



Meeting:	State Early Childhood Development Coordinating Council (SECDCC)	
Date/ Time:	Thursday, Nov. 29, 2018 10-11:30 a.m.	
Location:	Office of the State Superintendent of Education (OSSE) 1050 First Street, NE (Eleanor Holmes Norton III – First Floor)	
Agenda Items		
Meeting Objectives		
<ul style="list-style-type: none"> • Share information about the emergency rulemaking for the new (redesigned) QRIS, Capital Quality and the Fiscal Year (FY) 2019 increased reimbursement rates • Discuss the District’s Cost Estimation Model report and how it was used to inform the FY19 subsidy reimbursement rate increases • Provide an overview of the PDG B-5 grant • Learn about legislative updates 		
I. Welcome and Introductions	Hanseul Kang State Superintendent, Office of the State Superintendent of Education (OSSE) Dr. Tanya Royster Director, Department of Behavioral Health	
II. Emergency Rulemaking for the new (redesigned) Quality Rating and Improvement System (QRIS), Capital Quality and the Fiscal Year 2019 Increased Reimbursement Rates	Elizabeth Groginsky Assistant Superintendent of Early Learning, OSSE	
III. Modeling the Cost of Child Care in the District of Columbia	Rebecca Shaw Director of Operations and Management, OSSE	
IV. Overview of the Preschool Development Grant Birth to Five (PDG B-5) Application	Elizabeth Groginsky Assistant Superintendent of Early Learning, OSSE	
V. Legislative Update	Jess Giles, Deputy Committee Director At-Large Councilmember David Grosso Chairperson of the Education Committee	
VI. Announcements	All	
VII. Public Comment	Open	



**State Early Childhood
Development
Coordinating Council
(SECDCC)**

Nov. 29, 2018

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- II. Emergency Rulemaking for the New (redesigned) Quality Rating and Improvement System (QRIS), Capital Quality and the Fiscal Year 2019 Increased Reimbursement Rates
- III. Modeling the Cost of Child Care in the District of Columbia
- IV. Overview of the Preschool Development Grant Birth to Five (PDG B-5) Application
- V. Legislative Update
- VI. Announcements
- VII. Public Comment

Today's Objectives

- Share information about the emergency rulemaking for the new (redesigned) QRIS, Capital Quality and the fiscal year (FY19) increased reimbursement rates
- Discuss the District's Cost Estimation Model report and how it was used to inform the FY19 subsidy reimbursement rate increases
- Provide an overview of the PDG B-5 grant
- Learn about legislative updates



Emergency Rulemaking for the New (redesigned) QRIS, Capital Quality and the FY19 Increased Reimbursement Rates

The purpose of this emergency and proposed rulemaking is to ensure equal access to stable, high-quality child care for low-income children in the District by:

- Implementing the QRIS transition from “Going for the Gold” to “Capital Quality” as the District’s tiered-rate reimbursement system;
- Updating reimbursement rates for FY19 based on OSSE’s 2018 cost estimation methodology;
- Increasing reimbursement rates for subsidized child care services; and
- Updating the sliding fee schedule to align with the “2018 Federal Poverty Guidelines for the 48 Contiguous States and the District of Columbia.”

Opportunity for Public Comment

- On Oct. 26, 2018, the Office of the State Superintendent of Education (OSSE) announced the new FY19 subsidized child care reimbursement rates, effective Oct. 1, 2018.
- These rates represent an increase for all quality designations, ages and service type.
- The public comment period ends Dec. 3, 2018.
 - Written comments can be sent to:
ossecomments.proposedregulations@dc.gov



Modeling the Cost of Child Care in the District of Columbia

Updating the District's Cost Estimation Model

Date	Action
April 5, 2018	OSSE received approval from SECDCC to use alternative methodology
April 10, 2018	OSSE's request to use alternative methodology submitted to Administration for Children and Families (ACF)
May 9, 2018	OSSE presented alternative methodology to members of the DC Association for the Education of Young Children (DCAEYC) for input and discussion
May 14, 2018	ACF approved OSSE's use of alternative methodology
Summer 2018	OSSE convened internal working group and national cost model experts through BUILD consortium to update cost estimation model
Aug. 29, 2018	OSSE convened stakeholders from organizations that represent early care and education providers (e.g., Head Start, family child care association, Washington Area Child Care Association, DCAEYC, DC Appleseed, etc.) for feedback
Oct. 1, 2018	FY19 subsidy reimbursement rates effective
Oct. 31, 2018	Cost model report published

Cost Driver Updates

- Increased health and safety training requirements
- Increased staff requirements
- Additional staff
- Increased living wage requirements
- Implementation of the paid family leave tax
- Salary estimates based on the Bureau of Labor Statistics (BLS) Occupational Employment and Wage Estimates for the District of Columbia

Revenue Updates

- Child and Adult Care Food Program (CACFP) reimbursement rates
- Uniform per Student Funding Formula (UPSFF) increases for pre-K students, including at-risk funds
- Market rates based on results of 2018 survey of providers
- Child care subsidy reimbursement rates

Developed cost models to reflect child development centers and homes serving:

- Children ages birth to 5
- Infants and toddlers only
- Preschool-age children
- Children birth to 5 and school age

Developed scenarios to reflect the cost difference in providing care for children taking into account:

- Size of facility (licensed capacity)
- Capital Quality designation
- Participation in programs that enhance revenue:
 - Quality Improvement Network (QIN)
 - Pre-K Enhancement and Expansion
 - Shared Services Alliance (SSA) for homes



Cost Estimation Model Assumptions

Operating Assumptions (Centers):

