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February 20, 2013

The Honorable Robert Duncan
Chair, Senate Committee on State Affairs
Capitol Extension, Room 3E.18
Austin, Texas 78701

The Honorable Byron Cook
Chair, State Affairs Committee
Capitol Building, Room GN.11
Austin, Texas 78701

Re: State of Texas Child Care Program pursuant to Texas Government Code, Chapter 663 and Capitol Complex Child Care Center

Dear Senator Duncan and Representative Cook:

The purpose of this letter is to notify you of the recent activities of the Texas Facilities Commission (the "Commission" or "TFC") concerning the State of Texas child care program established in accordance with Texas Government Code, Chapter 663. That program was established by the Texas Legislature in Texas Government Code, Chapter 663 to serve State of Texas employees of all income levels and ensure access to quality child care services. The legislature intended the facilities comprising the State child care program to be located in existing or newly-constructed State-owned buildings. Administration and operation of the State child care program has been assigned by the legislature as an agency function and the duty of the Commission.

Presently, the State child care program consists of one facility, the Capitol Complex Child Care Center, which is located in a State-owned building on the Commission's inventory at 1507 Lavaca Street, Austin, Texas. The facility is comprised of two buildings and an outdoor play area. TFC performs its responsibilities with regard to the program through a third-party service provider, Rosewood Oaks, LLC. The current contract for operation of the Capitol Complex Child Care Center ends on August 31, 2013. The Commission is currently in the process of developing a new solicitation to select the next child care service provider. The Commission expects to issue its solicitation in March 2013 and anticipates award of the contract in June 2013.

During the course of planning and preparing for the end of the current provider's contract and development of the agency's solicitation, TFC has undertaken several measures to assess the current state of the child care program and identify aspects requiring further attention. First and foremost, as you may be aware, during its 82nd Regular Session, TFC worked diligently with the Texas Legislature to seek passage of House Bill 3404 to re-establish the Child Care Advisory Committee (the Committee), which had ceased to exist in 2005 by operation of law; that bill was enacted, thereby ensuring the Committee's existence through September 1, 2021. Consistent with the requirements of Chapter 663, the Committee serves as an essential resource for the Commission in the area of child care services to ensure the success of the State child care program.

Next, in its December 19, 2012 open meeting, TFC's commissioners appointed members of the Committee in accordance with Section 663.051 of the Texas Government Code. By statute, the Committee is charged with the task of advising the Commission in the following two areas related to the State's child care program:

- (1) location, size and design of the child care facilities, and
- (2) curriculum a facility must provide to ensure the provision of developmentally appropriate services of a high quality.

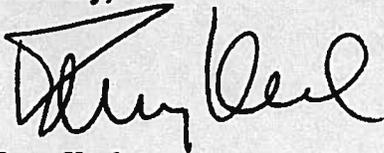
The Committee's recommendations will be instrumental not only in developing the solicitation related to the provision of child care services at the Capitol Complex Child Care Center, but also the Committee's recommendations concerning location, size and design will serve as a valuable resource for Commission program areas as statutory duties to allocate space and evaluate new buildings for suitability for additional child care facilities are fulfilled. See Tex. Gov't Code, §2165.206.

The Committee discussed the areas noted above from two perspectives — (i) the State child care program in its current form with one facility, the Capitol Complex Child Care Center; and (ii) the State child care program as it may exist in the future with program expansion due to (a) statutory waiting list requirements being reached and the Commission determining additional facilities are appropriate or (b) as provided for by statute, the addition of a new facility prompted by the request of another state agency to be located in its leased space or new construction. The Committee considered and evaluated areas for improvement and possible solutions, including the model for the program itself. On February 20, 2013, the Committee conveyed to me its recommendations concerning the State of Texas child care program and the Capitol Complex Child Care Center. Due to the fundamental nature of these recommendations to the viability and success of the State's child care program, a copy of the Committee's summary report and recommendations is enclosed.

In addition, I directed the Commission's Chief Security Officer and Risk Management Division staff to conduct a full security risk assessment of the Capitol Complex Child Care Center. Moreover, based on the preliminary findings of that assessment, I further instructed Commission staff from every building discipline to conduct a building assessment to compile a clear picture of the current state of the facility. Consequently, the Commission revised its Deferred Maintenance Report, which is a revolving list of maintenance issues present at State-owned facilities, to address identified facility deficiencies, including matters related to life safety and accessibility.

I am available to meet with you to discuss the State child care program and the Capitol Complex Child Care Center at your convenience. I welcome your direction and assistance to ensure the State child care program is one that can make all state employees and citizens of Texas proud.

