Care and Development Block Grant in 2014. The block grant is used by states and tribes to administer early childhood programs including Wisconsin Shares, child care quality initiatives, and regulation. The reauthorization resulted in several initiatives that impact regulated child care including required annual health and safety rule monitoring, revised caregiver background check requirements, new requirements for monitoring license-exempt programs, and emergency planning.

Types of regulated child care include:

- Certified Care (Care for up to 3 children under age 7, but may care for a group maximum of 6 that includes child care children ages 7 and older and/or their own/related children under the age of 7)
- Licensed Family Child Care (up to 8 children under the age of 7)
- Licensed Group Child Care (9 or more children under the age of 7)
- Day Camp (seasonal program for 4 or more children ages 3 and up)

Together, licensed and certified child care programs served over 230,000 children in Wisconsin in 2016.

Licensed Providers, Capacity and Estimated Enrolled Children

As of December 31, 2016, there were 4,030 licensed child care centers and day camps in Wisconsin. This is a drop of approximately 3% in the total number of licensed child care centers between 2015 and 2016. Of the 4,030 licensed centers, 2,261 were licensed group centers, 1,680 were licensed



family centers and 89 were licensed day camps. The number of family child care centers dropped by 6% between 2015 and 2016 while the number of group child care centers and day camps remained about the same.

An estimated 226,582 children were served in licensed child care centers and day camps in 2016. The following chart shows the number of licensed providers, capacity, and estimated number of children enrolled by license type.

Licensed Child Care				
	Total Number of Providers	Total Daytime Capacity	Total Night-time Capacity	Estimated Number of Enrolled Children¹
Licensed Group	2,261	136,895	9,523	194,736
Licensed Family	1,680	13,336	2,088	20,514
Licensed Day Camp	89	8,521	0	11,332
TOTAL	4,030	158,752	11,611	226,582

¹ The estimated number of enrolled children in licensed care is calculated by multiplying licensed capacity by 1.33. Due to part-time care, slots are often filled by more than one child.



Monitoring of Licensed Centers

Licensing specialists are responsible for monitoring licensed group and family child care centers and day camps. Each licensing specialist's caseload includes a mix of group and family centers and day camps. Throughout the year, BECR staff is involved in opening new and relocated licensed child care centers, closing licensed centers, and conducting routine monitoring of all licensed programs.

Licensed centers are visited a minimum of once per year by a licensing specialist to review each center's compliance with the administrative rules. In practice, licensing specialists are visiting centers, on average, at least two or more times per year. Over a two-year period, all applicable administrative rules must be reviewed for each center. In 2016, BECR licensing specialists reviewed over 1.4 million administrative rules with licensed child care centers. Approximately ninety-seven percent (97%) of the rules reviewed were met, with only three percent (3%) resulting in a violation.

Total Rules Reviewed by Licensing Specialist in 2016			
Total Rules Reviewed	Rules Met	Rule Violations	Rules Determined Not Applicable on Day of Visit
1,439,120	883,358	23,890	531,872

The information collected at the child care monitoring visits is readily available to parents and others who visit the [Wisconsin Regulated Child Care Search](#) on the DCF website. Regulatory information includes hours of operation, capacity, YoungStar rating and details, compliance and noncompliance statements, correction plans, and fines and enforcements. Results from visits are posted as soon as the next day following a licensing visit. During 2016, Wisconsin's public search website received 173,515 visits leading to nearly 1.5 million webpage views of child care centers.

In addition to monitoring visits, licensing specialists provide technical assistance and consultation to centers, conduct complaint investigations, and license new centers. BECR licensing specialists made over 9,000 visits in 2016 to licensed centers. An additional 208 visits were made to unregulated child care locations in response to allegations of unlicensed care.

The following table shows the reasons for visits to licensed child care centers in 2016.

Purpose of Visit	Number of Visits
Complaint Regarding Licensed Center	1,278
Complaint Regarding Unlicensed Center	208
Enforcement Action Compliance Verification	189
Initial Licensing Study	510
License Amendment	135
Monitoring for Licensing	5,768
Pre-licensing Technical Assistance	61
Technical Assistance for Licensed Facility	455
Verification of Correction Plan Compliance	537



¹ Licensing specialists attempted 474 visits in which they were unable to gain entry during licensed hours of operation.

Licensing Complaint Investigations

BECR received 1,165 complaints concerning licensed child care centers in 2016. This compares to 1,116 complaints in 2015, an increase of 4% between 2015 and 2016.

In 2016, 515 complaints regarding licensed child care were substantiated while 611 complaints were unsubstantiated. A complaint is considered substantiated when at least one of the allegations contained in the complaint results in issuance of a rule violation. BECR also received 248 complaints alleging unlicensed child care in 2016; eighty-seven unlicensed complaints were substantiated while 162 complaints were unsubstantiated.

2016 Complaint Investigation Results

	Received	Closed	Substantiated	Unsubstantiated
Licensed Complaints	1,165	1,140	515	611
Unlicensed Complaints	248	249	87	162

Self-Reports

Administrative rule requires licensees to report to BECR any child deaths, incidents and injuries that occur in licensed care. Licensing Specialists review these reports to determine whether rule violations may have been a factor. During 2016, BECR reviewed and closed 1,749 self-reported incidents and/or injuries involving a child in licensed care. Of these self-reports that required additional investigation, 17 resulted in one or more violations.

