

922 KAR 2:170. STARS for KIDS NOW Program for Type I licensed child-care centers.

RELATES TO: KRS Chapter 13B, 199.8941, 199.8943, 199.896(4), 42 U.S.C. 601-619, 45 C.F.R. 98

STATUTORY AUTHORITY: KRS 194A.050(1), 199.8941(1), 199.8943(2)

NECESSITY, FUNCTION, AND CONFORMITY KRS 194A.050(1) requires the Secretary of the Cabinet for Health and Family Services to promulgate administrative regulations necessary under applicable state laws to protect, develop, and maintain the health, personal dignity, integrity, and sufficiency of the individual citizens of the Commonwealth. KRS 199.8943(2) requires the Cabinet for Family and Health Services to promulgate an administrative regulation that implements a voluntary quality-based graduated child care rating system for licensed child care centers; agency time frames for review of quality ratings; an appeals process under KRS Chapter 13B; and a process for the reevaluation of quality ratings. KRS 199.8941(1) requires the Early Childhood Development Authority to develop a program of monetary incentives tied to participation in a quality rating system. This administrative regulation establishes criteria for implementation of the voluntary quality rating system for Type I licensed childcare centers, and establishes the amount of each monetary incentive awarded to a participant in the STARS for KIDS NOW Program.

Section 1. Definitions. "Anniversary date" means the approval date on a STARS for KIDS NOW quality rating certificate.

(2) "Commonwealth Child Care Credential" means a certificate of completion of sixty (60) clock hours of instruction from a state agency-approved organization in accordance with 922 KAR 2:250.

(3) "Environment assessment" means one (1) of four (4) rating scales designed to assess quality in an early childhood or school age care group, and consists of the following items to evaluate:

- (a) Physical environment;
- (b) Basic care;
- (c) Curriculum;
- (d) Interaction;
- (e) Schedule and program structure; and
- (f) Parent and staff education.

(4) "Infant" means a child who is less than twelve (12) months of age.

(5) "Parental or family participation" means a child care program's provision of information or inclusion of a parent or caregiver in the program's activities, such as:

- (a) Distribution of a newsletter;
- (b) Distribution of a program calendar;
- (c) A conference between a child care program's staff and a parent or caregiver; or
- (d) Any other activity designed to engage a parent or caregiver in the program's activities.

(6) "Preschool" means a child who is older than twenty-four (24) months and younger than school age.

(7) "STARS for KIDS NOW Program" or "STARS" means the voluntary quality-based graduated child care rating system established by KRS 199.8943(1).

(8) "School-age" means a child attending kindergarten, elementary, or secondary education.

(9) "Substitute" means a person employed by a Type I center for a period not to exceed fourteen (14) days in a one (1) year period.

(10) "Toddler" means a child between the age of twelve (12) and twenty-four (24) months.

(11) "Type I child-care center" means a child care center licensed to regularly provide child care services for:

- (a) Four (4) or more children in a nonresidential setting; or
- (b) Thirteen (13) or more children in a residential setting with designated space separate from the primary residence of a licensee.

Section 2. Application. (1) A Type I center may:

(a) Apply to participate in STARS after six (6) months from the date of initial licensure; and

(b) Achieve a quality rating certificate of Level 1 through Level 4.

(2) If an applicant seeks participation in STARS as a Level 1 quality rating certificate:

(a) The applicant shall complete a:

1. "DCC-400, Level 1 Rating Certificate Application"; and
2. "DCC-401, STARS for KIDS NOW-Level 1 Standards Check List"; and

(b) The cabinet or its designee shall verify on the DCC-401 the center's documented compliance with the Level 1 requirements described in Section 3 of this administrative regulation.