- Income mix of children: 80 percent of enrolled children are subsidy eligible and 20 percent are private pay
- Enrollment efficiency assumes 90 percent enrollment for Level I providers and 95 percent enrollment for Level II providers
- Bad debt (uncollected revenue) of 3 percent, which is industry standard

Staff Assumptions (Centers):

- Required adult-to-child ratios
- Employer-paid health and retirement benefits for the Quality and High-Quality scenarios
- Increased staff coverage
 - During opening and closing (assuming a 10-hour day) and daily breaks
 - To account for the time needed to attend training based on the District's licensing requirements
 - At Quality and High-Quality designations to reflect additional planning, coaching and individualization to support children's learning needs

Cost Estimation Model Assumptions

Salary Assumptions by Capital Quality Designation (Centers)

Salaries are based on Bureau of Labor Statistics (BLS) Occupational Employment Statistics Occupational Employment and Wage Estimates for the Metropolitan Washington Area.

Occupation	Developing	Progressing	Quality	High-Quality
Director	\$53,216	\$66,520	\$79,824	\$93,128
Lead Teacher	\$32,395	\$33,868	\$35,340	\$39,758
Teacher Assistant	\$30,923	\$32,395	\$33,868	\$33,868

Cost Estimation Model Assumptions

Non-Personnel Assumptions (Centers):

Non-personnel items calculated as per child, per classroom, or annual costs

- **Costs per classroom**
 - Rent/lease (updated from \$30/sq. ft. to \$42/sq. ft.)
 - Utilities
 - Maintenance/repair/cleaning

- **Costs per child**
 - Program costs: food, supplies, equipment, office costs

- **Annual costs**
 - Telephone/internet
 - Audit
 - Fees (updated to reflect new DC child care licensing fees)

Operational Assumptions:

- Income mix: Model assumes 80 percent of enrolled children are subsidy eligible
- Enrollment efficiency: 85 percent
- Assumes 15 percent of revenues remain uncollected
- Model assumes six children enrolled in a child development home and nine children enrolled in an expanded home

Non-personnel Assumptions

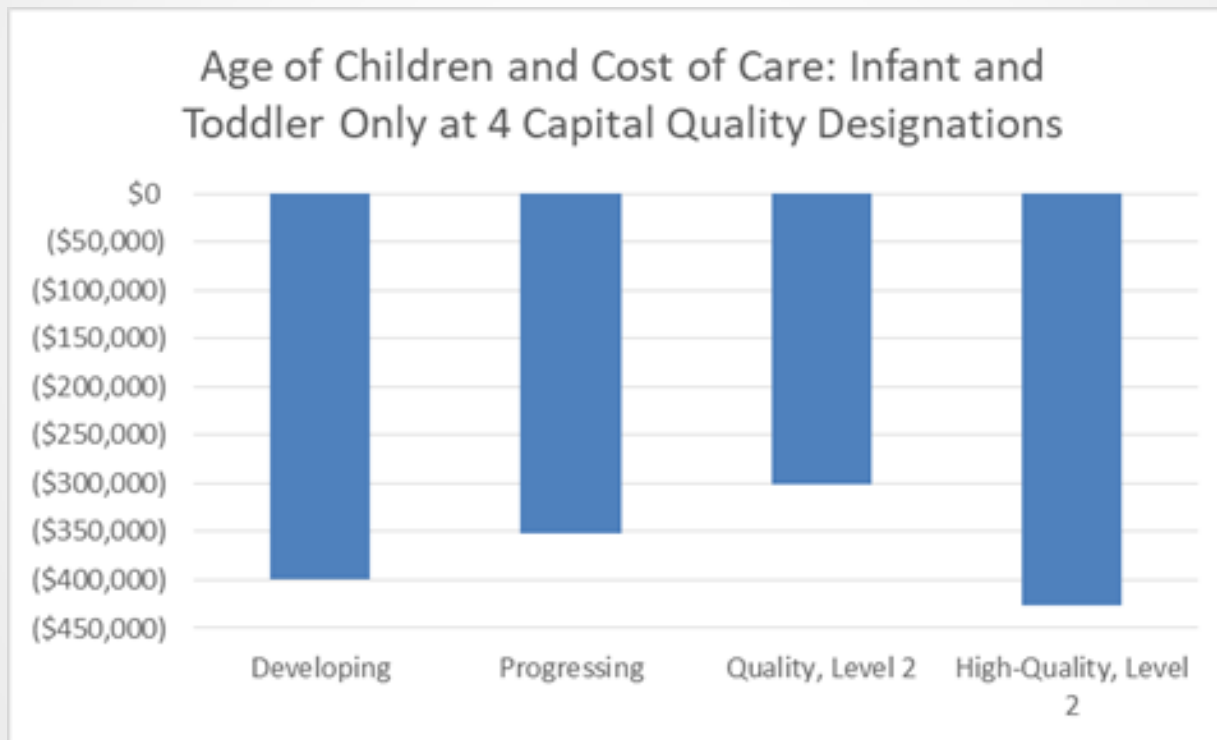
- Operating costs: Includes rent or mortgage, utilities, home or renter's insurance, and home maintenance and repairs
- Direct costs per child: Includes program costs, such as food, supplies, equipment and office supplies
- Other direct costs: Telephone, internet, accountant or tax preparation and fees and permits