Serious Injuries and Deaths

Based on complaint and self-report data, there were 1,243 serious injuries (injuries that required medical attention) in licensed child care centers during 2016. There were 1,160 injuries in group child care, 64 injuries in family child care, and 19 in day camps. During the same year, there were two deaths in family child care centers. There were eight serious injuries in certified centers in 2016.

Twenty-four referrals for child protective services investigation resulted in a substantiated finding of child abuse or neglect in 2016. Fifteen of these substantiations occurred while the child was in the care of a licensed center. Among certified providers, one referral to child protective services was substantiated in 2016.





Licensed Provider Satisfaction Survey

Since September 22, 2015, BECR has conducted three customer satisfaction surveys through SurveyMonkey to gather ongoing feedback from current and closed child care licensees and child care license applicants. Cumulatively, 607 current and former licensees and applicants have provided responses to the surveys. Below are some of the highlights:

Licensed or Formerly Licensed Providers

- Ninety-six percent (96%) of respondents indicated their licensing specialist clearly explained the purpose of the visit.
- Ninety-eight percent (98%) indicated their licensing specialist was professional and courteous.
- Ninety-seven percent (97%) indicated their licensing specialist clearly explained the results of the visit.

Applicants for Licensure

- Forty-one applicants responded to the applicant survey.
- Eighty-six percent (86%) of those respondents indicated that the assistance provided by BECR staff was helpful or extremely helpful.

Certified Child Care Centers and Capacity

As of December 31, 2016, there were 818 certified family providers and six certified school-age programs. This is a 19% decrease in certified providers, compared to 2015. An estimated 5,164 children were served in certified child care in 2016. The following table shows the number and capacity of certified child care centers and the estimated number of children enrolled in certified care in 2016.

Certified Child Care				
	Total Number of Providers	Total Daytime Capacity	Total Night-time Capacity	Estimated Number of Enrolled Children ¹
Certified Family	818	Up to 6 Children	Up to 6 Children	4,908
Certified School-age	6	193	N/A	256
Total	824	***	***	5,164

¹ The estimated number of enrolled children in certified family care is calculated by multiplying the number of providers by 6. The estimated number of enrolled children in certified school-age care is calculated by multiplying capacity by 1.33. Due to part-time care, slots are often filled by more than one child.



Monitoring of Certified Child Care Centers

Monitoring of certified family child care and certified school-age care is conducted by certifiers employed by counties, tribes, subcontracted agencies, and MECA. Certifiers conducted 1,631 visits to certified centers in 2016 to monitor, provide technical assistance, verify compliance and conduct complaint investigations. In addition, certifiers made 340 attempted visits to certified centers in 2016. All certified providers must be visited once every two years in order to renew their certification. All certification agencies completed at least one required visit to certified providers between 2014 and 2016.

The following table shows the reasons for visits made to certified child care centers in 2016.

Purpose of the Visit	Number of Visits
Annual Visit/Monitoring/294 Verification/Other	992
Complaint Visit	33
Expired Re-Certification Visit	15
Initial Provider Visit	213
Re-Certification Visit	288
Relocation Visit	40
Technical Assistance Visit	50
Total	1,631

Enforcement Actions

Licensing and certification staff may initiate enforcement actions when, because of the severity of violations and/or a pattern of repeated violations, the health, safety and welfare of children in care is at risk. Progressive enforcement refers to a series of actions taken to gain compliance with administrative rules when previous efforts, such as citing the violation or providing technical assistance, have not worked. Enforcement actions are authorized in statute, are posted on the public website, and can ultimately lead to revocation of a license.

The following table identifies enforcement actions initiated with licensed centers in 2016.

Type of Enforcement	Total
Denial – DCF-12/Other	18
Forfeiture/Direct Forfeiture	258
Orders/Stop Operating Orders	291
Revocation – DCF-12/Other	103
Summary Suspension	7
Warning Letter/Warning Letter No Access	445
2nd Probationary License Due to Noncompliance	31
Total	1,153



The following table summarizes enforcement actions initiated with certified centers in 2016.

Type of Enforcement	Total
Denial – DCF-12/Other	18
Revocations	26
Suspensions	19
Warning Letter	57
Total	120

Caregiver Background Checks

During 2016, the BECR Caregiver Background Unit (CBU) completed 4,793 Department of Justice background checks and 714 FBI checks for licensed providers.



Program Integrity

Bureau of Program Integrity

The Bureau of Program Integrity (BPI) was created as part of the Division's reorganization in 2014 to better allocate resources to oversee program integrity for the Division's programs.

Mission

To enforce compliance and integrity of the Wisconsin Shares and YoungStar programs by monitoring, investigating, and recovering misapplied funds

BPI pursues a variety of remedies including establishing and applying overpayments, monitoring and investigating unusual EBT card activities, and pursuing collection activities in collaboration with DCF Finance. BPI enforces other actions as well, such as stipulations and permanent suspensions. BPI also provides oversight, monitoring, and guidance for counties, tribes, child care provider programs, and Wisconsin Shares clients.





