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Date: April 22, 2026
To: Child Care Advisory Group, Workforce Solutions East Texas Board
From:  Douglas G. Shryock, Director, Regional Workforce and Economic Development
Subject: May 1, 2026, Meeting

A meeting of the Child Care Advisory Group of the Workforce Solutions East Texas Board has been scheduled for **Friday, May 1, 2026, at 1:30 p.m., at the Tyler Workforce Center, 1421 S. Beckham Avenue, Tyler, Texas 75701 and Via Conference Call.** An agenda and supporting materials are attached.

Items for consideration include:

- Child Care Advisory Group Chair Comments to consider;
- Update on Child Care Services;
- Discussion of topics/issues to be addressed by the Child Care Advisory Group in the coming months;
- A. Inconsistent CCS payments and difficulty reconciling payment amounts;
- B. Financial strain caused by low reimbursement rates, resulting in providers losing money while serving CCS children;
- C. Confusion regarding parent eligibility and copays, including concerns that some families appear financially stable while others do not;
- D. Change from weekly to bi-monthly payments creates cash flow uncertainty. Providers want to continue serving CCS families but face sustainability challenges;
- E. Providers express confusion about how regional rates are set compared to other areas and why this area is so much lower than other areas; and
- F. Preliminary discussion of other Child Care topics.

If any attendee has special requirements due to disabilities, reasonable arrangements will be made, upon request. Please contact the ETCOG office at (903) 218-6400. Telephone inquiries can be made at (800) 735-2989 (TDD) or (800) 735-2988 (Voice).

DGS/GA/kv

Enclosures

Workforce Solutions East Texas Board

Child Care Advisory Group
Friday, May 1, 2026 – 1:30 p.m.
Workforce Solutions East Texas – Tyler Center
1421 S. Beckham Avenue
Tyler, TX 75701

And Virtually Via Conference Call

To join the meeting by telephone please call the number below and enter the meeting ID.
If you do not have a participant ID, just stay on the line and you will be entered into the meeting without one.

Join from PC, Mac, Linux, iOS or Android: <https://v.ringcentral.com/join/858146408>

Phone: +1 (650) 4191505

Meeting ID: 858146408#

AGENDA

1. Call to Order: Chair Camille Brown

2. Consider Public Comments: Chair Camille Brown

Time Limit: 3 Minutes. Interested Parties have an opportunity to address the Board or Committee, which has no obligation to respond in any manner to comments or questions asked of them by the speaker. If multiple speakers wish to address the same topic, a spokesperson will be selected. Any response by a member of the Board is limited by Texas law to a statement of specific factual information, a recitation of existing policy, or a proposal to place the subject on the agenda for a future WSET Board or Committee meeting.

3. Consider items from Child Care Advisory Group Members: Chair Camille Brown

This agenda item shall allow any member of the Child Care Advisory Group the opportunity to discuss minor, non-action items such as recognitions, attendance at relevant events, upcoming relevant events, etc. that are not listed on this agenda, and which require no action by the Group.

4. Consider Child Care Advisory Group Chair Comments: Chair Camille Brown (Enclosure #1)

5. Consider and take appropriate action regarding approval of the minutes of the Child Care Advisory Group meeting on January 23, 2026: Chair Camille Brown (Enclosure #2)

6. Consider and take appropriate action regarding update on Child Care Services (CCS): Rhonda McGrath

7. Consider and take appropriate action regarding discussion of topics / issues to be addressed by the Child Care Advisory Group in the coming months: Chair Camille Brown, Doug Shryock, Rhonda McGrath and Rita Portz

A. Inconsistent CCS payments and difficulty reconciling payment amounts.

B. Financial strain caused by low reimbursement rates, resulting in providers losing money while serving CCS children.

C. Confusion regarding parent eligibility and copays, including concerns that some families appear financially stable while others do not.

- D. Change from weekly to bi-monthly payments creates cash flow uncertainty. Providers want to continue serving CCS families but face sustainability challenges.
 - E. Providers express confusion about how regional rates are set compared to other areas and why this area is so much lower than other areas.
 - F. Preliminary discussion of other Child Care topics
8. Identification of items to be included on the next Child Care Advisory Group Meeting Agenda: Chair Camille Brown
 9. Set Date for the next Child Care Advisory Group Meeting: Chair Camille Brown
 10. Adjournment

I am writing to formally address several ongoing concerns I have regarding the Child Care Subsidy Program administered through the Texas Workforce Commission. These concerns are based on real, day-to-day operational challenges that directly impact my ability to run a stable, high-quality child care program.

