



Child Care Relief and Recovery (ARPA Funded) Revised May 7, 2021

In March 2020, child care programs in Central Ohio closed due to the COVID-19 pandemic. Nearly 1 in 6 remain closed a year later, and half of those that are open report not being able to cover expenses, with 30 percent not sure they can remain open for three months. This picture, drawn from Action for Children's statistically significant survey data, staff interactions, and provider focus groups, is sobering. Without access to affordable quality child care, employers will have fewer workers to rely on, working families will have difficulty making ends meet, and children will lose essential opportunities for social development and school readiness. Put simply, one year into the pandemic, for child care "open does not mean okay."

At the request of Mayor Andrew Ginther, Action for Children was asked to develop recommendations to support child care through the pandemic and recovery. In addition to surveys of local child care center administrators and family child care providers, we hosted a series of focus groups and interviewed national experts. With the City, AFC convened a Child Care Support Team – including individuals from county government, nonprofit leaders, and both for profit and nonprofit child care providers – to vet ideas, develop a comprehensive set of steps to provide relief, and promote reform in child care.

The Child Care Support Team established principles and priorities for pursuing relief measures. It was agreed that activities and programs funded by the American Rescue Plan Act (ARPC) should prioritize:

- Supporting the Child Care Workforce
- Strengthening Child Care Programs
- Address Child Care Access for Employees of Small Businesses

The guiding principles the team applied are that ARPA-funded child care relief and recovery should:

- Complement and Extend State Efforts: fill gaps or lengthen timespan
- Promote Equity: address past inequities, preventing unintended consequences in recovery
- Balance Relief and Reform: include short-term supports as well as seed longer-term innovation

With this proposal, we aim (1) to help child care programs in Franklin County recruit new and returning staff to keep their programs open; (2) to invest in the retention of the child care workforce and increase the number of credentialed staff; (3) to strengthen child care programs through shared services; (4) to maintain or increase the ability of child care programs to meet needs of working families through an incentive program; (4) to enhance the recognition, reward, and respect for child care employment; and (5) to increase access to quality affordable child care for families in Franklin County. This proposal, drawing on using ARPA funding, focuses on both immediate and longer-term measures that will provide relief and recovery for child care programs, early childhood professionals, and working families.

A separate request seeks to address an urgent first need, the staffing crisis in child care, using available CARES Act funding. Action for Children estimates that area child care employers have as many as 1,000 positions available. Child care centers lack the staff to open new classrooms and have begun to put families on a waiting lists or turn them away. Family child care providers are stressed and often without back-up staffing. The result jeopardizes working parents' successful re-entry to in-person work, increases family stress, and threatens the viability of child care programs.

Supporting the Child Care Workforce - Signing Bonuses

Cost: \$362,472

Program description: This program will create a pool of funds to be used to for signing bonuses incentivizing an estimated 500 individuals to join or re-join the child care workforce, while also encouraging new workers to the industry. At time of hire with a licensed child care program in Franklin County, the new employee will certify they have not been employed by a licensed child care program in Central Ohio for the past 30-days (exceptions will be made for employees looking for employment because of a center's recent closing), and they will receive a \$100 signing bonus. After 90 days of successful employment, the employee will receive an additional \$400 payment. Action for Children will develop an application form for new employee and employer to complete, maintain an online application portal, and process payments to individual new employees, including reimbursement for background-check processing. These funds will be available until exhausted.

Support the Child Care Workforce – Retention Bonuses

Cost: \$2,464,688

Program description: Because the issues of staffing are so great, it is important that existing early childhood educators are encouraged to continue working in the field. Action for Children will use this pool of money to distribute \$250 retention bonuses to approximately 8,900 individuals working in a licensed child care program in Franklin County, using criteria developed by the Ohio Department of Job and Family Services.