Wisconsin Shares Child Care Provider Investigations

In 2016, BPI received 6,200 referrals from the fraud mailbox and the quarterly red flag reports. All referrals were screened resulting in one of the following actions:

- (1) **Closed** – The referral was unsubstantiated and did not warrant any further investigation.
- (2) **Technical Assistance Letter (TA)** – The referral identified an error correctable with technical assistance being provided to the child care provider.
- (3) **Preliminary Investigation** – The referral identified potential risks and required further investigation. Further review and investigation are conducted on incoming referrals during the preliminary investigation stage.

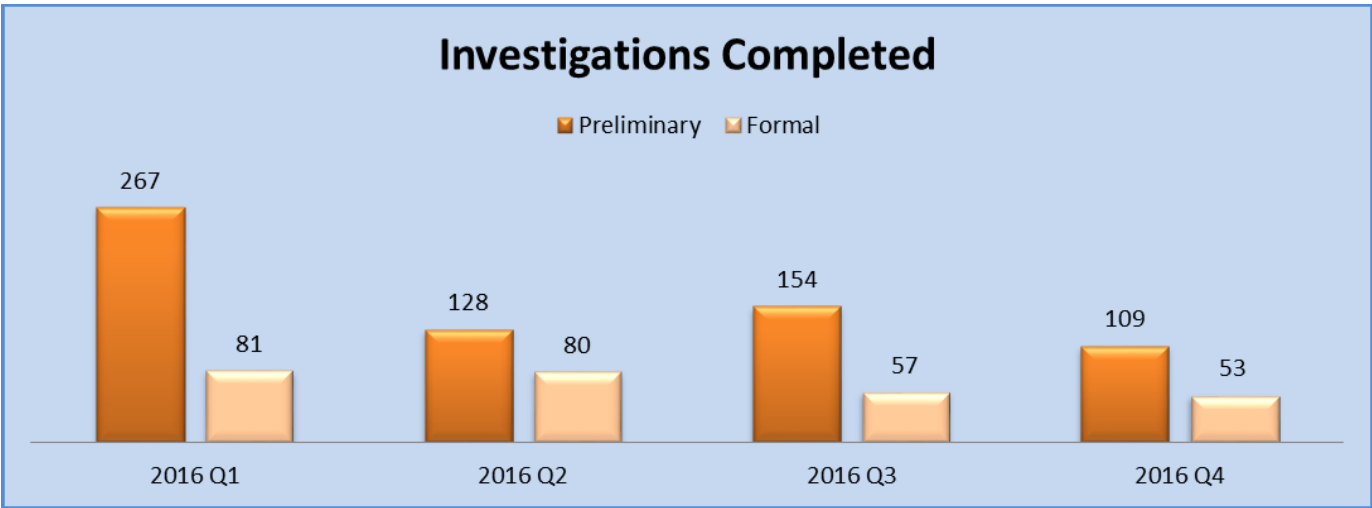
If the preliminary investigation uncovers additional violations, history of non-compliance, and/or indications of fraud or overpayment then a formal investigation is opened.

BPI completed over 929 investigations, including 658 preliminary and 271 formal investigations in 2016. The chart below summarizes preliminary and formal investigations completed each quarter.



Investigations Completed

■ Preliminary ■ Formal

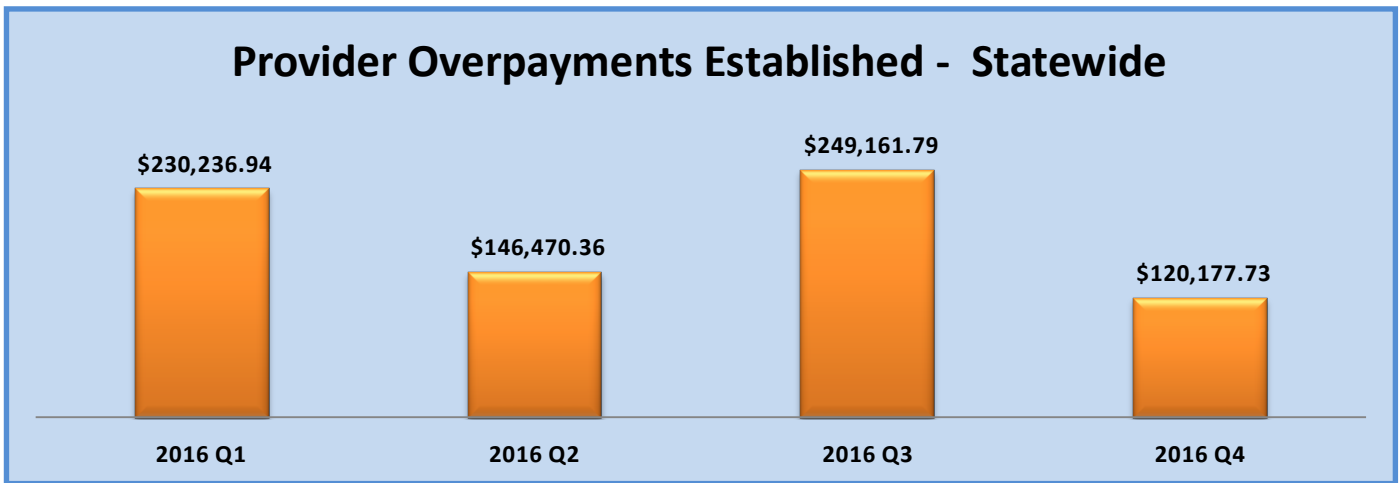


The table below summarizes the outcomes of the 271 formal investigations completed in 2016.