The following points outline specific areas that require review and improvement:

1. Lack of Statewide Consistency Across CCS Boards

CCS programs should operate consistently across the state of Texas. Currently, different boards offer different policies, support, and program structures depending on the region.

- This creates confusion for providers operating within the same state system.
 - It leads to inequity, where some centers receive benefits or flexibility that others do not.
 - A statewide program should function uniformly to ensure fairness and clarity.
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2. Reimbursement Should Be Based on Enrollment, Not Attendance

Reimbursement tied to attendance instead of enrollment creates instability for providers.

- Centers must staff classrooms based on enrollment, not daily attendance.
- When children are absent, the financial loss falls entirely on the provider.
- A slot is reserved for that child regardless of whether they attend.

Reimbursement should reflect the cost of holding a child's spot, not just when they are physically present.

3. Payment Should Reflect Center Operating Policies (Closures & Paid Time Off)

If a family chooses to enroll in a center with specific operating policies, CCS should honor those policies just as private-paying families do.

Examples:

- My center closes for Spring Break, and private-paying families are still charged so staff can receive paid time off. CCS does not reimburse for this week.

- My center closes three days for Christmas, and I pay my staff for those days. CCS only reimburses for two.
- If a center must close due to weather, reimbursement is not guaranteed.

This creates a double standard:

- Private-pay families support the business model and staff retention.
- CCS policies undermine those same efforts.

If a family chooses a program, CCS should pay based on enrollment regardless of closures.

4. Holiday and Closure Decisions Should Not Be Dictated by CCS Boards

CCS boards should not determine which holidays or closure days a center is allowed to be reimbursed for.

- Child care is already a low-margin industry.
 - Offering paid time off is essential for retaining qualified staff.
 - Providers must be able to structure their calendars in a way that supports staffing without financial penalty.
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5. Market Rate Reimbursement Does Not Reflect Reality

The current “market rate” calculations are inconsistent and do not reflect actual pricing structures.

Example:

- A 4-star center may receive approximately \$136/week for after-school care (roughly 3 hours per day).
- The same system reimburses only around \$193.50/week for an infant receiving up to 10.5 hours of care daily.

This is not aligned with real market rates:

- After-school care in my area averages closer to \$80/week.
- Infant care is significantly more labor-intensive and costly.

The current structure undervalues high-cost age groups while overestimating lower-cost care categories.

6. Enrollment Termination Policies Favor Families Over Providers

Current CCS policies create an imbalance when care ends.

- Providers are required to report when a child is absent for 5 consecutive days without contact.
- Once reported, care is often ended immediately without notice to the provider.
- The family can then transfer to another center without consequence.

This creates several issues:

- Providers lose income with no notice.
- Families are not held accountable for abrupt withdrawal.
- Centers are left with unfilled spots and no compensation.

In contrast:

- Private-pay families at my center are required to give a 3-week notice and pay for that time regardless of attendance.

CCS families should be held to similar standards.

Recommendations:

- Require CCS families to provide notice before ending care.
 - Require agencies to verify notice with providers before terminating care.
 - If no notice is given, providers should still be compensated for a set period.
 - Families who abruptly stop attending should lose eligibility and return to the waiting list.
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7. Overall Impact on Providers

The cumulative effect of these policies places unnecessary strain on child care providers.

- Financial instability due to inconsistent reimbursement

- Difficulty retaining qualified staff
 - Inequity between private-pay and CCS-supported families
 - Operational challenges that ultimately impact the quality of care
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Closing Statement

The Child Care Subsidy Program plays a critical role in supporting families, but it must also support the providers who make that care possible.

At this time, the structure of the program places a disproportionate burden on providers. Addressing these concerns would create a more balanced system that supports sustainability, fairness, and high-quality care for children across Texas.

Thank you for your time and consideration.