Support the Child Care Workforce – Credentialing

Cost: \$807,747

Year 1	Year 2	Year 3
\$261,331	\$269,171	\$277,246

Program description: Child care teacher pay is low, averaging just \$10.65 per hour in Ohio, which creates a financial barrier for obtaining professional credentials increasing expected of parent-consumers and of public and private funders, many of which use Ohio's tiered quality rating and improvement system, Step Up To Quality, as a benchmark for funding. To address this barrier to the workforce, and to increase the likelihood that programs are able to meet rising expectations and thus maximize their revenue, Action for Children will administer a credentialing fund to provide professionals the opportunity to obtain the Child Development Associate (CDA) credential. The CDA Credentialing Program is administered nationally by the Council for Professional Recognition. It is available for both center based and family child care providers. This funding will allow for up to an estimated 180 professionals to receive financial support for training from a recognized CDA Council Gold Standard™ credential program.

Supporting the Child Care Workforce – Worthy Work PR Campaign

Cost: \$162,785

Program description: Working with a reputable local firm, Action for Children will develop a strategic marketing and communications campaign to promote child care employment opportunities in Central Ohio. The campaign will focus on how to recognize and reward early childhood educators promoting

respect of their critical role in education and the economy. This campaign will also encourage individuals to enter this vitally important field as early educators, helping to address the current staffing crisis faced by child care providers.

Early funded will be used to begin to develop strategy and creative assets. This funding will be used for the finalization of creative assets and campaign roll out with a schedule by media channel, utilizing a mix of digital, social, and radio. Media buys will be made through November 2021.

Strengthening Programs – Incentive Awards

Cost: \$3,806,475 over three years

Year 1	Year 2	Year 3
\$1,058,888	\$1,288,616	\$1,458,972

Program description: This program will create a pool of funds to provide awards to incentive programs to encourage growth and improve quality. All incentive award categories will have specific funding available for licensed child care programs in Franklin County, center and home-based.

In order to help providers stabilize after the COVID-19 pandemic, incentive grants will be available for opening or expansion. Awards will range from \$1,000 to \$15,000 to an estimated 90-100 programs each year.

The second category of incentive grants will encourage providers to enter into a Publicly Funded Child Care (PFCC) Agreement or increase their number of PFCC slots. PFCC agreements are critical for ensuring children in low-income families have access to a quality early childhood education. Awards of \$1,000 will be made to an estimated 60 programs each year.

The final category of incentive awards will encourage providers to achieve success with Step Up To Quality (STUQ) rating. SUTQ is Ohio’s five-star Quality Rating & Improvement System for child care and early education programs. This program does require child care providers to make significant investments in order to achieve stars and is not fully funded. Incentive awards will be provided to aid in offsetting those costs. Awards ranging between \$500 and \$5,000 will be made for renewing or increasing SUTQ ratings to between 380 and 500 programs annually.

Strengthening Programs – Staffed Family Child Care Network: The Village

Cost: \$693,715 over three years

Year 1	Year 2	Year 3
\$158,675	\$217,360	\$317,680

Program description: Family child care (FCC) providers are a critical part of the child care infrastructure, providing care over nontraditional hours, in areas where center care may not be available, and often feel more comfortable to many new American, non-native speaking families. There are 220 FCC providers in Franklin County, and many have limited experience as business owners; limited training on how to

support child development; and are often isolated from other professionals in the field. Now more than ever, home-based providers are struggling financially.

A Staffed Family Child Care Network (SFCCN) is a community-based program with paid staff who provide an array of services to FCC providers. Services can be focused on operations such as business and administrative supports, and improved quality and outcomes for children. Research suggests that SFCCNs help support quality child care and child outcomes.

The Village will provide training/coaching delivered both in group settings (e.g., a training on learning environments) and individually (e.g., a consultation on a provider's space). Trainings can be offered at a centralized "hub," on-site in providers' homes, or online.

Through this program, each FCC will receive (1) four on-site quality coaching sessions per year (in addition to the on-site visits provided by Action For Children Child and Adult Care Food Program and Step Up To Quality programs); (2) up to \$300 of education materials such as books, art supplies, games, and other materials, collaboratively selected by provider and coach; (3) 20 hours of professional training geared to FCC providers; and (4) three network meetings per year for information sharing, assessing needs, and community-building.