Formal Investigation Outcomes	
No Overpayment	28
Overpayment Only	170
Overpayment and Stipulation	40
Termination (with or without overpayment)	33
Total	271

BPI and county agencies established over \$746,000 in child care provider overpayments due to formal investigations, errors and/or inadequate billing practices in 2016. The chart below summarizes overpayments established each quarter.

Provider Overpayments Established - Statewide

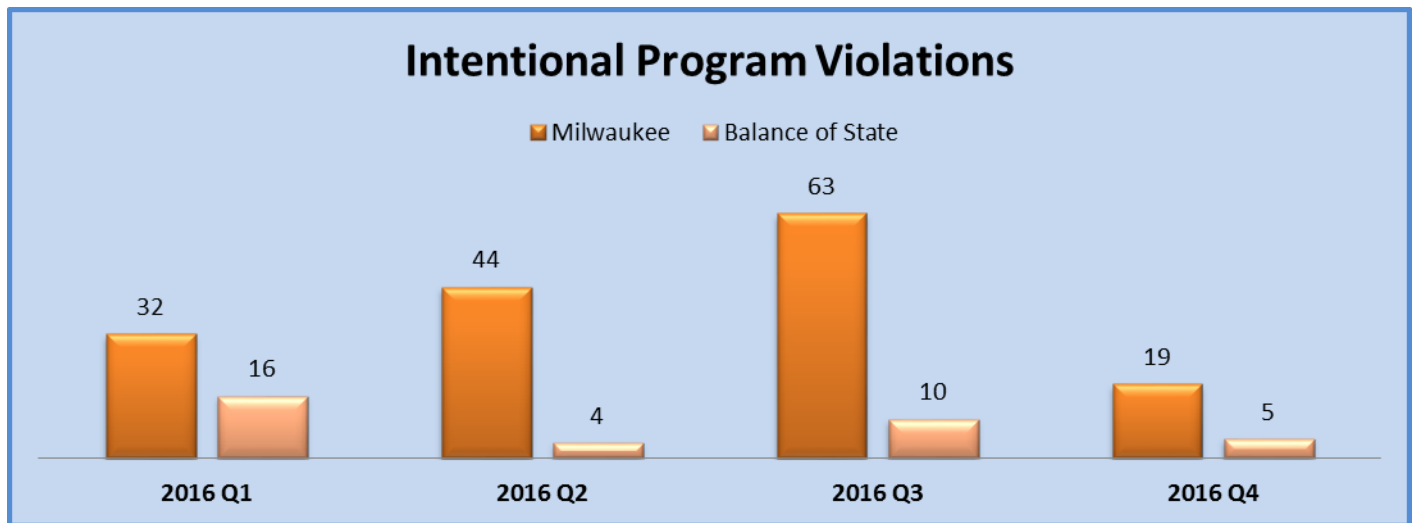


When an overpayment is established, monies are recouped from both active and inactive child care providers. In 2016, over \$140,000 was recouped from active child care providers and just over \$62,000 was collected from inactive child care providers.

Wisconsin Shares Parent Investigations

BPI reviews and approves intentional program violation (IPV) activities throughout Wisconsin. An IPV is when an individual is found to be intentionally providing false or misleading statements, withholding information, or committing an act that violates state or federal laws for the purpose of using, transferring, acquiring, possessing, or trafficking benefits.

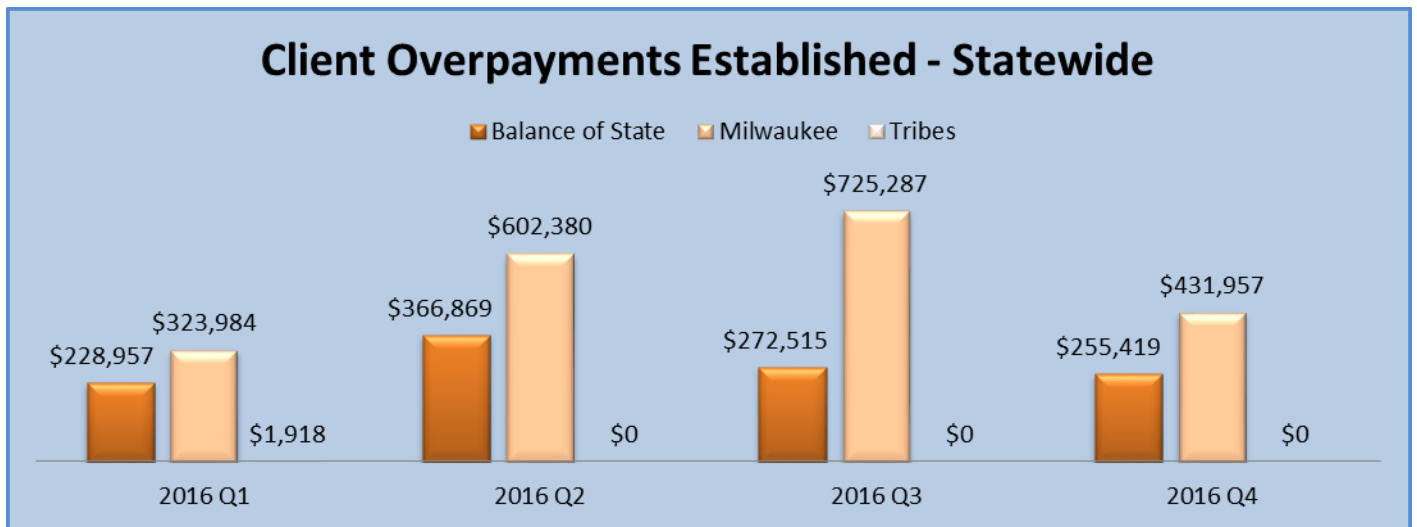
A total of 193 IPVs were established in 2016 for a total amount of \$827,642.91. Milwaukee County accounted for 82% (158) of these, and the Balance of State accounted for 18% (35) of all IPVs established. The chart below shows IPVs per quarter for Milwaukee County and the Balance of State.