Cost Estimation Model Scenario Results

Cost Estimation Model Scenario Results

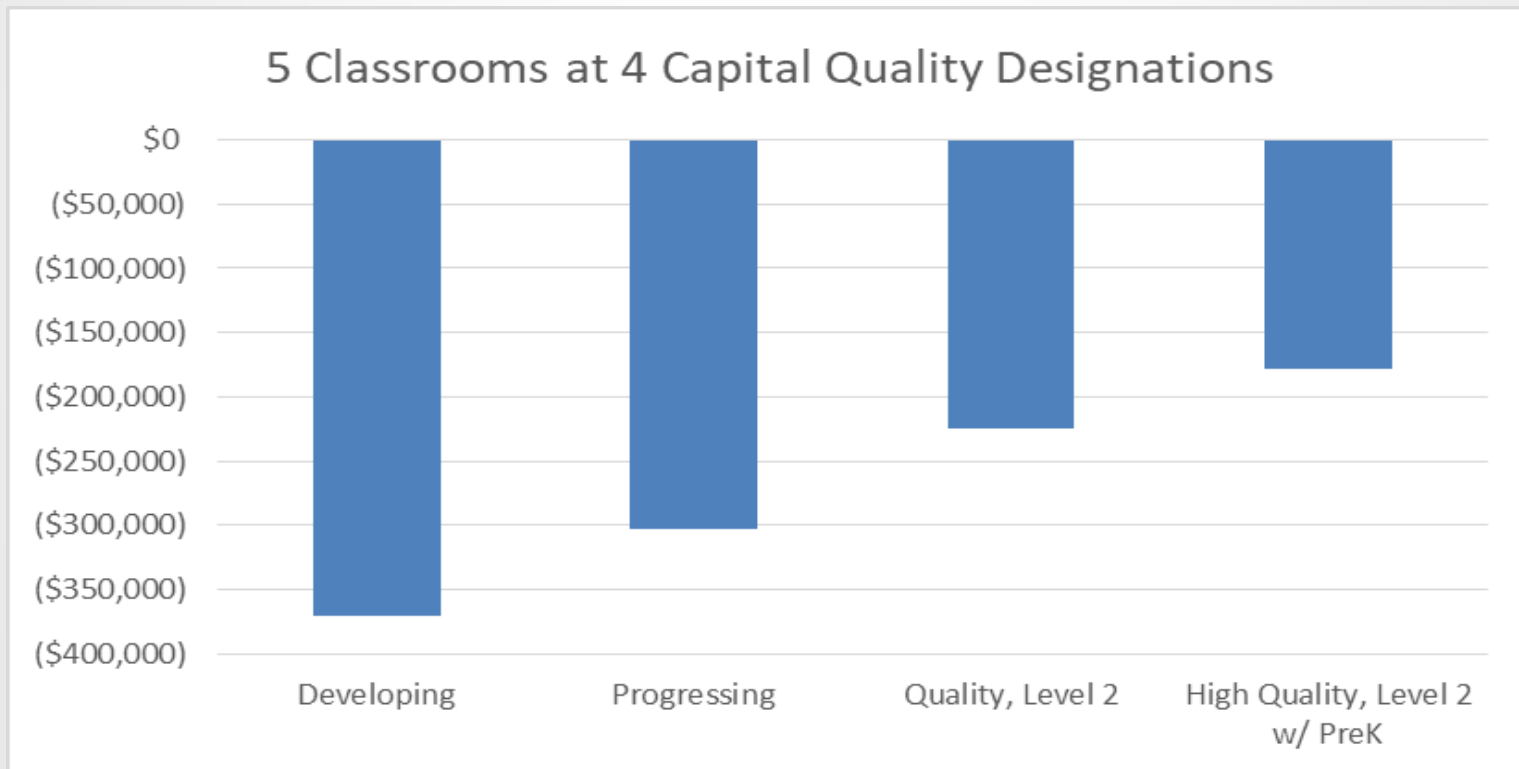
Infants and toddlers are the most expensive age group to serve. The biggest gap between costs and available revenues occurs in small centers that accept infants and toddlers only.



Note: Scenario represents center size of 52 children comprised of two infant rooms, three toddler rooms of 12-24 months, one toddler room of 24-30 months