Strengthening Programs – Centralized Recruiting

Cost: \$2,170,940 over three years

Year 1	Year 2	Year 3
\$702,625	\$716,609	\$731,012

Program description: Recruiting and preparing new employees is time consuming and expensive, presenting an issue for child care providers. Small business owners, regardless of industry, have been noting the increased time and costs associate with hiring. These issues are critical for child care providers and limit their ability to keep classrooms open, expand capacity, and thus earn the revenue to stay open.. By creating a comprehensive shared service offering that addresses child care provider recruitment needs, child care providers will be able to focus time and budget towards increasing care, and stabilizing operations.

This shared service will allow for both child care providers and educators to connect, providing a centralized application location for potential employees. Providers will be able to view quality applicants, choosing which to interview. All applicants vetted through the shared service will be "work ready" with completed background check and credentialing checks; a completed prescreen survey; and with completed ODJFS Orientation, Child Abuse, and Basic Licensing training. Applicants will be guided in scheduling physicals and vaccinations.

In addition, child care providers state that a substitute educator pool is necessary for their successful operations. The centralized recruitment effort will develop a shared pool of substitute educators, benefitting the centers, the teachers, and the families who rely on these providers. This funding will subsidize up to 400 memberships in the substitute pool and with fees paid for as many as 10 placements. Wages and other compensation paid to the substitute are not included.

Strengthen Programs – Child Care Administrator Empowerment Program (CAEP)

Cost: \$1,376,320 over three years

Year 1	Year 2	Year 3
\$373,010	\$460,680	\$542,630

Program description: While child care providers may have a background in early child education, they typically do not have formal knowledge and skills in operating a business. This lack of business acumen means many providers struggle to create and manage a budget, hire and retain staff, manage time and spaces, and carry out other foundational tasks effectively and efficiently. Action for Children data shows organizational abilities, time poverty, and finances to be significant barriers to Central Ohio providers being able to keep their doors open, particularly in the wake of the COVID-19 pandemic. Simultaneously, all providers serving Publicly Funded Child Care families are expected to increase their Step Up To Quality (SUTQ) star rating by 2025. Providers who are struggling to stay open are not well situated to improve the quality of care they are providing to children.

CAEP will be a three-tiered system of trainings, small group courses, and individualized coaching tailored specifically for child care providers. Areas of focus will include

- Finance (e.g., creating a budget, collecting tuition/fees, taxes)
- Technology (e.g., cybersecurity, websites)
- Organization and Policies (e.g., emergency preparedness, managing change)
- Staff (e.g., hiring, conflict management)
- Marketing (e.g., using social media, building a brand)
- Law (e.g., liability, contracts).

To meet providers where they are, all areas of focus will be addressed in each of the three tiers with increasing depth. This will enable providers both with more and less time/need to be served appropriately. Training and coaching will be provided by both staff and consultants, and by both child care and education professionals and subject area experts. In addition to services, we will provide organizational tools, tablets, and software to providers relevant to their participation.

Access to Child Care – Affordability Scholarships

Cost: \$2,574,000

Program description: Ohio has one of the lowest income eligibility limits for subsidized child care in the nation, and many families who are over income struggle to afford access to quality child care. The program will create a pool of funds to provide scholarships to an estimated 250 children. Recognizing that providers have close relationships with families, this scholarship program will rely on child care programs to identify families needing assistance and to jointly submit an application using Action for Children’s online portal. The application will include parent income information, program tuition information, and attestations necessary for program implementation. Scholarship funds will be paid monthly to the provider by AFC. The amount of scholarships will vary by tuition and by family income level (below 200% FPL, at or above 200% FPL).

The pandemic has revealed underlying realities: child care is essential, and the child care sector is strained. Child care is not just a business. It's vital infrastructure like roads and schools. It requires additional support so families and business can count on child care the same way they count on other infrastructure. With this proposal, Action for Children, offers an opportunity for longer term improvements to assure a stronger, more sustainable local child care sector. Thank you for the opportunity to present these measures to address the staffing crisis, recovery preparation, and stabilization of child care in Franklin County.