BPI provides guidance and technical assistance to local and tribal agencies responsible for establishing overpayments for clients. A client overpayment occurs when a client receives benefits for which they are not eligible. A total of 1,566 client overpayment claims were established, totaling over \$3,200,000. Milwaukee accounted for 65% and Balance of State accounted for 35% of all client overpayments established. The chart below summarizes client overpayments for Milwaukee County, the Balance of State, and tribes for each quarter of 2016.



Client Overpayments Established - Statewide



Program Integrity under MyWICChildCare

With the release of the MyWICChildCare initiative, BPI strove to adapt program integrity policies and procedures to meet the new program structure.

To do so, BPI:

- Developed new program integrity red flag reports to identify trends or unusual activity with the new program data.
- Revised the program integrity policy chapters.
- Provided ongoing technical assistance to local agencies to help prevent misuse and abuse of public funds.
- Produced new investigative procedures to combat inappropriate possession of parent MyWICChildCare EBT cards.
- Introduced new types of fund recovery, including removal of inaccurately issued funds on MyWICChildCare EBT cards and Voluntary Repayment Agreements.

Milwaukee Early Care Administration

Bureau of Milwaukee Early Care Administration

Child care provider certification, authorization for child care subsidies, and certain program integrity activities for Milwaukee County are provided by the Bureau of Milwaukee Early Care Administration (MECA). The Department contracts with the Department of Health Services for basic eligibility determination for residents applying for Wisconsin Shares child care subsidy assistance.

Mission

To promote excellence in early childhood care and education in Milwaukee County and to ensure that Milwaukee residents have access to affordable, high-quality child care that enhances children's

MECA provides multiple services to Milwaukee County, including:

- Authorization services for Wisconsin Shares recipients;
- Provider services to ensure timely subsidy payments to child care providers;
- Child Care Certification; and,
- Client Program Integrity of the Wisconsin Shares program.

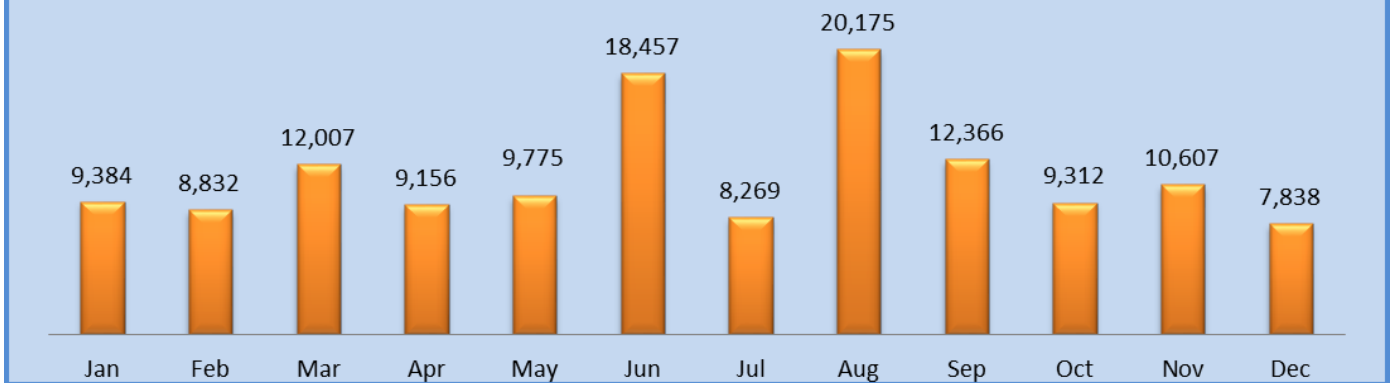
MECA works in combination with Milwaukee Enrollment Services (MilES) to determine and manage participant eligibility and services of the Wisconsin Shares program. MilES manages all aspects of Income Maintenance, determining eligibility and issuing benefits to Milwaukee County residents.



Number of Authorizations Processed

In 2016, a total of 140,051 authorizations were processed in Milwaukee County. The following chart shows authorizations processed each month.

