

## Board of Directors Meeting

May 12, 2011

### Establish a Market Rate Unit Cost for Child Care

#### ITEM III. B.

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<b>Recommended Action:</b>	Establish a market rate unit cost for child care of \$5,400 per child per year and a unit cost for Out-of-School-Time (OST) of \$4,480 per child per year.
<b>Issue:</b>	Improve the Quality of Child Care
<b>Program:</b>	JWB Subsidized Child Care and OST
<b>Budget Impact:</b>	Less Child Care/OST slots would be available but the quality of care would be substantially higher
<b>Strategic Plan Goal:</b>	School Readiness

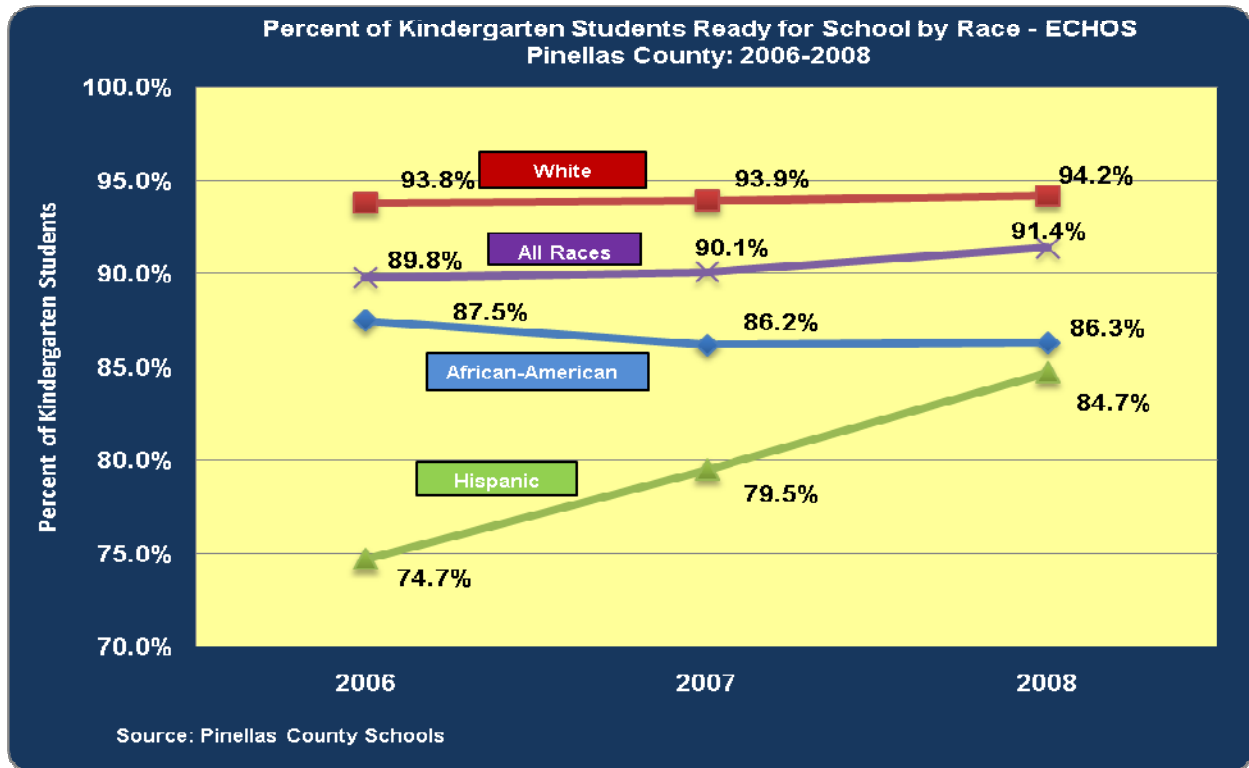
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#### Background:

Staff has been working with Coordinated Child Care (CCC) to improve quality child care and after-school services in Pinellas County. A way to improve quality child care is to establish a market rate unit cost for child care to \$5,400 per child per year, a \$1,200 increase. The average cost for OST would rise by \$1K to \$4,480 per child per year.

The guiding principle for this strategy is to provide low-income children with the opportunity to enter school ready to learn and succeed in school. For the duration of the Five-Star Program, very few child care centers and homes received multiple star ratings. (see attached map) The Quality Rating Improvement System (QRIS) has not yet been implemented.

There is clear evidence that low-income children are less ready for school than other children. Therefore, paying a competitive rate for their care will allow children to receive services from providers who meet minimum standards which assures high quality care.



