



# Child Care Program Report

## Fiscal Years 2021-2022

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A Report to the Texas Legislature  
and  
Legislative Budget Board  
December 2022

*This report is submitted by the Texas Facilities Commission (TFC) in accordance with Texas Government Code, Subchapter B, Section 663.052 describing the effectiveness of the child care program administered by the agency. For additional information, please contact Bailey Gonzalez, Director of Business Operations, Facilities Management and Operations at: [bailey.gonzalez@tfc.texas.gov](mailto:bailey.gonzalez@tfc.texas.gov) and (512) 569-3297 or Richard Glancey, Director, Government Relations External Communications, at: [richard.glancey@tfc.texas.gov](mailto:richard.glancey@tfc.texas.gov) and (512) 936-1788.*

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## Program History

The Texas Legislature established the State of Texas child care program (the Program) in 1989 (Article 6252-3e of the Vernon's Annotated Revised Civil Statutes of the State of Texas, currently codified in pertinent parts of Texas Government Code Chapter 663). The Program serves State of Texas employees of all income levels and provides quality child care services. The legislature intended the facilities comprising the Program to exist in established or newly constructed State-owned buildings. Upon its inception, the Program was assigned as an agency function and duty of the State Purchasing and General Services Commission. Its successor agency, the Texas Facilities Commission (TFC or the Commission), currently administers and operates the Program. Texas Government Code, Section 663.052 directs the Commission to report to the legislature to summarize the development and progress of the State's child care program and a description of the additional child care services needed by state employees.

## Facilities

The Program currently consists of one facility, the Capitol Complex Child Care Center (the Center), located in a state-owned building on the Commission's inventory, namely the Barbara Jordan Building located at 1601 Congress Ave, Austin, Texas, and includes three adjoining outdoor play areas. The Program relocated there in Summer of 2022 as construction of the purpose-built space was completed. The new facility is a significant improvement over the former location, offering more space and amenities.

The Center's new location allowed the Program to expand from a maximum capacity of 121 children to as many as 200 children. The design includes two classrooms for four-year-olds and three classrooms each for infants, toddlers, two-year olds, and three-year olds. There is also a library, a staff breakroom, and three private rooms designed to accommodate the third-party physical and speech therapists that work with some children. There are three new playgrounds for the different age groups, including one in the front near the Mall (2,725 square feet) and two at the



rear (East face) of the building with one at grade (5,474 square feet) and the other incorporated into the roof over part of the lower (Main) level (3,775 square feet). All playgrounds provide new playscapes with shade structures, water play accommodation, and age-appropriate nature teaching through gardening, role playing, etc. The new facility has been eagerly embraced by staff, children, and parents.



## Program Operations

TFC performs its responsibilities concerning the Program through contracted service providers. The University of Texas at Austin Child Development Center (the UTCDC) was awarded the contract for the Program; during its regular meeting held on March 18, 2015 the Commission approved the Interagency Cooperation Contract and associated Lease award to UTCDC. The associated Lease Agreement between TFC and the Board of Regents of the University of Texas System for the Use and Benefit of the University of Texas at Austin became effective on April 20, 2015. The Interagency Cooperation Contract for Child Care Services and Operation and Management of the State of Texas Child Care Program between TFC and the University of Texas at Austin was executed on May 18, 2015. The contract term was for six (6) years, beginning June 1, 2015, and expiring on August 31, 2021. The contract included renewal options for two (2) additional two (2) year periods. The Commission elected to exercise the first renewal option during its regular meeting held July 22, 2021 and amended the contract to continue through August 31, 2023. A new Lease Agreement was executed for the period August 1, 2022 through August 31, 2025, with renewals available.