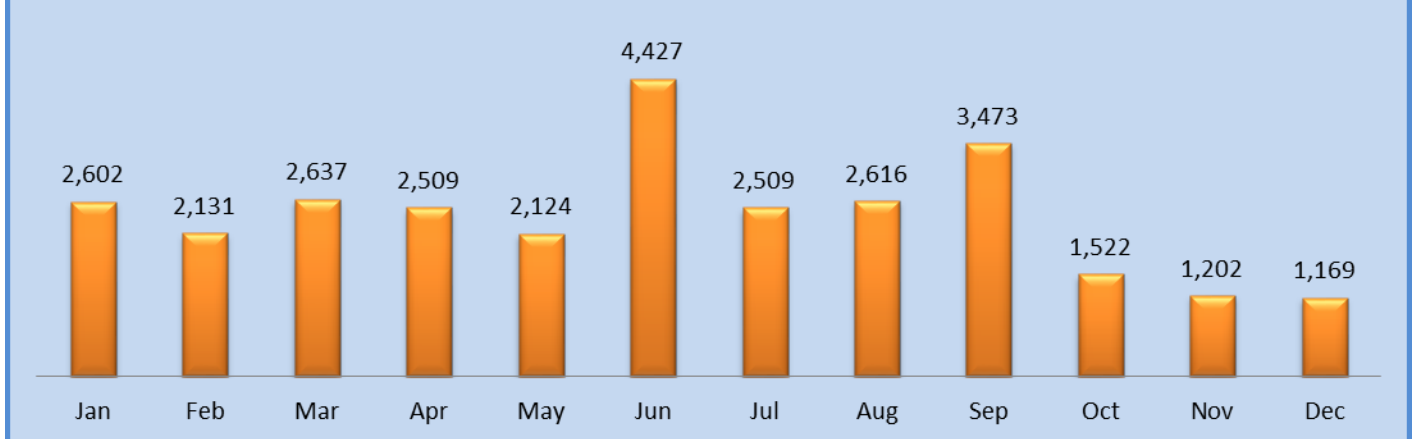
Number of Authorizations Processed in Milwaukee County



Number of Walk-In Services

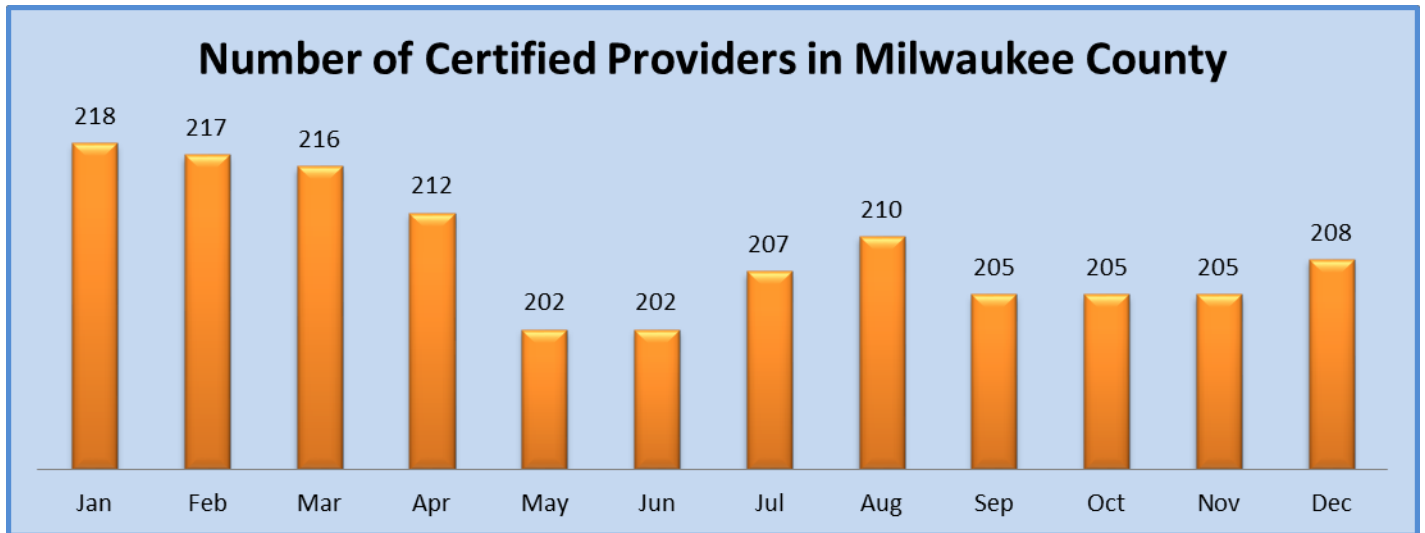
MECA offers services and information to families through the Internet, over the phone, and face-to-face with walk-in services. In 2016, MECA served 28,921 individuals through walk-in services, a decrease from 32,243 in 2015. The chart below summarizes the number of walk-in services provided each month in 2016.