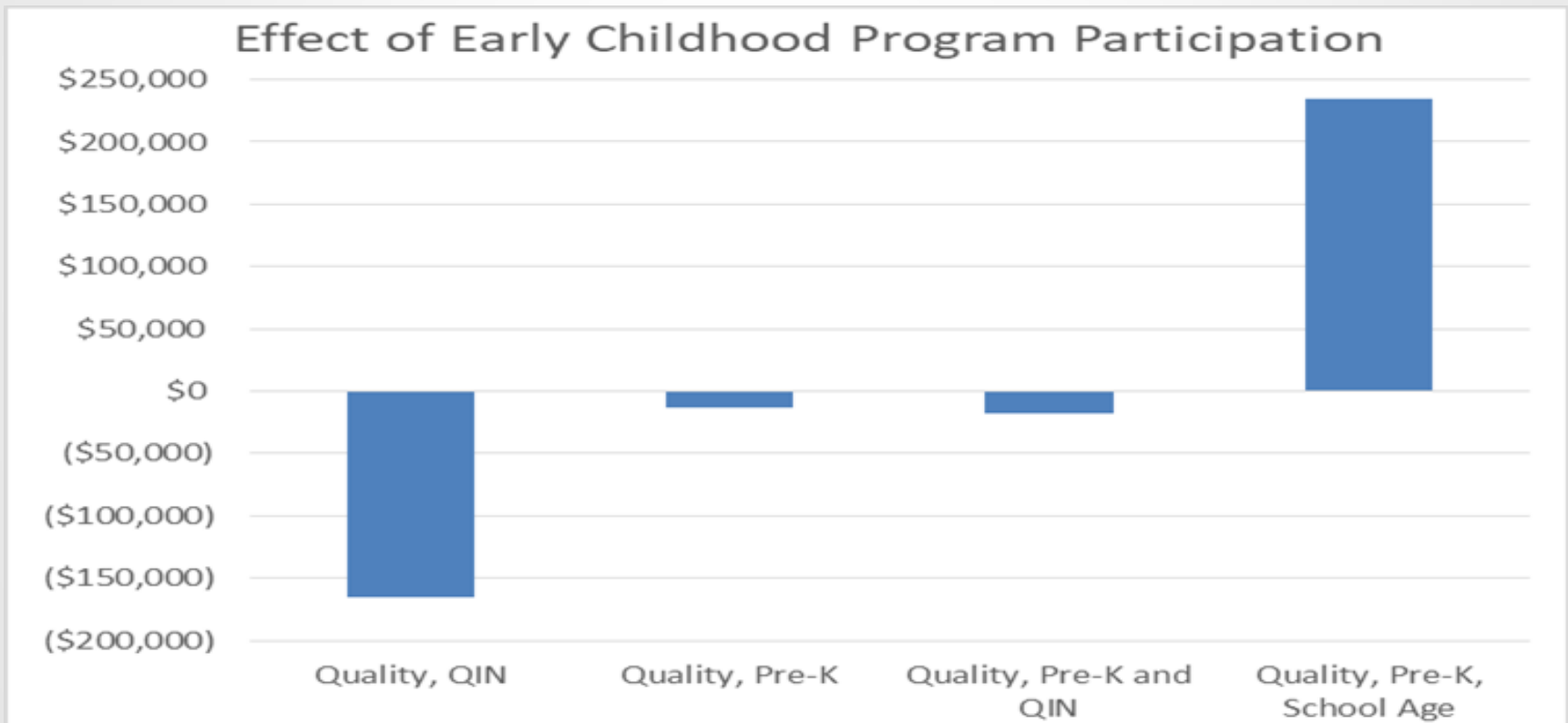
Cost Estimation Model Scenario Results

Tiered reimbursement makes an impact. OSSE found that at each of the quality levels and program characteristics, the total expense increases at each designation and the increases in subsidy revenue alone does not cover the gap.



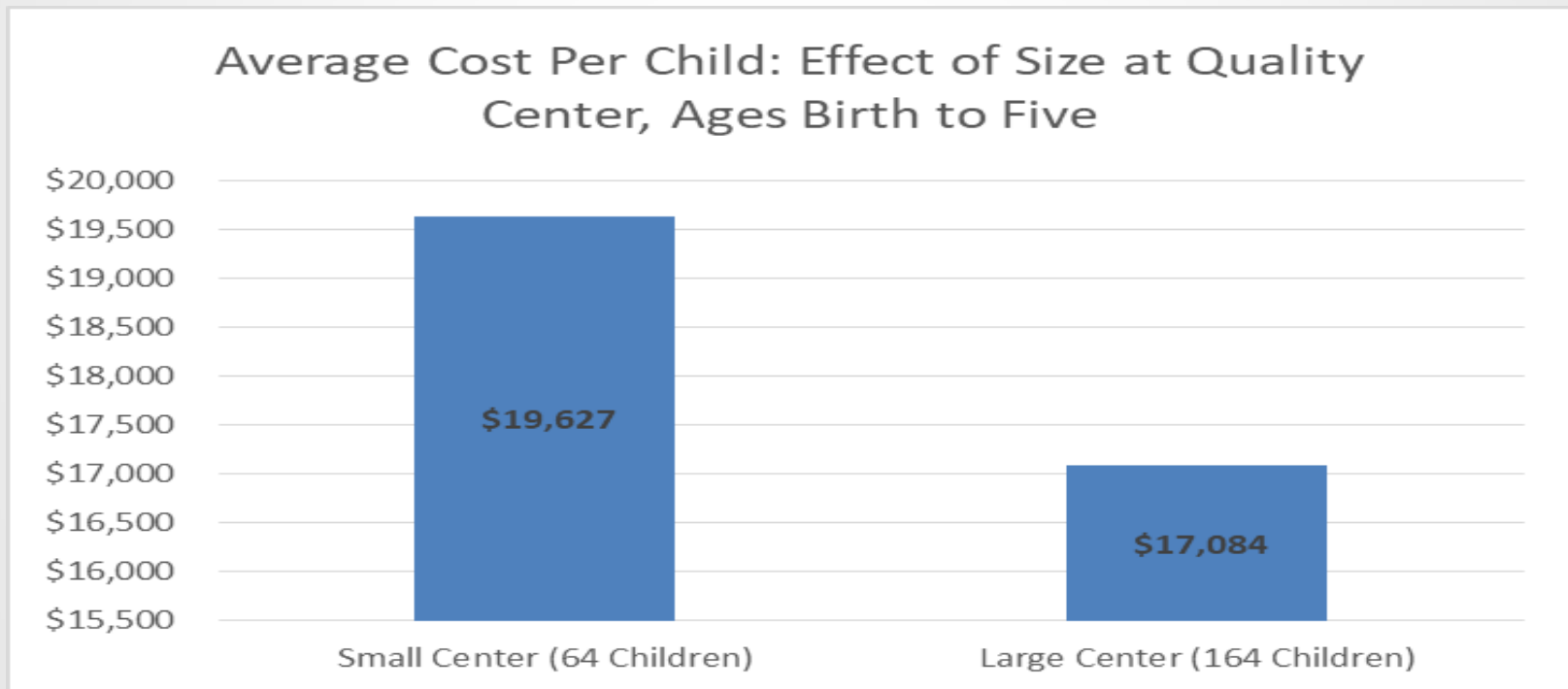
Cost Estimation Model Scenario Results

Diversifying revenue streams improves the bottom line. Programs that serve mixed ages, receive District Pre-K Enhancement and Expansion funding and/or Quality Improvement Network (QIN) are better able to break even or profit.