The philosophy of UTCDC is to nurture each child's growth and education in a stimulating and caring learning environment. This environment allows children the opportunity to develop linguistic, social, physical, and cognitive skills. Professionally trained teachers and

**"The Capitol Complex UTCDC has been such a gift to our family. Aside from being so convenient, the care our daughter is receiving is incredible. She happily runs toward her teachers every morning and happily waves goodbye to her friends when we pick her up in the afternoon, which really warms our hearts!"**  
- Rachel Weisberg, mother of Maayan (used with permission)



caregivers plan activities and arrange stimulating learning opportunities for the different developmental stages of a child’s life. The Program also values close working relationships with parents as a necessity in attaining program goals. As a result, UTCDC established a Parent Advisory Council (the PAC) at the Center. The PAC provides feedback regarding the Center’s operation and reviews the annual parent survey for areas of improvement. This group meets monthly and is a voice for enrolled families.

## Program Accreditation

UTCDC was awarded national accreditation in January 2017 through the National Accreditation Commission for Early Care and Education Programs (NAC). NAC provides childhood leaders the opportunity to demonstrate and document quality performance using research-based criteria and evidence-based practices. NAC also provides a comprehensive, ongoing quality improvement system that recognizes the inherent diversity among programs through the self-study and award process. In January 2020, the UTCDC submitted their self-study to NAC for reaccreditation and accreditation officials conducted their visit in May 2021. UTCDC was reaccredited through May 2025 and is required to submit annual reports to certify their continuing compliance.

In addition to this accreditation, the facility was elevated to a four-star rating in February 2017 from Texas Rising Star, which offers a quality rating and improvement system for Texas early childhood programs. UTCDC has continued to maintain this status, which allows them to offer need-based tuition subsidies through the Texas Workforce Commission that are in addition to the income-based sliding scale discounts detailed below in Table 1.

## Tuition Rates

The UTCDC uses a sliding-scale tuition structure based on annual household income, thus providing affordable services to State of Texas employees of all income levels. Below are the income categories, along with Table 1, which details the current and past tuition rates.

The tuition charged by UTCDC is based on three different rate levels determined by the family’s annual household income:

<b>Level A</b>	<b>\$0 - \$64,999</b> (10 slots available, excess qualified families pay at Level B until a vacancy becomes available at Level A)
<b>Level B</b>	<b>\$65,000 - \$114,999</b>
<b>Level C</b>	<b>\$115,000 +</b>

At the June 15, 2016 Commission meeting, the Commission approved the first non-

discretionary tuition increase. The Commission has since approved each of UTCDC’s annual requests for nominal tuition increases to cover rising costs, including facility staff salaries, for the upcoming fiscal year. Details about recent tuition increases are outlined in Table 1 below.

The UTCDC and the PAC supported each tuition increase to maintain the quality and integrity of the education and services rendered by the staff at this facility. Similar tuition increases are implemented at UTCDC’s two other child care locations. The Commission approved these motions based on the UTCDC’s performance during the current contract term, the exceptional quality of their services, curriculum, and parent support.

**Table 1 Tuition Rates for the school year beginning September 1**

Year	Rate Level	Infant	Toddler	Two	Three	Four
2019	A	\$710	\$685	\$655	\$625	\$625
	B	\$1,000	\$855	\$790	\$760	\$760
	C	\$1,115	\$1,015	\$910	\$855	\$855
2020	A	\$750	\$725	\$695	\$665	\$665
	B	\$1,040	\$895	\$830	\$800	\$800
	C	\$1,155	\$1,055	\$950	\$895	\$895
2021	A	\$785	\$760	\$730	\$700	\$700
	B	\$1,075	\$930	\$865	\$835	\$835
	C	\$1,190	\$1,090	\$985	\$930	\$930
2022	A	\$810	\$785	\$755	\$725	\$725
	B	\$1,100	\$955	\$890	\$860	\$860
	C	\$1,215	\$1,115	\$1,010	\$955	\$955

“The UTCDC provides **the absolute best care** for my preschool child. The care is better than any I could even hope to find in the private daycare/preschool market. The cost is affordable to me as a public sector employee, especially with the subsidized tuition levels. **I have sent two children to the UTCDC and do not think there is a better school in the city.**”

- Kyle Pierce Counce, state employee and father of Kathryn (used with permission)



As part of the annual request to increase tuition, UTCDC staff compile a tuition survey of nearby child care programs. Table 2 contains a sampling of facilities within three miles of the Capitol Complex Child Care Center collected in Spring 2022. Despite the increases, the Program’s rates at all three levels are consistently less than these other programs. TFC staff

believes the rate increases permit the Program to continue offering a high standard of care led by dedicated staff. For this reason, approving the tuition increases are in keeping with the State’s interest in achieving best value for the State, the Program, the children, and their families.