(3) If an applicant seeks a Level 2, 3, or 4 quality rating certificate, the:

(a) Applicant shall complete a, DCC-401, and DCC-405, STARS for KIDS NOW Rating Visit Request Form; and

(b) Cabinet or its designee:

1. Shall contact the applicant within fifteen (15) working days to schedule a STARS rating visit, upon receipt of a completed DCC-401 and DCC-405;

2. And the applicant shall agree to a two (2) week time period in which the STARS rating visit will occur; and

3. Shall issue to an approved applicant, within sixty (60) calendar days from the date of the STARS rating visit, a quality rating

certificate that shall:

- a. Be valid for a period specified in Section 11(3) of this administrative regulation; and
- b. Specify the rating level approved for the center.

(4) For the purpose of redetermining a center's quality rating certificate, a participant in the STARS program may request, at least six (6) months after issuance of a quality rating certificate, another rating visit.

(5) An environment assessment shall be completed during each rating visit for one-third (1/3) of the total number of classrooms, including at least one (1) classroom for each of the following age groups for which the center provides care:

- (a) Infant;
- (b) Toddler;
- (c) Preschool; and
- (d) School age.

(6) A center applying for or participating in the STARS program shall:

(a) Not have an immediate closure, denial of relicensure, or recertification, suspension, or revocation action against the center's license; and

- (b) Pay any civil penalty levied against the center if the:
 1. Center has waived the right to appeal a civil penalty; or
 2. Civil penalty has been upheld on appeal.

Section 3. Level 1 Quality Rating Certificate Requirements. (1) A Type I center:

(a) Shall not be allowed to participate as a Level 1 child care center for more than a two (2) year period; and

(b) May reapply for participation six (6) months after expiration of the Level 1 quality rating certificate.

(2) A center participating in the STARS Program and holding a Level 1 quality rating certificate shall:

(a) Post prominently in each classroom, and maintain compliance with, the:

1. Minimum staff-to-child ratios and group size established in 922 KAR 2:120, Section 2;
2. Planned program of activities; and
3. Daily schedule;

(b) Comply with the staff requirements set forth in 922 KAR 2:110, Section 5;

(c) Ensure that the center's director or an individual with decision-making authority such as the owner, board chair, or minister, attends an overview of STARS prior to program participation;

(d) Complete an assessment in which at least one (1) environment assessment shall be used to observe each age group described in Section 2(5) of this administrative regulation, under the following conditions:

1. The center's director shall conduct each assessment within the first twelve (12) months of participation in STARS, and may request assistance from the cabinet or its designee.

2. A Level 1 quality rating certificate shall not require a center's achievement of a specific score on the environment assessment; and

3. Upon completion of the environment assessment by the center's director during the second year of certification at a Level 1 quality rating, the director shall develop a written plan for improved performance in each area identified by the environment assessment as needing improvement, and may request assistance from the cabinet or its designee;

(e) Coordinate at least one (1) annual activity involving parental or family participation;

(f) Implement an annual plan for professional development for each employee, including the licensee;

(g) Ensure that the individual who attended the overview described in subsection (2)(c) of this section provides, to each employee who has direct supervisory authority over a child, training regarding the:

1. Licensure requirements in:

- a. 922 KAR 2:090, Child care center licensure;
- b. 922 KAR 2:110, Child-care center provider requirements; and
- c. 922 KAR 2:120, Child-care center health and safety standards;

2. Requirements for participation in the STARS Program;

3. Environment assessment; and

4. Early Childhood Development Scholarship Program; and

(h) Comply with the requirements of 922 KAR 2:160, Child Care Assistance Program (CCAP).

Section 4. Level 2 Quality Rating Certificate Requirements. A licensed child care center participating in STARS and holding a Level 2 quality rating certificate shall:

(1) Meet the requirements of Sections 2(3) and 3(2)(a), (b), (c), and (f) through (h) of this administrative regulation;

(2) Have in each classroom a roster that specifies the first and last name of:

(a) The room's teacher or employee with supervisory authority over a child; and

(b) Each child enrolled in the center and cared for in that room;

(3) Coordinate at least two (2) annual activities that involve parental or family participation;

(4) Provide documentation of a written plan for parental or family involvement;

(5) Achieve an overall average score of at least three (3) on the environment assessment portion of the STARS rating visit,

calculated based upon the total number of environment assessments conducted during the quality rating visit;

