



PDG B-5 Update

May 2020



Delaware
Department of Education



Second No-Cost Extension

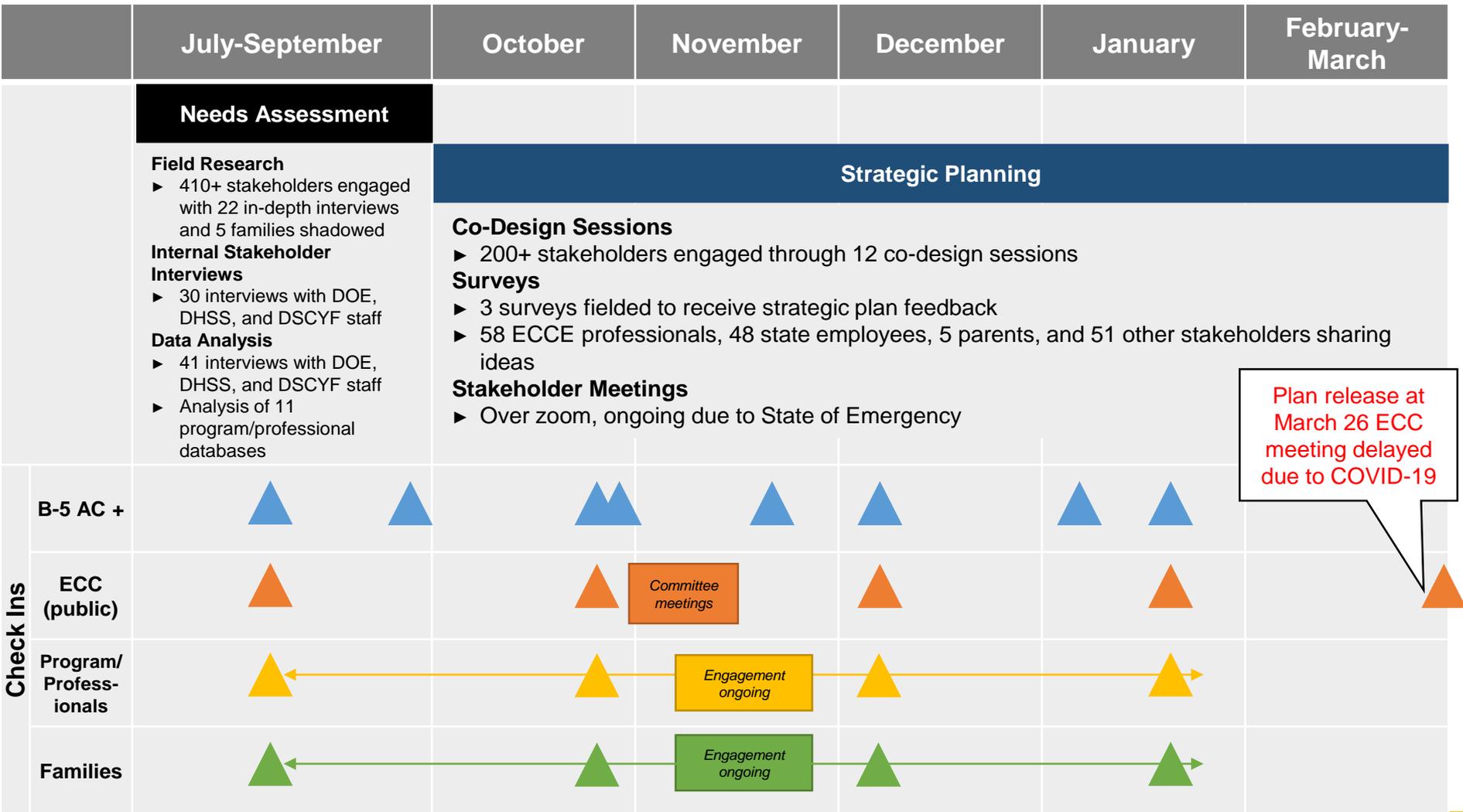
Delaware received a **second** no-cost grant extension due to ACF guidance on the impact of COVID-19 to **December 30, 2020**.