MECA Walk-In Services Provided



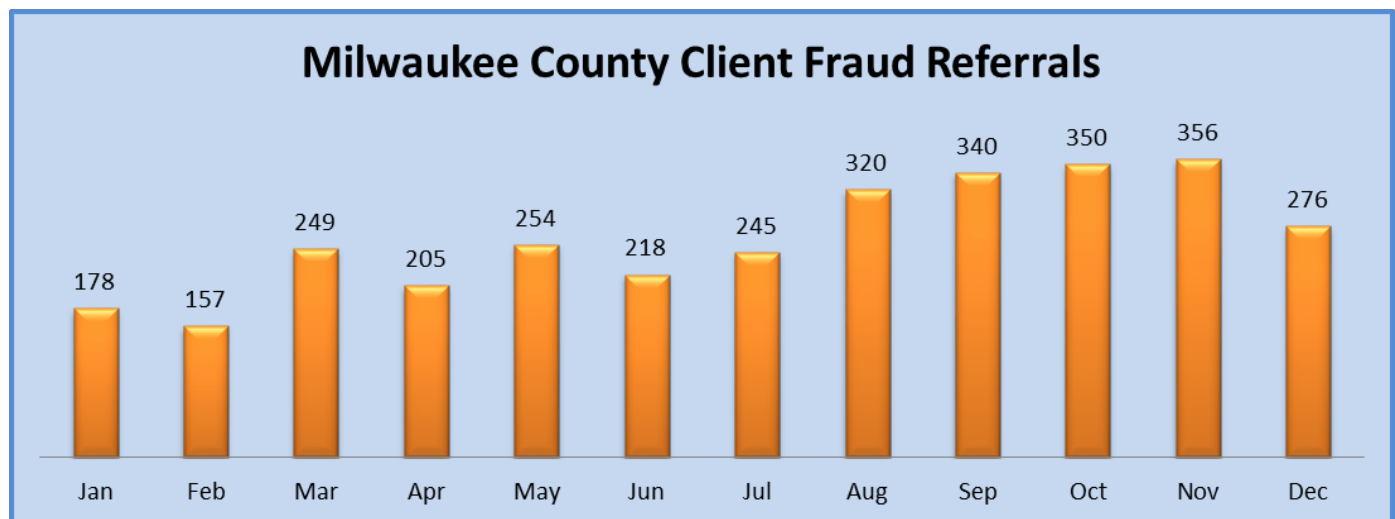
Number of Certified Providers

In 2016, Milwaukee County experienced a net loss of 10 certified providers. In January 2016, Milwaukee County had 218 certified providers; by December 2016, there were 208.



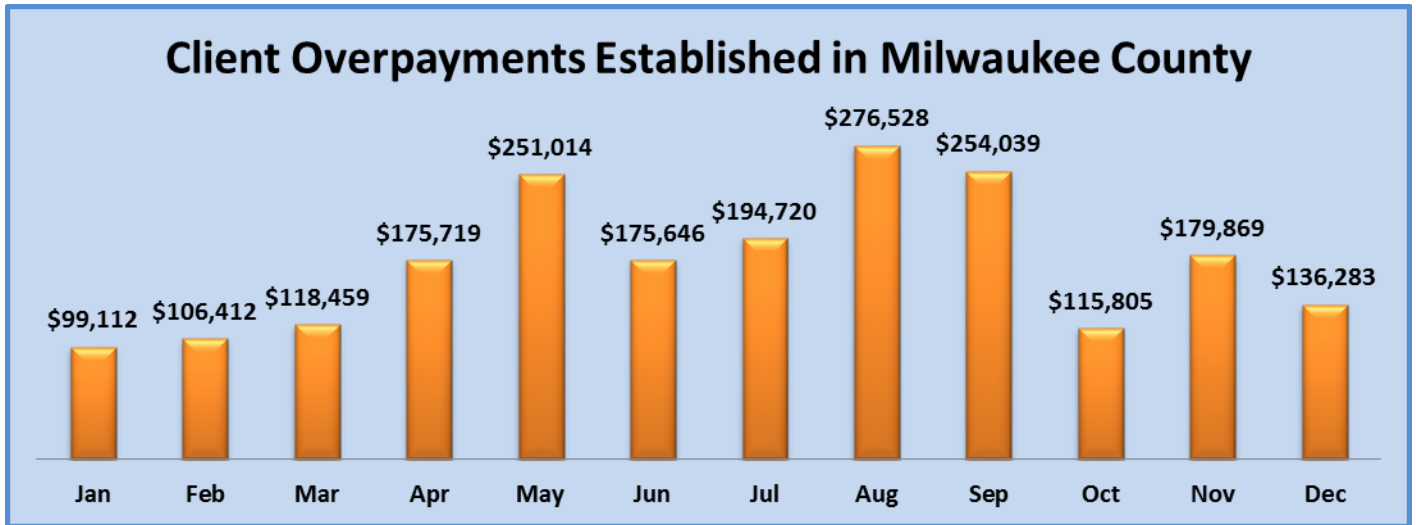
Fraud Referrals Received

A total of 3,148 client fraud referrals were received by MECA in 2016, up from 2,856 in 2015. The chart below shows the number of client fraud referrals received each month in Milwaukee County during 2016.



Client Overpayments Established

MECA established \$2,083,608 in client overpayments in 2016, which is \$2,258 more than in 2015. The chart below shows the total dollar amount for client overpayments established each month in 2016.



Race to the Top Early Learning Challenge

Race to the Top Early Learning Challenge (RTT- ELC) is a federal grant awarded to Wisconsin in 2013 to enhance the state’s early childhood system. RTT- ELC is a cross-departmental grant that uses the talent, experience, vision, and programs of three state departments to achieve this goal: Children and Families (designated as the lead agency by the Governor), Public Instruction, and Health Services. Following is a summary of the goals of each RTT-ELC project and major accomplishments in 2016.

Project 1: Under the Grant Manager’s leadership, the state will develop a network of public private partnerships to increase engagement and investment in early childhood, and sustain the activities of this grant.