(6) If the center achieves an overall average score of three (3) on the environment assessment, develop a written plan for improved performance on subsequent environment assessments, and obtain assistance from the cabinet or its designee upon request;

(7) Achieve and maintain an overall average score of at least four (4) on the environment assessments by the fourth year of certification at a Level 2 quality rating;

(8) Review and sign the "DCC-402, STARS for KIDS NOW-Level 2 Standards Checklist" during the STARS rating visit;

(9) Comply with the provisions of:

(a) 11 KAR 16:040, Early Childhood Development Scholarship Program recordkeeping requirements; and

(b) 11 KAR 16:060, Early Childhood Development Scholarship Program system of monetary incentives;

(10) Ensure that each employee or substitute who has direct supervisory authority over a child receives fifteen (15) clock hours annually of early care and education training approved by the cabinet or its designee;

(11) Ensure that the center's director, or the person responsible for the on-site operation of the center, receives eighteen (18) clock hours annually of early care and education training approved by the cabinet or its designee; and

(12) Provide documentation demonstrating that standardized personnel evaluations are conducted annually.

Section 5. Level 3 Quality Rating Certificate Requirements. A licensed child care center participating in STARS and holding a Level 3 quality rating certificate shall:

(1) Post prominently in each classroom and maintain the following staff-to-child ratios and group size:

Age	Ratio	Group Size
Birth - 1 year	1 staff for 4 children	8
1 to 2 years	1 staff for 5 children	10
2 to 3 years	1 staff for 8 children	16
3 to 4 years	1 staff for 11 children	22
4 to 6 years	1 staff for 12 children	24
6 to 12 years	1 staff for 14 children	28

(2) Meet the requirements of Sections 2(3) and 3(2)(a)2 and 3, (b), (c) and (f) through (h) of this administrative regulation;

(3) Coordinate at least three (3) annual activities involving parental or family participation;

(4) Document a procedure for use of parental or family feedback;

(5) Achieve an overall average score of at least four point five (4.5) on the environment assessment portion of the STARS rating visit;

(6) Review and sign the "DCC-403, STARS for KIDS NOW-Level 3 Standards Checklist" during the STARS rating visit;

(7)(a) Meet the requirements of Section 4(2), (4), (9), (10), and (12) of this administrative regulation; and

(b) Ensure that at least fifty (50) percent of staff, including substitutes, who have direct supervisory authority over a child have completed one (1) of the following:

1. A Commonwealth Child Care Credential;

2. A Child Development Associate's Credential;

3. A Montessori Certificate; or

4. An associate or higher level of education in:

a. Interdisciplinary early childhood education;

b. Early childhood special education;

c. Early childhood education;

d. Early childhood development;

e. Elementary education for teaching kindergarten through fourth grade, if the employee cares for school-age children; or

f. A related degree approved by the Early Childhood Development Authority;

(8) Ensure that at least fifty (50) percent of staff, including substitutes, who have direct supervisory authority over a child are certified in infant and child:

(a) Cardiopulmonary resuscitation; and

(b) First aid;

(9) Ensure that the center's director, or the person responsible for the on-site operation of the center;

(a) Annually receives twenty-four (24) clock hours of early care and education training approved by the cabinet or its designee; and

(b) Has one (1) of the following:

1. A Child Development Associate's Credential;

2. A Director's Credential or an equivalent credential approved by the Early Childhood Development Authority;
3. A Montessori Certificate; or
4. An associate degree or higher level of education in:
 - a. Interdisciplinary early childhood education;
 - b. Early childhood special education;
 - c. Early childhood education;
 - d. Early childhood development;
 - e. Elementary education for teaching kindergarten through fourth grade, if the director works primarily with school-age children; or
 - f. A related degree approved by the Early Childhood Development Authority;

(10) Ensure that one (1) of the following is present in the center at least seventy-five (75) percent of the center's daily hours of operation:

- (a) The center's director;
- (b) A person responsible for the center's operation;
- (c) An employee qualified as a child development associate; or
- (d) An employee with a higher level of education, as described in subsection (7)(b)3 or 4 of this section;

(11) Provide at least six (6) days paid leave per year to each employee who:

- (a) Works at least thirty-seven and one-half (37.5) hours per week in the center; and
- (b) Has been employed in the center less than one (1) year;

(12) Provide paid leave in an amount prorated according to the standard established in subsection (11) of this section for each employee who:

- (a) Works less than thirty-seven and one-half (37.5) hours per week in the center; and
- (b) Has been employed in the center less than one (1) year;

(13) Provide at least eleven (11) days paid leave per year to each employee who:

- (a) Works at least thirty-seven and one-half (37.5) hours per week in the center; and
- (b) Has been employed in the center for at least one (1) year;

(14) Provide paid leave in an amount prorated according to the standard established in subsection (13) of this section for each teaching employee who:

- (a) Works less than thirty-seven and one-half (37.5) hours per week in the center; and
- (b) Has been employed in the center for at least one (1) year; and

(15) If year-round child care services are not offered, provide paid leave in an amount prorated according to the standards established in subsections (11) and (13) of this section.

Section 6. Level 4 Quality Rating Certificate Requirements. A licensed child-care center participating in STARS and holding a Level 4 quality rating certificate shall:

(1) Post prominently in each classroom and maintain the staff-to-child ratios and group size recommended by the National Association for the Education of Young Children, located at www.NAEYC.org;

(2) Meet the requirements of Sections 2(3), 3(2)(a), (b), (c) and (f) through (h), and 5(6) of this administrative regulation;

(3) Coordinate at least four (4) annual activities involving parental or family participation;

(4) Meet the requirements of Section 4(2), (4), (9), (10), and (12) of this administrative regulation;

(5) Meet the requirements of Section 5(4), (7), (8), and (10) through (15) of this administrative regulation;

(6) Achieve an overall average score of at least six (6) on the environment assessment portion of the STARS rating visit;

(7) Review and sign the "DCC-404, STARS for KIDS NOW-Level 4 Standards Checklist" during the STARS rating visit;

(8) Be accredited by:

(a) The National Association for the Education of Young Children (NAEYC);

(b) The National Early Childhood Program Accreditation (NECPA);

(c) The National After School Association (NAA);

(d) The Southern Association of Colleges and Schools (SACS);

(e) The National Accreditation Commission for Early Care and Education Programs;

(f) The Association of Christian Schools International Preschool Accreditation Program;

(g) The Council on Accreditation; or

(h) An organization approved by the Early Childhood Development Authority;

(9) Ensure that at least one (1) employee who has a Child Development Associate's Credential or higher level of education, as described in Section 5(7)(b)2 through 3 of this administrative regulation, is present in each classroom during all hours of operation; and

(10) Ensure that the center's director or employee who is designated responsible for the center's on-site operation as required by 922 KAR 2:110:

(a) Meets the standards recommended by the organization by which the center is accredited;

(b) Annually receives twenty-four (24) clock hours of early care and education training; and

(c) Has completed the Director's Credential or an equivalent credential approved by the Early Childhood Development Authority.

Section 7. STARS for KIDS NOW Achievement Awards. To the extent that funds are available, the cabinet shall pay achievement awards to qualified STARS for KIDS NOW participants.

(1) A STARS achievement award shall be awarded to a Type I center:

(a) The first time the center achieves a STARS level, according to the following chart:

	Level 1	Level 2	Level 3	Level 4
Participant's enrollment is 50 children or less	\$200	\$500	\$1,700	\$3,000
Participant's enrollment is 51 to 100 children	\$200	\$750	\$2,200	\$4,000
Participant's enrollment is more than 100 children	\$200	\$1,000	\$2,700	\$5,000

; and

(b) The first time and each subsequent time a center achieves a higher STARS level, for each STARS level up to and including all STARS level ratings achieved at that time.