Sincerely,



Terry Keel
Executive Director
Texas Facilities Commission

cc: Senate Committee on Finance
The Honorable Tommy Williams, Chair
The Honorable Juan "Chuy" Hinojosa, Vice-Chair
The Honorable Bob Deuell
The Honorable Kevin Eltife

The Honorable Craig Estes
The Honorable Glenn Hegar
The Honorable Joan Huffman
The Honorable Eddie Lucio, Jr.
The Honorable Jane Nelson
The Honorable Dan Patrick
The Honorable Kel Seliger
The Honorable Royce West
The Honorable John Whitmire
The Honorable Judith Zaffirini

House Appropriations Committee
The Honorable Jim Pitts, Chair
The Honorable Sylvester Turner, Vice-Chair
The Honorable Trent Ashby
The Honorable Cecil Bell
The Honorable Greg Bonnen
The Honorable Stefani Carter
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The Honorable Drew Darby
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February 20, 2013

Mr. Terry Keel
Executive Director
Texas Facilities Commission
1711 San Jacinto Blvd., 4th Floor
Austin, TX 78701

Re: Child Care Advisory Committee Summary and Recommendations

Dear Mr. Keel:

The purpose of this letter is to notify you of the recent activities of the Child Care Advisory Committee (the "Committee") and in accordance with Texas Government Code, Chapter 663, convey to the Texas Facilities Commission (the "Commission" or "TFC") the recommendations of the Committee concerning the State of Texas child care program. That program was established by the Texas Legislature in Texas Government Code, Chapter 663 to serve State of Texas employees of all income levels and ensure access to quality child care services in a secure and well-maintained facility. Administration and operation of the State child care program has been assigned by the legislature as an agency function and the duty of the Commission. Presently, the State child care program consists of one facility, the Capitol Complex Child Care Center, and TFC performs its responsibilities with regard to the program through a third-party service provider, Rosewood Oaks, LLC. Consistent with the requirements of Chapter 663, the Committee serves as an essential resource for the Commission in the area of child care services to ensure the success of the State child care program.

The recommendations of the Committee contained in this summary report are offered not only for the Commission's immediate consideration as it develops a solicitation for its next third-party child care services provider for the program, but also to guide the Commission as it plans and allocates resources for the program's future. In addition, the Committee's recommendations concerning location, size and design will serve as a valuable tool for Commission program areas as they perform statutory duties to allocate space and to evaluate new construction of buildings for suitability for additional child care facilities.

As you are aware, during its 82nd Regular Session, TFC worked diligently with the Texas Legislature to seek passage of House Bill 3404 to re-establish the Committee, which had ceased to exist in 2005 by operation of law. That bill was enacted, thereby ensuring the Committee's existence through September 1, 2021. Pursuant to Section 663.051, the members of the Committee are required to be appointed by TFC's commissioners, and the Committee must be comprised, at a minimum, of the following seven members:

- (1) the Executive Director of the Texas Facilities Commission,
- (2) the Executive Director of the Texas Department of Housing and Community Affairs,
- (3) two representatives of nonprofit organizations involved with the delivery or support of child care services,
- (4) a representative of child care providers,

- (5) one or more state employees subject to the state classification plan with at least one child in a child care facility, and
- (6) one or more individuals knowledgeable in child care services or the need of working individuals for child care services.

The following individuals were appointed to the Committee at the open meeting of TFC's commissioners on December 19, 2012:

(1) Susan Maldonado, Assistant General Counsel Texas Facilities Commission	Required State Agency
(2) Terri Rodgers, Director of Property Management Texas Facilities Commission	Required State Agency
(3) Tim Irvine, Executive Director Texas Department of Housing and Community Affairs	Required State Agency
(4) Kate Moore, Policy Advisor Texas Department of Housing and Community Affairs	Required State Agency
(5) Patricia Garrett, Director of Facilities Child, Inc.	Non-profit Representative
(6) Judy Szilagyi, Director of Education Child, Inc.	Non-profit Representative
(7) Larry Elsner, Executive Director Open Door Preschool	Non-profit Representative
(8) Hara Cootes, Site Director University of Texas Child Development Center	Childcare Provider
(9) Catherine Camp Texas Department of State Health Services	State Employee Representative
(10) Sandra Briley	Subject matter expertise
(11) Dana Perez, CCL Supervisor Texas Dept. of Family & Protective Services	Subject matter expertise
(12) Ron Hubbard, Early Childhood Coordinator City of Austin	Subject matter expertise

Committee Activities

The Committee has met weekly since January 11, 2013 with the exception of one week when optional tours were conducted of The University of Texas Child Development Center's Comal Street facility and the Open Door Preschool's M Station facility. During its second meeting, the Committee also toured the State child care program's facility, the Capitol Complex Child Care Center; this tour proved invaluable to allow Committee members to assess the current condition of the State's child care program and facility. The tours of the other child care facilities provided two examples of accredited, quality child care centers close in geographic location to the State program's current facility.