- During 2016, the six coalitions who received funding as part of the public private partnership network made progress on their individual work plans and participated in three statewide meetings. The purpose of the grants is to build the capacity of the local coalitions to increase public and private investment in early childhood.
- In 2016, the [CETE \(Children's Empowerment Through Education\) Network](#) was created, a website was implemented, and communication materials were produced. The website houses resources and tools that can be used to increase investment in early childhood. A brochure explaining the Network and three postcards with messages targeted to business, faith, and law enforcement communities were produced.



Project 2: The goals of Project 2 are to expand child care provider knowledge of comprehensive child screening and communication with parents about screening findings, and to strengthen training and technical assistance for providers serving special populations of children with high needs.

- Fifty-six child care providers received a total of 188 hours of on-site technical consultation specific to screening with the *Ages and Stages Questionnaire (ASQ)*, in addition to their standard YoungStar hours. Additionally, three tribal communities hosted events in conjunction with the ASQ.
- The 2016 Early Childhood Inclusion Institute was held in September and was attended by more than 200 training and technical assistance providers from the early childhood field. The



goals of this institute were to develop a common language and understanding of inclusion and to support a cohesive system of inclusive services throughout Wisconsin.

Project 3: The goal of Project 3 is to provide guidance for further collaboration and coordination with the Department of Public Instruction (DPI) Superintendent's 4-Year-Old Kindergarten (4K) Task Force.

- In 2016, approximately 120 school districts reported using four-year-old kindergarten community approaches models (4KCA). Since districts implementing these 4KCA models often provide 4K in child care settings, we continued to promote alignment of early care and education policies and practices especially related to YoungStar.
- In 2016, we added video stories (with one more in the works) about the 4KCA model that highlight partnership with child care and address quality improvement (see <http://dpi.wi.gov/early-childhood/kind/4k/4kca>).
- Three communication and networking events took place in 2016, reaching hundreds of cross sector partners: The Annual State Superintendent's 4 Year-Old Kindergarten Advisory Council on 4K and Community Approaches; Preserving Early Childhood: Collaborative Leadership Forum; and a 4K Networking video conference.

Project 4: The goal of Project 4 is to increase the number of high-needs families informed about and understanding the importance of high quality child care programming and selecting 3, 4, and 5 Star rated YoungStar child care settings. This project also includes activities targeted to improve the YoungStar formal rating process.

- All YoungStar formal raters continued to use Branagh software to conduct all formal ratings. In 2016, all Environment Scale Observations were completed in the Branagh Data System.
- Components of the YoungStar media campaign, which includes educational videos, paid advertising, website revisions, and grassroots outreach, continued to be utilized by families.
- In conjunction with the McKinney-Vento Education for Homeless Children and Youth Program, three new webinars were conducted and are now available for viewing on the Wisconsin Early Childhood Collaborating Partners website. The topics cover strategies for serving homeless families, new federal guidelines for serving homeless families enrolled in child care, and the importance of early identification of homeless families with young children.

Project 5: The goals of Project 5 are to expand T.E.A.C.H. scholarships, provide training and technical assistance in YoungStar to expand competencies of the early care workforce, and to provide incentives to providers that progress to higher YoungStar Star ratings.



- One hundred twenty-five child care providers received a total of 500 hours of on-site technical consultation on the Wisconsin Model Early Learning Standards in addition to their standard YoungStar hours.
- Sixty-five child care providers received a total of 287 hours of on-site technical consultation on the Wisconsin Pyramid Model for Social and Emotional Competence in addition to their standard YoungStar hours.
- A total of 237 child care providers received Challenge Awards for increasing their YoungStar rating during 2015.
- Over 1,100 child care providers have received free credit-based instruction through the Educational Opportunities Grant. In 2016, 273 verified credentials were earned by participating students bringing the cumulative total of verified credentials earned since January of 2015 to 398.

Project 6: The goal of Project 6 is to answer the following research questions: (1) Determine if higher-rated programs provide higher quality care than lower-rated child care programs, and (2) Assess if children participating in higher-rated care gain more in school readiness than children in lower-rated care.

- The Validation Study results were completed and released in 2016. The study found that programs with higher star ratings had higher levels of observed quality than lower-rated programs. The results were statistically significant and demonstrated the validity of YoungStar.

Project 8: The goals of Project 8 are to develop a progression of standards for family engagement to determine a mandatory quality indicator point in YoungStar, provide training and technical assistance on YoungStar family engagement standards, target a media outreach campaign to hard-to-reach families, and integrate family engagement strategies into other early learning and development programs.

- The enhanced Family Engagement indicator for YoungStar was added to the 2016 Evaluation Criteria. In addition, training was developed and on-site technical consultation was made available to help providers prepare to earn the point.
- A total of 70 Parent Cafés were held in 11 counties across Wisconsin, reaching 373 parents. An additional six Cafés, focused around families with children with special needs and tribal communities, were held.

Project 10: The goal of Project 10 is to develop an Early Childhood Integrated Data System (ECIDS) with information from the three state agencies. In addition, DCF is building a data warehouse, LIFT



(Longitudinal Information for Family Touchpoints), in order to increase DCF's capacity to match data across programs.

- Testing for LIFT 1.0 was completed in March 2016. Five reports were developed in LIFT during 2016 including four reports specific to participation of high-need populations of children (e.g., children of teen parents) in YoungStar. The next iteration of LIFT, LIFT 2.0, will incorporate Child Support data into the LIFT data warehouse.

Appendix: Division of Early Care and Education Organizational Chart