Minutes of Meeting

Workforce Solutions East Texas Board
Child Care Advisory Group
Friday, January 23, 2026 – 1:30 p.m.
Workforce Solutions East Texas – Tyler Center, Room 4
4100 Troup Highway
Tyler, Texas 75703

And Virtually Via Conference Call

To join the meeting by telephone, please call the number below and enter the meeting ID. If you do not have a participant ID, just stay on the line and you will be entered into the meeting without one.

Join from PC, Mac, Linux, iOS or Android: <https://v.ringcentral.com/join/362687493>

Phone +1 (650) 4191505 Meeting ID: 362687493#

1. Call to Order: Chair Camille Brown

Chair Camille Brown called the meeting to order at 1:30 p.m.

The following individuals were present:

Members

Camille Brown
Caprice Boren
Kristti Brown
DD Hutson
Rita Portz
Katrina Torrez
MJ Wagner

Staff

Gary Allen
Gini Blackwell
Valerie Hatten
Kelly Horn
Adam Martin
Dylan Savage
Kitty Vickers

Guests

Sandy Anderson, BakerRipley
Pam Pearson, Vice Chairman, WSETB

2. Consider Public Comments: Chair Camille Brown

Time Limit: 3 Minutes. Interested Parties have an opportunity to address the Board or Committee, which has no obligation to respond in any manner to comments or questions asked of them by the speaker. If multiple speakers wish to address the same topic, a spokesperson will be selected. Any response by a member of the Board is limited by Texas law to a statement of specific factual information, a recitation of existing policy, or a proposal to place the subject on the agenda for a future WSET Board or Committee meeting.

There were no Public Comments.

3. Consider items from Child Care Advisory Group Members: Chair Camille Brown

This agenda item shall allow any member of the Child Care Advisory Group the opportunity to discuss minor, non-action items such as recognitions, attendance at relevant events, upcoming relevant events, etc. that are not listed on this agenda, and which require no action by the Group.

- Chair Brown reported feedback collected from childcare providers, directors and others.
- Key concerns from the directors included:
 - Inconsistent CCS payments and difficulty reconciling payment amounts.
 - Financial strain caused by low reimbursement rates, resulting in providers losing money while serving CCS children.
 - Confusion regarding parent eligibility and copays, including concerns that some families appear financially stable while others do not. One of the directors stated the parents had to have 9 hours of school and 25 hours of work. If there are only 25 working hours, this is probably why they have zero copays.
 - Change from weekly to bi-weekly payments create cash flow uncertainty. It was better when they were paid weekly. Providers want to continue serving CCS families but face sustainability challenges.
- Providers expressed confusion about how regional rates are set compared to other areas and why this area is so much lower than other areas.
- Chair Brown requested clarification on these concerns to provide the information back to the directors.

4. Consider and take appropriate action regarding approval of the minutes of the Child Care Advisory Group meeting on October 17, 2025: Chair Camille Brown (Enclosure #1)

Adam Martin moved to approve the minutes of the Child Care Advisory Group meeting on October 17, 2025. The motion was seconded by Kristti Brown and passed with no opposition.

5. Consider and take appropriate action regarding update on Texas Workforce Conference presentation by the Texas Workforce Commission regarding Child Care Committees (Advisory Groups): Doug Shryock (Enclosure #2)

Gary Allen gave an update on the Texas Workforce Conference presentation by the Texas Workforce Commission regarding Child Care Committees (Advisory Groups) enclosed in the agenda packet.

- Key points:
 - Child Care Advisory Groups are a priority in TWC’s strategic plan.
 - The role of advisory groups is to strengthen communication between providers, parents, workforce boards, and TWC.
 - 145k CCS children served per day.
 - 45k employers with employees receiving CCS.
 - 7k CCS providers licensed to serve more than a half million children.
 - TWC leadership reviewed all workforce board websites, reinforcing the importance of advisory groups statewide.

6. Consider and take appropriate action regarding update on Child Care Services: Rhonda McGrath

Rita Portz gave an update on Child Care Services:

- Approximately 2,000 families (nearly 4,000 children) remain on the CCS waitlist.
- 110 priority families have been enrolled from the waitlist for January.
- CCS is currently serving slightly above 100% capacity and spending is being closely monitored.