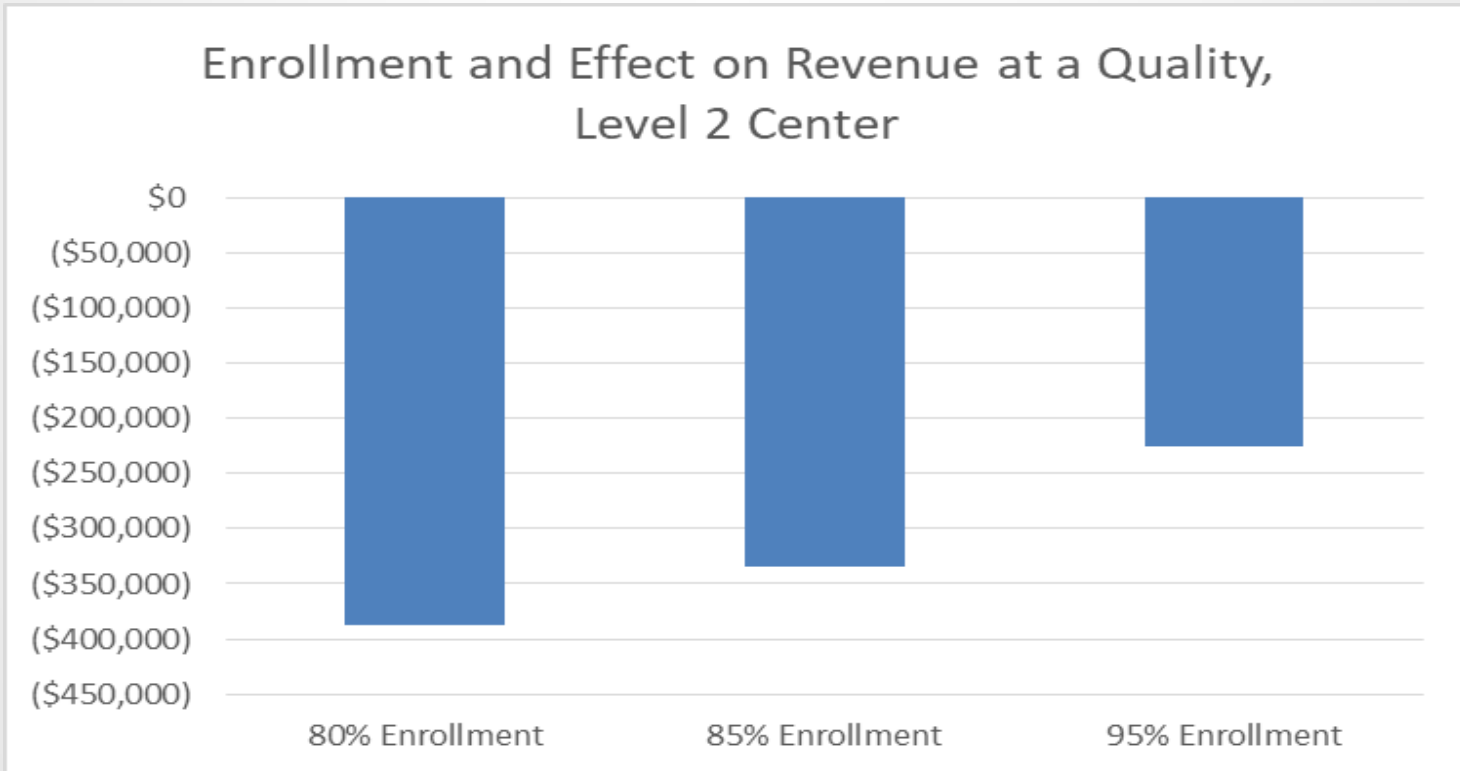
Cost Estimation Model Scenario Results

There is a right size to maximize revenue. When a center with a Quality designation serving children ages' birth to 5 is modeled at the small and large center size, the average cost per child decreases as a center size increases.