**Table 2 Tuition Survey of Comparable Child Care Programs - Spring 2022**

<b>Program</b>	<b>Infant</b>	<b>Toddler</b>	<b>Two</b>	<b>Three</b>	<b>Four</b>
Child's Day	\$1,925	\$1,795	\$1,725	\$1,625	\$1,625
Upbring School	\$1,500	\$1,350	\$1,250	\$1,220	\$1,100
Hyde Park Baptist CDC	\$1,700	\$1,600	\$1,600	\$1,500	\$1,400
Children Discovery School	\$1,365	\$1,265	\$1,215	\$1,215	\$1,215
Open Door	\$1,565	\$1,435	\$1,300	\$1,250	\$1,250
Congregation Beth Israel	\$1,580	\$1,480	\$1,265	\$1,205	\$1,185
First English Lutheran	n/a	\$1,220	\$1,220	\$1,175	\$1,175
<b>Averages of programs</b>	<b>\$1,630</b>	<b>\$1,453</b>	<b>\$1,372</b>	<b>\$1,315</b>	<b>\$1,280</b>
<b>UT CDC (as of 9/1/22)</b>	<b>\$810-1,215</b>	<b>\$785-1,115</b>	<b>\$755-1,010</b>	<b>\$725-955</b>	<b>\$725-955</b>

## COVID Impact

Due to COVID-19 pandemic concerns, UTCDC was closed on March 13, 2020 and reopened August 17, 2020. As of August 2022, the Center’s special COVID response procedures have been phased out and – with the exception of a self-testing requirement in the presence of symptoms – COVID is treated like any other illness.

## Enrollment and Waitlist

Prior to COVID, the facility consistently had a wait list for all age groups, with higher demand for younger children. Upon reopening in August 2020, UTCDC exhausted the wait list, but operated at or near capacity until relocation. In Summer 2022, expanded capacity afforded by the new location coincided with the availability of COVID vaccinations for children between two and five years of age, and the subsequent increase in demand for child care services as parents felt safer introducing young children to a social environment.

The Program’s leadership is working closely with waitlisted and interested families to assess needs and timing. They are also actively recruiting additional qualified staff, and plan to add two new classes in January 2023 and a third in Fall 2023. Please note that a family can elect to remain on the waitlist if they are not yet ready to accept an opening, resulting in a situation



where availability and a waitlist can exist simultaneously.

**Table 3 Enrollment and Waitlist Breakdown**

	Enrolled			Future Capacity	Waitlist		
	State	UT	Total		State	UT	Total
Infants	8	12	<b>20</b>	10 (Jan '23)	128	457	<b>585</b>
Toddlers	7	12	<b>19</b>	11 (Jan '23)	3	11	<b>14</b>
Twos	21	21	<b>42</b>	2	2	4	<b>6</b>
Threes	19	11	<b>30</b>	3 & 16 (Fall '23)	0	0	<b>0</b>
Fours	15	21	<b>36</b>	7	0	0	<b>0</b>
<b>Total</b>	<b>70</b>	<b>77</b>	<b>147</b>	<b>49</b>	<b>133</b>	<b>472</b>	<b>605</b>

Although no formal study has been done, UTCDC and TFC staff agree that the dramatic decrease in Program demand (especially for non-infants) is driven by a variety of factors. The primary reasons are twofold: 1) State employees who are permitted to work remotely have sought out child care closer to home, and 2) expansion of Pre-K programs by local school districts to children as young as three years old offer alternatives to daycare, often at low or no cost. Although a decrease in demand is not necessarily a welcome development, it does bring the capacity and waitlist into a more manageable balance.

## Future Needs

As long as state agencies continue to embrace a work environment with remote opportunities, the Program will likely have sufficient capacity to meet demand for the near future. If agencies begin to return to primarily in-office operations, TFC expects to see the waitlist grow across all age groups.