According to Section 663.051, the Committee's role is charged with the task of advising the Commission in the following two areas related to the State's child care program:

- (1) location, size and design of the child care facilities, and
- (2) curriculum a facility must provide to ensure the provision of developmentally appropriate services of a high quality.

The Committee has discussed the areas noted above thoroughly from two perspectives — (i) the State child care program in its current form with one facility, the Capitol Complex Child Care Center; and (ii) the State

child care program as it may exist in the future with program expansion due to (a) statutory waiting list requirements being reached and the Commission determining additional facilities are appropriate or (b) as provided for by statute, the addition of a new facility prompted by the request of another state agency to be located in its leased space or new construction. The Committee considered and evaluated areas for improvement and possible solutions, including the model for the program itself. The Committee further vetted the recommendations outlined in this summary report to ensure it accurately reflects the consensus findings and conclusions of the Committee.

Committee Recommendations

The Committee considers its recommendations outlined below as fundamental to the viability and success of the State's child care program. These recommendations are organized into two categories — (a) facility location, size, and design and (b) curriculum, as reflected in statute, and have been further divided into the following two tiers of priority: (i) minimum recommendations that address critical program needs and demand immediate attention, and (ii) preferred recommendations that would further enhance the quality of the services provided by the State child care program.

I. Location, size and design of the child care facilities.

A. Facility Location.

Minimum recommendations:

1. Child care facility must be located in a state-owned building. AG Op. No. JM-1156 (1990). Legislature did not intend new state buildings be constructed solely for the purpose of housing a child care facility. AG Op. No. JM-1156 (1990).
2. Location should be near concentration of state employees' workplaces.
3. Child care program facility may also be located upon request of a state agency as permitted by statute in either in new building construction in excess of 100,000 square feet or in lease space as a sublease.

Preferred recommendations:

1. Facility location should be in the Capitol Complex in Austin.

B. Facility Size.

Minimum recommendations:

1. Size of facility should be sufficient to provide classrooms for children aged 0-5 with at least one classroom for each developmental age group.
2. Size of facility should meet or exceed DFPS minimum standards concerning space, including indoor classroom space of 30 sq. ft per child and outdoor play area of 80 sq ft per child when in use. The Committee recommends each facility have indoor classroom space of no less than 35 sq. ft. per child or such higher requirement as a municipality where such facilities are sited may prescribe.
3. Facility size of no less than 80 children.

Preferred recommendations:

1. To the extent possible, facility size may exceed should be consistent with all DFPS minimum standards.

C. Facility Design.

Minimum recommendations:

1. Child care should be provided on ground floor of facility only, as required by Department of Family and Protective Services (DFPS) minimum standards, except in instances where permitted by local fire codes, such as when children over the age of 7 are being served.
2. Facility design should be consistent with all DFPS minimum standards, including sinks, kitchen, laundry, bathrooms, and 2 outdoor play areas (0-2 yrs. and 2-5 yrs.).
3. Facility design should meet all accessibility standards of the ADA and TDLR Architectural Barriers Act, including outdoor play areas.
4. Prior to start of next operations contract, certain work must be performed at current facility, including new roof installed and exterior painting to seal; interior painting; thorough cleaning; replacement of fencing to install vinyl chain link style fence at a height of no less than 6 feet, which exceeds DFPS 4' minimum standards; and replacement of the pea gravel to a best practice ground covering and the sunshade in both outdoor play areas (0-2 yrs. and 2-5 yrs.).
5. The available space between the buildings should be reconfigured to maximize outdoor play areas and simplify and enhance accessibility and security.
6. TFC should furnish an appropriate mix of permanently installed fixtures in outdoor play area, including climbing structures, a drinking fountain, a water play structure, storage, sand areas, a garden, and a tricycle path in a fully accessible setting.

Preferred recommendations:

1. [C. Camp] TFC should renovate the second floor of the current facility to provide additional office space, break space, and/or mother's rooms.
2. TFC should install new flooring throughout facility.
3. Facility should be reconfigured to increase dedicated sufficient teacher and director office space.
4. Facility should be reconfigured to provide space for children to work with occupational therapist, etc if necessary.
5. TFC should take steps to address facility exterior appearance and make it more welcoming and inviting.

III. Curriculum a facility must provide to ensure the provision of developmentally appropriate services of a high quality.

Minimum Recommendations:

1. Provider must commit to obtaining permanent license within one (1) year from opening new center.
2. Provider must commit to achieving Texas Rising Star 4 Star certification status within two (2) years of opening new center.