- **Spending on work underway now has a reasonable timeframe in light of state of emergency**
- **Activity 5 funds can be purposefully allocated towards strategic plan priorities, as the original intention of the grant application**



Methodology

The needs assessment and strategic planning sessions occurred over ~9 months and engaged hundreds of stakeholders





PDG B-5 Fiscal Mapping Study

May 2020 Draft



Delaware
Department of Education



Project Approach

Understanding the context, and objectives for the resource mapping exercise of Delaware B-5 funds

Resource mapping exercise

Context

- ▶ The PDG B-5 grant included a needs assessment and strategic plan. One important piece of understanding the current ECCE landscape and any challenges to solve for is assessing current funding resources and how they're allocated
- ▶ Delaware currently receives funding for B-5 education from multiple federal and state funded programs
- ▶ These programs are primarily under the purview of the Department of Education (DOE), the Department of Health & Social Services (DHSS), and the Department of Services for Children, Youth & their Families (DSCYF)
 - ▶ Many of these programs serve other populations (e.g., children aged 5-18), creating the need to identify the available funding from these programs to children aged B-5
 - ▶ **In many cases, B-5 funding cannot be isolated.**

Objective

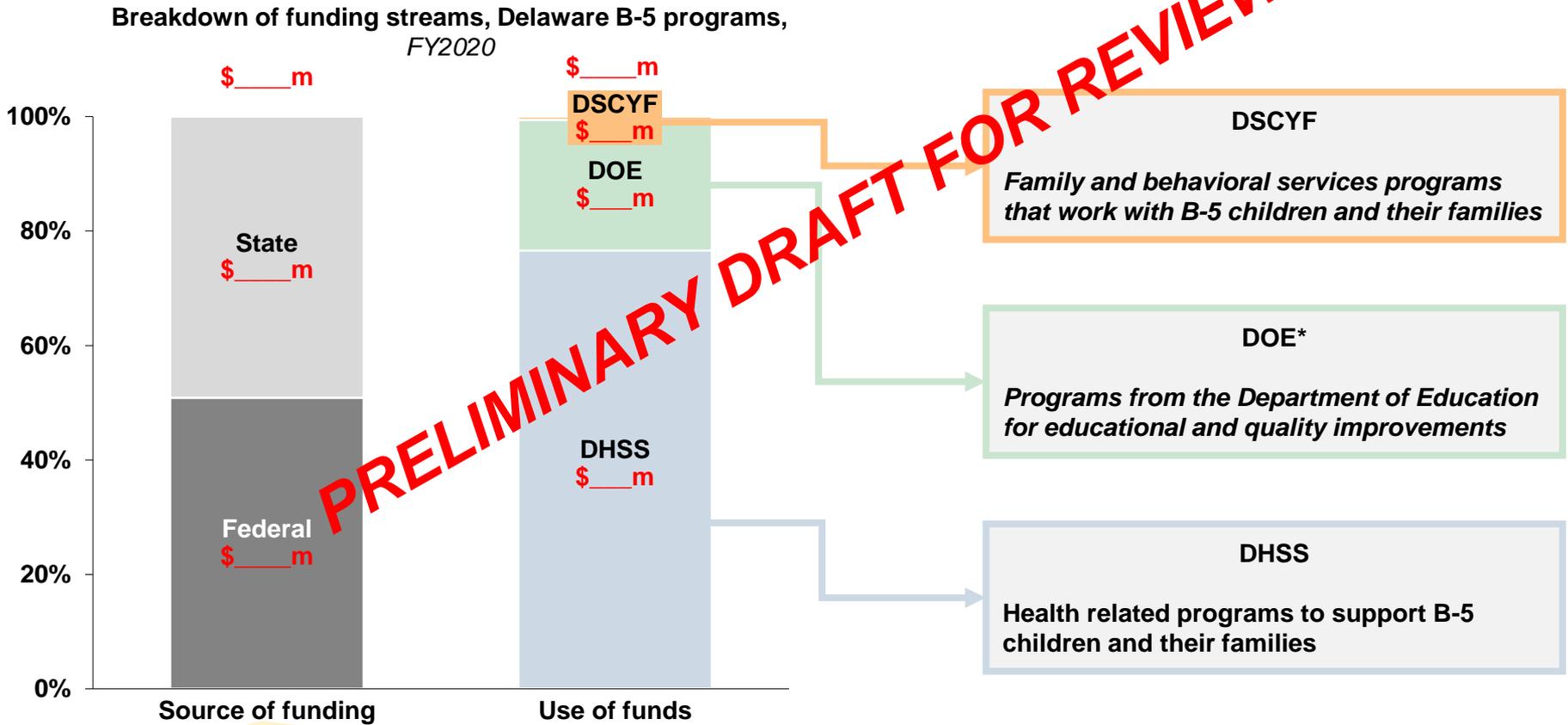
- ▶ Calculate the total federal and state dollars available to Delaware children aged B-5
- ▶ Compare funding by stream (e.g., federal v. state) and by department (e.g., Department of Education, Department of Health & Social Services)