(2) A Type I child-care center that continues to be a STARS rated Level 3 or 4 provider shall be eligible for an annual achievement award during the month of the anniversary date based upon the following chart:

Number of children	Level 3	Level 4
50 or less children	\$850	\$1,500
51 to 100 children	\$1,100	\$2,000
More than 100 children	\$1,350	\$2,500

Section 8. Quality incentive award. To the extent funds are available, the cabinet shall pay quality incentive awards to qualified STARS for KIDS NOW participants.

(1) A Level 1 STARS rated Type I center shall not be eligible to receive a quality incentive award.

(2) Quality incentive awards shall be calculated and paid on the percentage of children served by the Child Care Assistance Program, as described in 922 KAR 2:160, to the qualified center.

(3) A quality incentive award shall be calculated and paid based on the center's STARS rating level and the percentage of CCAP subsidized children, compared to the total number of children served during the month the quality rating certificate was issued. The product of this equation shall be the monthly amount of the quality incentive award.

(4) The following chart shall be used when calculating the amount of a quality incentive award:

Participant's enrollment percentage	Amount per month per child under age three (3)			Amount per month per child age three (3) and over		
	Level 2	Level 3	Level 4	Level 2	Level 3	Level 4
1 - 10%	\$8	\$12	\$15	\$7	\$11	\$14
11 - 25%	\$9	\$13	\$16	\$8	\$12	\$15
26 - 50%	\$10	\$14	\$17	\$9	\$13	\$16
51 - 75%	\$11	\$15	\$18	\$10	\$14	\$17
76% or more	\$12	\$16	\$19	\$11	\$15	\$18

(5) A Quality incentive award shall be paid to a qualified center at least annually, and the quality incentive award shall be recalculated annually to the center.

Section 9. Enhancement Awards. To the extent funds are available, the cabinet shall pay enhancement awards to qualified STARS for KIDS NOW participants.

(1) A Level 4 Type I child-care center shall be eligible for an enhancement award if the child-care center:

(a) Completes the DCC-404E, STARS for KIDS NOW-Level 4 Enhanced Standards Checklist, ensuring that health insurance is available to each employee of the center;

(b) Pays at least fifty (50) percent of the cost of a single health insurance plan for each employee who works at least thirty-seven and one-half (37.5) hours per week in the center; and

(c) Pays the cost of a single health insurance plan in an amount no less than a percentage prorated according to the standard set forth in subsection (1)(b) of this section, for each employee who works less than thirty-seven and one-half (37.5) hours per week in

the center.

- (2) The annual enhancement award shall be:
 - (a) Only for Type I Level 4 child-care centers;
 - (b) Paid during the month of the anniversary date; and
 - (c) Based upon the following chart:

50 or less children	\$1,500
51 to 100 children	\$2,000
More than 100 children	\$2,500

Section 10. Interim Report. (1) Except during a renewal year, a Level 2, 3, or 4 center shall complete and submit to the cabinet or its designee prior to the anniversary date a:

- (a) DCC-413, STARS for KIDS NOW Interim Report Standards Documentation; and
- (b) DCC-414, STARS for KIDS NOW Interim Report Staff Training Documentation, for each staff person, including the director.

(2) The cabinet or its designee shall notify a participating center of requirements in subsection (1) of this section at least ninety (90) calendar days prior to the anniversary date.

Section 11. Renewal of a Quality Rating Certificate. (1) The cabinet or its designee shall notify a participating center at least ninety (90) calendar days before expiration of the center's quality rating certificate.

(2) A center shall submit a DCC-401 and DCC-405 to the cabinet or its designee for a quality rating visit at least sixty (60) calendar days prior to expiration of the quality rating certificate.

(3) A quality rating certificate shall be renewed by a quality rating visit every:

- (a) Year for a Level 1 rated center;
- (b) Two (2) years for a Level 2 rated center;
- (c) Three (3) years for a Level 3 rated center; and
- (d) Four (4) years for a Level 4 rated center.