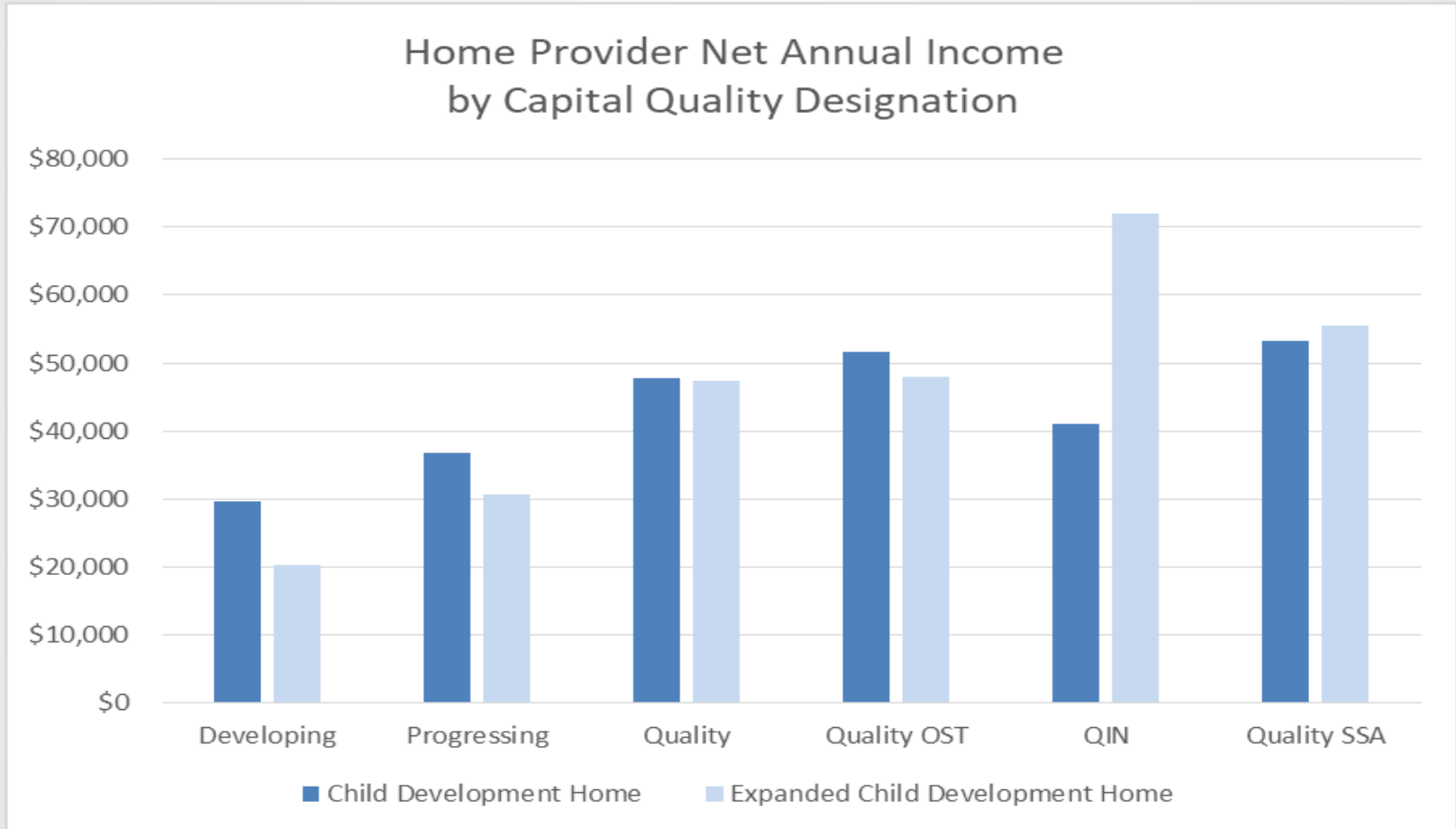
Cost Estimation Model Scenario Results

Maintaining full enrollment increases revenue. Enrollment efficiency has a profound impact on revenue. A center that maintains 95 percent enrollment will experience an almost \$200,000 per year gain in revenue compared to a center that maintains 80 percent enrollment.