- Anticipated summer enrollment declines may provide budget relief.
- The Business Industry Specialist staff conducted KinderConnect payment training courses across the East Texas counties.
- Attendance was lower than expected due to timing during the holiday season.
- A recorded training course will be uploaded to the CCS portal for on-demand access.
- Additional notifications will be sent once the video is available.
- Providers were reminded of the importance of accurate attendance tracking.
- Parents are terminated after 45 absences in a 12-month period.
- Recent state communications confirmed no CCS payment delays in the region.
- Providers were advised to contact the help desk and obtain ticket numbers for system issues.
- Kristti Brown discussed using the inclusion funding, which has been streamlined under the TRS program.
- Sheri Wayt, of TRS, is a trained childcare staff designated as the assessor and primary inclusion contact.
- The new process using inclusion funding includes:
 - Developing specialized skills for supporting children with disabilities or challenging behaviors.
 - Clear communication between CCS, assessors, and families.
 - Faster assessments and reporting.
 - Expanded support for children without formal diagnoses.
 - Coordinated scheduling with families.
- Discussion included:
 - Exploring training opportunities to upskill existing childcare staff to support children with special needs.
 - Potential partnerships with local colleges and training providers.
 - Use of inclusion funds for professional development.
- Members expressed strong support for the updated inclusion process.

7. Consider and take appropriate action regarding discussion of topics / issues to be addressed by the Child Care Advisory Group in the coming months: Chair Camille Brown, Doug Shryock and Rhonda McGrath

Gary Allen discussed the topics / issues to be addressed by the Child Care Advisory Group in the coming months.

A. Monitor legislative updates for SB1 and HB599 for potential impact along with an update on changes for Child Care regulations (Enclosure #3)

Gary Allen gave an overview for SB1 and HB599 for potential impact along with an update on changes for Child Care regulations enclosed in the agenda packet.

- Childcare continues to be a major focus of the Texas Legislature.
- SB1 session allocated \$100 million toward childcare services.
- HB599 establishes uniform regulations for group daycare homes and family homes across Texas. It prohibits local political subdivisions from imposing health and safety requirements that exceed state standards, ensuring care providers are assessed under consistent criteria.
- HB 4903 establishes a Quad-Agency Child Care Initiative which brings the TWC, HHSC, DFPS, and TEA together to review and streamline state regulations impacting childcare programs.

B. Explore advocacy strategies for property tax relief and funding flexibility

Discussion included property tax relief challenges, especially in rural areas. Urban areas are granted tax relief, but rural areas are not granted tax relief, likely because of budgeting fears. The strategy is to make sure the local elected officials know what childcare does and what their needs are.

C. Research Shared Service Alliances and donation opportunities for supplies (Enclosure #4)

Gary Allen discussed Research Shared Service Alliances and donation opportunities for supplies enclosed in the agenda packet. Shared alliances with employers provide childcare discounts and supplier benefits to help childcare with affordability.

D. Consider reclassification of consumables as janitorial supplies for funding eligibility

Discussion regarding reclassification of consumables as janitorial supplies for funding eligibility and exploration of bulk supply donations from distribution centers to support providers. TWC Child Care Quality funds cannot be used for janitorial supplies.

E. Research implementation of hygiene closets in the rural areas

Discussion of research implementation of hygiene closets in the rural areas are primarily intended as family resources rather than center operations.

F. Preliminary discussion of other Child Care topics

There was nothing to add to the preliminary discussion of other Child Care topics.

Gary Allen and the group recognized MJ Wagner for her years of service and contributions to childcare initiatives.

MJ Wagner announced her retirement will be effective on January 30, 2026. Kristti Brown is her replacement who will take the program into the future with all the changes which will be coming.

Chair Brown congratulated MJ Wagner on her retirement and welcomed Kristti Brown to the group.

8. Identification of items to be included on the next Child Care Advisory Group Meeting Agenda: Chair Camille Brown

Chair Brown confirmed the identification of items to be included in the next Child Care Advisory Group Meeting Agenda are items listed from her comments considered by the group members, which have already been discussed in the meeting.

9. Set Date for the next Child Care Advisory Group Meeting: Chair Camille Brown

Chair Camille Brown stated the next meeting date will be scheduled and communicated. No set date for the next Child Care Advisory Group Meeting was determined. It has previously been noted to take place once every three months.

10. Adjournment

There being no further business, the meeting adjourned at 2:27 p.m.