Preferred Recommendations:

1. Provider should follow best practices for developmentally appropriate curriculum, as recommended by the National Association for the Education of Young Children (NAEYC).
2. Provider must commit to achieving national accreditation (NAC or NAEYC) status within two (3-4) years of opening new center.

III. Overall Program Recommendations.

A. Provider Requirements and Qualifications.

Minimum Recommendations:

1. In selecting a third-party service provider for the program, TFC should give a preference to child care providers who have demonstrated commitment to quality in other settings they operate, i.e., national accreditation (NAEYC or NAC) or Texas Rising Star 4 Star Provider.
2. In selecting a third-party service provider for the program, TFC should consider limiting third-party service provider to non-profit providers.
3. In selecting a third-party service provider for the program, TFC should require respondents to furnish within their business plan, including a marketing plan to inform state employees of the center and its services.
4. In selecting a third-party service provider for the program, respondents should be required to provide the Commission with financial records at the time of solicitation and the selected Provider should continue to furnish such records annually through term of the contract.

B. Population Served.

1. [TDHCA] If this facility must be the sole child care facility in the state child care program, then the focus should be narrowed to infant care serving children 0-18 months in age; provided, however, that State subsidized the program to offset the higher costs associated with providing this type of care. The current facility does not seem to be well-suited to toddlers because of exterior security issues and the limitations on the playground space.
2. [C. Camp] Consideration of an infant care facility that provides care to infants through 18-month old children.
 - a. As a parent, it was more important to have my infant in close proximity to me than it is to have my four-year old. As children get older, the same considerations do not apply. (The transition to kindergarten and afterschool care requires another set of considerations, for example.) A nursing mother would find close proximity to her infant to be a great benefit.
 - b. From the information provided by the current Provider, of the 28 children on the wait list, the majority are infants.
 - c. The additional cost of infant care is to be expected by parents.

C. Security.

Minimum Recommendations:

1. All facilities in the State program should promptly undergo a security assessment and appropriate upgrades. If the facilities, without such upgrades pose significant security risks, then child care services should be suspended until the concerns have been addressed.

D. Provider Oversight.

Minimum recommendations:

1. TFC should require Provider to send Texas Rising Star Reports to the Commission bi-annually.
2. TFC should require Provider to conduct annual parent survey with results sent to the Commission annually.
3. TFC should require Provider to send quarterly reports, including statistics related to enrollment, licensing issues, and building upkeep, to the Commission.
4. Establish periodic open forums for TFC, Provider and parents no less than quarterly.
5. In the event there is a loss of certification or accreditation, Provider should be placed on corrective action plan that includes notifying parents and new enrollees of loss of status until return to prior status.

Preferred recommendations:

1. Require Provider to establish a Parent Advisory Council and meet quarterly with a Commission representative in attendance.

E. Facility.

Minimum Recommendations:

1. For facilities in Travis County or any adjacent county, the Commission should provide facility management services, including general maintenance, security, groundskeeping, and custodial services at no cost to Provider. This would include both interior and exterior, grounds, and infrastructure maintenance similar to other facilities that TFC maintains within the Capitol Complex.
2. For any facility located within the Capitol Complex, the Commission should provide utilities at no cost to Provider.

IF. Marketing.

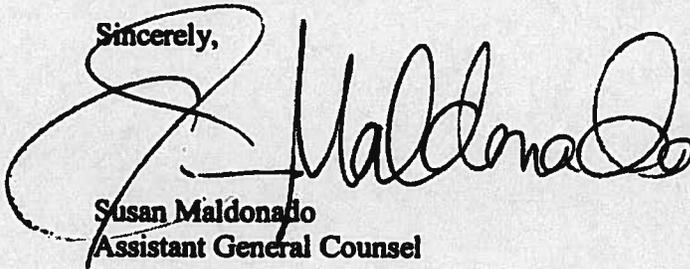
Minimum Recommendations:

1. TFC should take steps to inform state employees of the State child care program and its services.

Lastly, the Committee urges the Commission to evaluate the current model for the State child care program to identify areas for improvement of the delivery and quality of services to state employees by researching similar programs in other states to determine best practices, considering operation of the State child care program directly, and issuing a request for information to seek ideas of how best to utilize the facility and design the program.

It has been my pleasure to work with the Committee. Terri Rogers and I are available to discuss the activities of the Committee and the findings and conclusions contained within this summary report at your convenience. If there are any follow-up questions or tasks that you would like the Committee to undertake or any additional information that we may provide to the Commission, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Maldonado". The signature is fluid and cursive, with a large initial "S" that loops around the first part of the name. The name "Maldonado" is written in a similar cursive style.

Susan Maldonado
Assistant General Counsel

cc: Via electronic mail only:
K. Molina, TFC;
M. Lacy, TFC; and
T. Rodgers, TFC