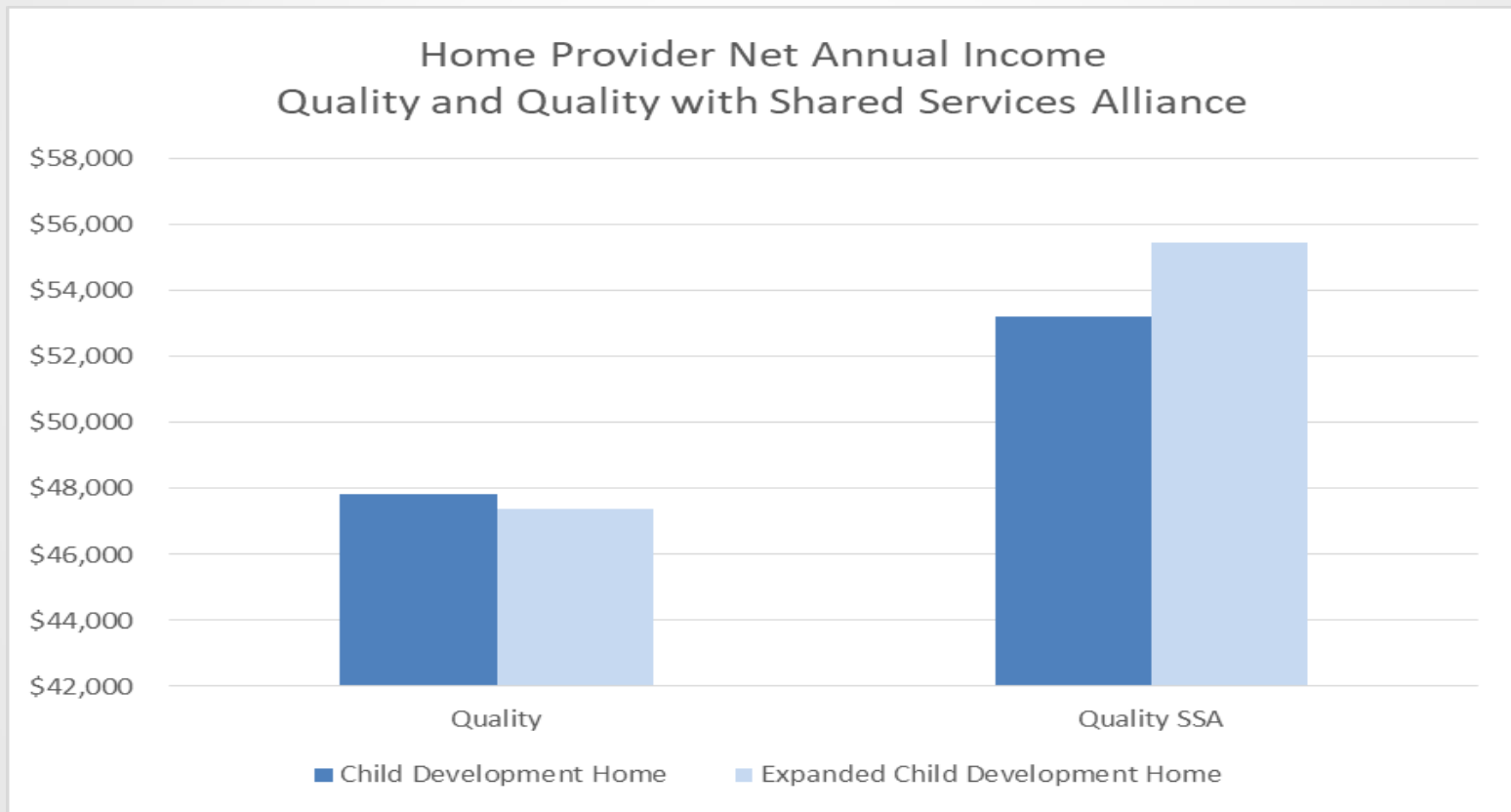
Cost Estimation Model Scenario Results

The tiered QRIS reimbursement approach positively impacts the net revenue for child development homes.



Cost Estimation Model Scenario Results

Participation in the Shared Services Alliance for a home can increase revenue.



Cost Estimation Model

- Financially sustainable subsidy providers are fundamental to the success and growth of the District's child care industry
- The cost model shows the cost of providing high-quality early care and education and the importance of maximizing known factors to help centers and homes account for operating costs
- Modeling the Cost of Child Care in the District of Columbia 2018: <https://osse.dc.gov/vi/publication/modeling-cost-child-care-district-columbia-2018>

Guiding Questions:

- What key takeaways do you have from the cost estimation model scenarios?
- How can we use the cost model report to further improve and strengthen DC's early child care system?



Fiscal Year 2019 Increased Reimbursement Rates

FY19 Reimbursement Rates

- In order to determine the actual rates for FY19, OSSE balanced the estimated average cost of care, current child eligibility requirements, and actual subsidy enrollment rates against the total available local and federal funding
- Accordingly, the District has increased the reimbursement rates for all age groups in all settings across all Capital Quality designations to a level sufficient to enable child care providers to meet federal and local health, safety, quality and staffing requirements



FY19 Proposed Subsidy Reimbursement Rates - Centers

Capital Quality Designation	Age Group	FY18 Rate	Proposed FY19 Rate
Developing	Infant and Toddler	\$48.68	\$65.43
Developing	Preschool	\$29.21	\$48.87
Progressing	Infant and Toddler	\$56.51	\$68.32
Progressing	Preschool	\$35.60	\$50.96
Quality	Infant and Toddler	\$65.07	\$76.78
Quality	Preschool	\$42.00	\$57.05
All Designations	School Age	\$20.00 (Developing)	\$36.06



FY19 Proposed Subsidy Reimbursement Rates - Homes

Capital Quality Designation	Age Group	FY18 Rate	Proposed FY19 Rate
Developing	Infant and Toddler	\$36.04	\$50.46
Developing	Preschool	\$22.03	\$30.84
Progressing	Infant and Toddler	\$39.30	\$55.02
Progressing	Preschool	\$24.53	\$34.34
Quality	Infant and Toddler	\$44.28	\$59.78
Quality	Preschool	\$28.00	\$39.20



Overview of the PDG B-5 Application

Application Development Process

Sept.-
Oct

- Conducted stakeholder meetings with providers, programs, parents; summarized key findings
- Distributed parent survey (e.g., parent summit, online, via Twitter); summarized key findings
- Reviewed previous years' grant applications and collected state plans and needs assessments
- Team attended national planning meeting in Chicago through BUILD

Oct.

- Distributed B-5 program survey to key stakeholders; analyzed findings
- Developed logic model and responses to the grant application
- Hired a grant writer to help develop the grant application
- Held SECDCC meeting to solicit additional feedback and input

Nov.

- Received Mayor's letter designating OSSE as the lead agency
- Secured letters of commitment from private sector partners
- Finalized evaluation plan
- Final review of the application and approvals
- Nov. 6, 2018: Submitted application
- Nov 26, 2018: PDG Core Team met for the first time

Birth to Five Mixed Delivery System

- **Vision:** All children will have equitable access to high-quality opportunities to maximize their full potential for a successful quality of life in their communities
- **Goal:** Strengthen the District of Columbia's B-5 system of early childhood care and education to be more coordinated and comprehensive in its approach to improve outcomes for young children and their families
- **Target Populations:** Children experiencing homelessness, children with special needs, children in foster care, children in families with very low incomes

Proposed Activities and Budget

Category	Proposed Activities	Federal Share (PDG)	Non-Federal Share
Activity 1: Needs Assessment	Review current needs assessments, Identify gaps and opportunities	\$291,000	\$348,141
Activity 2: Strategic Plan	Seek input for, develop and disseminate strategic plan to stakeholders	\$291,000	\$109,521
Activity 3: Maximizing Parental Choice & Knowledge	Enhance and improve communications strategies (e.g., enhance websites); Contract data/business analysts	\$7,336,910	\$562,764
Activity 4: Sharing Best Practices	Expand access to services for families and ECE professionals (e.g., trauma-informed practices)	\$2,863,440	\$937,866
Activity 5: Improving Quality	Purchase equipment and research-based curricula, implementation of data-driven best practices	\$2,037,000	\$4,744,714
Overall Grant Management		\$698,515	\$54,764
Conducting Program Performance Evaluation Plan		\$1,482,135	\$0
TOTAL		\$15,000,000	\$6,757,770



B-5 Statewide Needs Assessment and Strategic Plan

Parent and Families

- **Lack of Information:** Findings from parent focus groups show that many parents lack awareness of the District’s programs and services. In many cases, do not know how to find the information they need when they are seeking information about services of which they are aware.
- **Transportation:** Many participants expressed concerns about transportation (e.g., Kids Ride Free, but not parents of pre-K children)
- **School Climate:** Many participants expressed concerns about the school climate, citing “authority issues” and tendencies to penalize parents (e.g., when parents exercise their judgement by keeping children home for minor illnesses) or intimidating parents (e.g., parents report feeling nervous about immigration status).
- **Transitions:** Many participants described challenges related to the child upon transitioning from the private-sector/community-based preschool (at any age, not just at kindergarten entry) to the local education agency.