Summary of Findings

There's ~\$___m available in state and federal funding for DE's B-5 children under the purview of DOE, DHSS, and DSCYF

Landscape of B-5 funding sources and use of funds



A fiscal mapping assessment from 2010 identified \$___m in state and federal funding for DE's B-5 population

*Note: Not all funding streams have B-5 spending isolated. Ex. Title I funding is not included in the DOE funding stream. Title I funding used in ECCE is not currently tracked, but is believed to be a small portion of the ~\$55.5m Delaware receives for Title I



Delaware Department of Education Birth-5 Programs and Funding Amounts

Division	Program Name	Description	State funding	Federal funding	Total (FY2020)
DOE Office of Early Learning	Early Childhood Assistance Program (ECAP)	Statewide program that provides comprehensive preschool services for Delaware's three and four year old, low income, children	\$6.1m		\$6.1m
	Early Head Start	Federal program that provides intensive comprehensive child development and family support services to low-income infants and toddlers and their families, and to pregnant women and their families		\$2.5m	\$2.5m
	Head Start	Federal program that promotes school readiness of children under 5 from low-income families through education, health, social and other services	-	\$19.5m	\$19.5m
	Preschool Special Education (IDEA Pt B)	Funds allocated to support the delivery of special education and related services to individuals with disabilities ages three through five	\$13.1m	\$5.4m	\$18.5m*
	DE Institute for Excellence in Early Childhood (DIEEC)	Institute that provides resources and information for those who care for and teach Delaware children and support their families; also administers Delaware Stars		\$1m	\$1m
	Delaware Stars/Tiered Reimbursement**	Delaware's Quality Rating and Improvement System, which is a method used to assess, improve, and communicate the level of quality in early care and education and school-age settings; tiered reimbursements are provided to programs based on their Star rating	\$37.9m	-	\$37.9m
	Parents as Teachers	Program that provides visits to families in their homes to support pregnant mothers and children from birth through kindergarten	\$1.1m	-	\$1.1m
	Nutrition Programs	Child and Adult Care Food Program	A USDA program that provides reimbursement for meals served in child and adult day care institutions and family or group day care homes	*Placeholder – Estimation based on ages served	
TOTAL			\$58.2m	\$28.4m	\$86.6m

PRELIMINARY DRAFT FOR REVIEW

*Number based on DOE budget and calculations

**Tiered reimbursements account for ~\$34m of funds that were not available when the last fiscal mapping report was published in 2010

***While Title I funding has been isolated, there currently isn't data specific to Title I funding for birth-5. Therefore, Title I funding is not including in the overall fiscal mapping exercise



Cost of Quality Care Study Summary

May 2020



Delaware
Department of Education



Methodology

The cost of quality care study leveraged primary research to model approximate costs for various ECCE program types

Cost of quality care study

- ▶ The needs assessment identified the importance of providing more affordable and quality child care seats to families; one of the ways to do so would be for financial/reimbursement models to better **take into account the cost of delivering quality care to children** (Reimbursement rates for child care services are currently informed by a Market Rate Survey, based on ECCE pricing)

Project approach and timing

Timing

Approach and key activities

November–December

- ▶ Secondary research of previous cost of quality care studies
- ▶ Alignment on proposal for current cost of care study, including stakeholder engagement, methodology, and primary research activities
- ▶ Alignment with Stars redesign team on future quality standards
- ▶ Preliminary interviews (**n=43**) and survey outreach (**n=103**) to understand expenses at programs and their impact on annual budgets

January–February

- ▶ Continued facilitation of cost of care interviews and survey
- ▶ Consolidation of data, followed by synthesis and analysis

March

- ▶ Incorporation of feedback from key stakeholders and OEL team, and socialization of final findings



(1) Geography was also examined as a metric for cost differences, but no meaningful differences in costs were discovered in study sample size

(2) Quality has not been solely defined by Star ratings since the program is voluntary and in the midst of a redesign. The 75th percentile of 5 Star rated programs was used as a high-quality example, as were K-12 comparisons



Current Cost of Care

The current annual cost of care per child ranges from \$9,995-\$14,167.