In order to make a measurable impact now, staff is proposing in collaboration with CCC and the Early Learning Coalition, to adjust the system for JWB child care/OST purchasing to set mandatory quality standards. All providers must meet the following criteria:

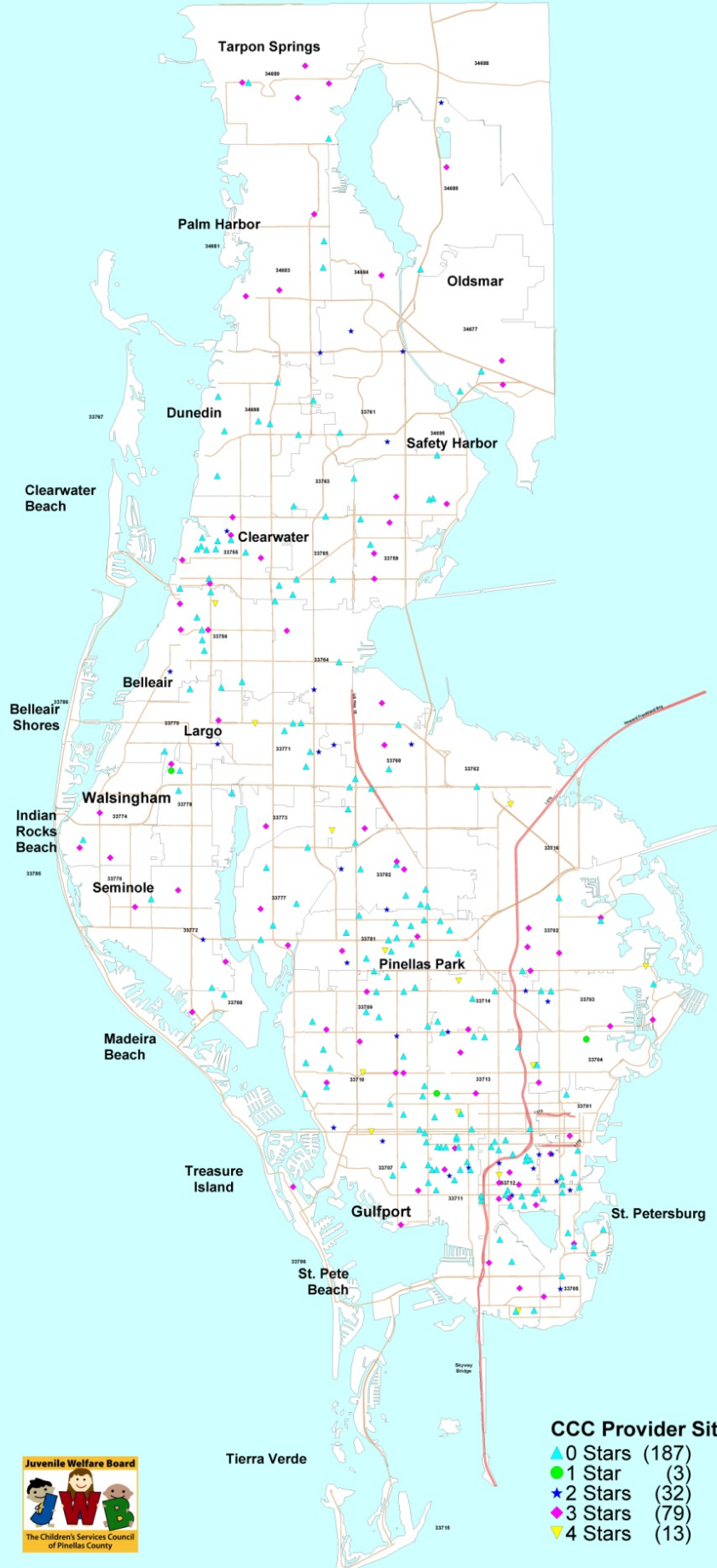
1. Licensed
2. Evidence-based curriculum approved by the JWB Research department
3. Increased Staff Education
4. NAEYC Standards for ratios and group size
5. Offering enrichment opportunities for Out-of-school Time

Additionally, staff is recommending increasing the per slot rate to the 2010 market level. The current level paid by ELC is approximately \$1,000 - \$1,200 below this rate. The increase would provide the revenue necessary to move to Bachelor's level staff. Although approximately 400 fewer children will be served, these children will have a greater potential to be school ready.

Staff is also seeking a mechanism to address the gap in service created by the new ELC eligibility criteria. Five hundred 9-12 year olds will lose care as of August 21, 2011.

Staff has met with the City of St. Petersburg to request additional match dollars for the Child Care Executive Partnership Pool. (CCEPP) It is also recommended that the \$900K JWB investment in CCEPP, which generates \$1.8M, be available for children 0-12.

# Child Care Centers with Star Ratings



## CCC Provider Sites

- ▲ 0 Stars (187)
- 1 Star (3)
- ★ 2 Stars (32)
- ◆ 3 Stars (79)
- ▼ 4 Stars (13)