Section 12. Conditions Requiring Reevaluation. (1) Reevaluation of a center's quality rating certificate and associated level shall be conducted if the:

- (a) Location of a licensed child care center changes;
- (b) Participant requests a reevaluation in accordance with Section 2(4) of this administrative regulation;
- (c) Cabinet or its designee determines a need to reassess the participating center's STARS participation or level rating due to reports or findings concerning a reduction in the center's quality of care and services; or
- (d) Center fails to return the DCC-413 or DCC-414.

(2) A decrease in level rating due to a re-evaluation shall reduce the basis of awards specified in sections 7, 8, and 9 of this administrative regulation.

Section 13. Conditions Requiring Revocation. (1) A participant's quality rating certificate shall be revoked for:

- (a) Immediate closure pursuant to KRS 13B.125 and 199.896(4);
 - (b) Denial of relicensure;
 - (c) A pending suspension or revocation action taken against the child care center's license;
 - (d) 1. Failure to comply with payment of a civil penalty levied against the center; or
 2. Failure to make payment arrangements for a civil penalty within sixty (60) days and comply with that arrangement; if:
 - a. The center waived the right to appeal the civil penalty; or
 - b. The civil penalty has been upheld on appeal;
 - (e) Failure to comply with the requirements of 922 KAR 2:160;
 - (f) Two (2) or more civil penalties levied against the center in a twelve (12) month period; or
 - (g) A change in ownership.
- (2) Upon revocation of a quality rating certificate, payment shall cease for:
- (a) A quality incentive award;
 - (b) An enhancement award; or
 - (c) An annual achievement award.

Section 14. Quality Rating Certificate. A quality rating certificate shall be returned to the cabinet if the:

- (1) Certificate is revoked;
- (2) Certificate is not renewed; or
- (3) Center voluntarily withdraws from the STARS Program.

Section 15. Appeals. (1) If the cabinet or its designee determines that a participant does not meet the rating level standards for which the center is certified, a center shall:

- (a) Accept a lower rating level; or
 - (b) Request an administrative hearing in accordance with 922 KAR 1:320, Section 2(11).
- (2) Payment of an award in Sections 7, 8, or 9 of this administrative regulation shall be held in abeyance pending resolution of appeal of a reduced rating level.
- (3) If denial, suspension, or revocation of a child care center's license is reversed upon appeal, the:
- (a) Center may reapply for participation in the STARS Program; or
 - (b) Cabinet may reinstate the center at the STARS level the center was rated prior to the licensure issue if the:
 1. Center submits a request for reinstatement; and
 2. Center's STARS quality rating certificate and licensure has not expired.

Section 16. Incorporation by Reference. (1) The following material is incorporated by reference:

- (a) "DCC-400, Level 1 Rating Certificate Application", edition 9/06;
- (b) "DCC-401, STARS for KIDS NOW-Level 1 Standards Checklist", edition 1/08;
- (c) "DCC-402, STARS for KIDS NOW-Level 2 Standards Checklist", edition 1/08;
- (d) "DCC-403, STARS for KIDS NOW-Level 3 Standards Checklist", edition 1/08;
- (e) "DCC-404, STARS for KIDS NOW-Level 4 Standards Checklist", edition 9/06;
- (f) "DCC-404E, STARS for KIDS NOW-Level 4 Enhanced Standards Checklist", edition 01/08;
- (g) "DCC-405, STARS for KIDS NOW-Rating Visit Request Form", edition 9/06;
- (h) "DCC-413, STARS for KIDS NOW Interim Report Standards Documentation", edition 01/08; and
- (i) "DCC-414, STARS for KIDS NOW Interim Report Staff Training Documentation", edition 01/08.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department for Community Based Services, 275 East Main Street, Frankfort, Kentucky 40621, Monday through Friday, 8 a.m. to 4:30 p.m. (27 Ky.R. 3482; Am. 28 Ky.R. 409; eff. 8-15-2001; 2746; 29 Ky.R. 733; eff. 8-21-02; 33 Ky.R. 641; 1592; 1835; eff. 12-11-06; 34 Ky.R. 1284; 2543; eff. 8-18-2008.)