For comparison, K-12 per child spending is \$16,502 for a school year that represents ~10 months and 6.5 hours / day (ECCE is year-round and ~11 hours / day)

Annual total cost of care per child, by program type

Expense Type		Child Care Center	Large Family Child Care Program	Family Child Care Program
Personnel Expenses*	Staff Salaries	\$6,093	\$9,468	\$9,342
	Benefits	\$727	\$1,055	\$972
Non-Personnel Expenses**	Occupancy Expenses	\$2,068	\$1,616	\$2,423
	Other Non-Personnel Expenses	\$1,107	\$1,360	\$1,430
Total Annual Per Child Cost		\$9,995	\$13,499	\$14,167

*Personnel expenses include: staff salaries; contracted services such as cleaning, pest control, and security; social security and Medicare; paid time off; workers' compensation; professional development; unemployment insurance; and medical benefits (not assumed in the "base case")

**Non-personnel expenses include: occupancy costs like rent, utilities, and building maintenance; food costs; administrative expenses such as audit, reporting, licensing, phone and internet, and software; materials costs for the classroom and office as well as curriculum; and building and liability insurance costs



Cost of Quality Care

Feedback from program administrators identified three primary ways in which programs can improve their quality standards by helping to reduce staff turnover and expand resources for children:

Increase salaries * Benefits for full-time employees * Increase personnel

Annual total cost of quality care per child, by program type and salary scenario

	Child Care Center	Large Family Child Care Program	Family Child Care Program
Base Case	\$9,995	\$13,499	\$14,167
High-Salary Case (75th percentile of salaries paid at 5 star programs)	\$16,601	\$21,683	\$24,166
Midpoint Interim Step to K-12 Parity Case	\$18,750	\$27,287	\$30,004
K-12 Parity Case	\$20,368	\$29,408	\$30,617



Costs Related to Targeting Quality Care for Specific Populations

Program administrators offered insights around investments to improve the quality for children from specific populations

- **Children accessing Purchase of Care funding**– Program administrators commonly cite social workers as important for helping POC families access other services they may need
 - *“With the number of Purchase of Care children we have, we need to have a social worker who can manage families' issues and help to connect families with the services they need for their children”* – Former Administrator, Child Care Center, New Castle
 - **The cost would be ~\$449-\$684 per child depending on program type**
- **Children with disabilities** – Programs commonly cite the need for more high-quality teachers for children with special needs
 - *“It's difficult with special needs children because nothing can replace a quality teacher... one that's well-trained with early learners and can identify exactly what level of support a child needs”* – Early Learning Supervisor, School District, Sussex
 - **The expense would be ~\$1,123-\$5,525 per child depending on program type**
- **Dual language learners** – An increased budget for classroom and curriculum materials was the most cited way to better support dual language learners, as well as specialized teachers
 - *“We need a diverse set of dolls, books, posters, and flashcards in different languages to properly serve dual language learners”* – Owner, Child care Center, New Castle
 - **Additional materials would cost ~\$94-\$129 whereas additional specialized staff would be ~\$1,123-\$5,525 per child depending on program type**



How can the PDG B-5 Needs Assessment impact your organization's vision setting and planning?

- Access full Cost of Quality Care report and two page summary memo on the PDG B-5 website now.
 - **Example:** This information has a direct impact on the Stars revision, because tiered reimbursement linked to Star level is our *current* method of funding quality (versus funding cost of care). University of Delaware's Institute for Excellence in Early Childhood is using this full report to develop recommendations for the Stars revision.
- Access full Fiscal Map report on the PDG B-5 website in June.

https://education.delaware.gov/families/office_of_early_learning/preschool_development_grant/pdg-needs-assessment/

Email Caitlin Gleason directly with feedback or updates to *any* PDG B-5 Needs Assessment deck: caitlin.gleason@doe.k12.de.us