Public and Private Stakeholders

- **Access to Early Care and Education (ECE):** Stakeholders reported that needs assessment(s) should address children’s access to services, families’ abilities to find best fit of ECE program, especially if special populations (e.g., low-income, children with special needs). Outreach to families must be culturally and linguistically responsive (e.g., available translation, multiple modes).
- **Data:** Stakeholders reported a need for an integrated early childhood data system; better coordination between health and education sectors to reduce duplication (e.g., developmental screenings), enhance families’ experiences. Lack of data also indicated as problematic.
- **Workforce:** Stakeholders suggested incorporation of more evidence-based, job-embedded professional development and mentoring in workforce preparation; incorporation of training for working with children with challenging behaviors and developmental delays. Stakeholders reported the need for increased training in trauma-informed care that includes both the workforce and families in a two-generation approach.

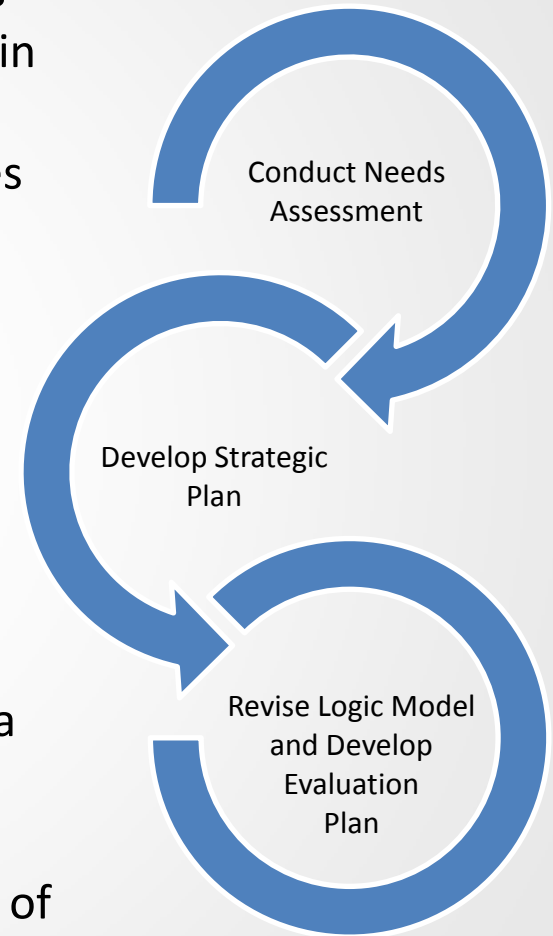
Pilot Data Findings

Based on the results of a survey of 21 Birth-5 programs administered across 10 District agencies implemented in preparation of the PDG grant, the most frequently reported challenges to families in accessing B-5 services are:

- Lack of adequate outreach
- Lack of access to health, developmental and social services
- Lack of access to child care and
- Lack of coordination of services

Importantly, OSSE learned that many District agencies did not report using measures to capture outcome data

- As a result, with PDG funding, we will be designing and systematically implementing several surveys to capture change over time in many of the outcomes of interest



B-5 Statewide Needs Assessment Timeline

Month	Action
1-2	Convene the Data, Needs Assessment and Insights Committee of the SECDCC.
1-2	The Needs Assessment Consultant will review all current federal and state needs assessments and synthesize data related to access, barriers, availability and quality of programs and services.
1-2	Analyze existing administrative data for pre-K, child care, Head Start, home visiting, Temporary Assistance for Needy Families (TANF), Medicaid and Women, Infants and Children (WIC) to understand the level of program participation, demographics, utilization, etc.
1-2	Conduct listening sessions with families through DC Public Library, Head Start and TANF partners to understand their lived experience in accessing programs and services and transitioning their child from an early care and education setting to an LEA.
1-2	Conduct focus groups with early childhood professionals across the mixed delivery system to understand their needs and challenges.
1-2	Conduct key informant interviews with department leaders on opportunities and challenges for realizing cost efficiencies and streamlining of programs and services.
1-2	Inventory all “pilot” and “demonstration” projects that have been conducted in the B-5 mixed delivery system for evidence, impact and scalability.
2-3	Summarize the data/information collected and analyze the findings in the stakeholder meetings. Identify trends, visualize summary, create a final needs assessment report, use the report to inform the strategic planning process with key stakeholders and develop a plan to update the needs assessment regularly.

B-5 Statewide Strategic Plan Timeline

Month	Action
3	Consultant will present the stakeholder engagement plan to PDG Core Team (e.g., stakeholder meetings, focus groups and key informant interviews); refine as needed.
4	Strategic plan kick-off meeting: Present results of needs assessment , provide general overview of strategic plan purpose, discuss critical roles of key stakeholders, present the milestones and timeline and solicit feedback on the strategic plan process.
3-4	Implement stakeholder engagement plan.
4-5	Draft strategic plans shared for review and refinement at least three times.
6	Submit plan for ACF approval; adjust as needed.
8	Disseminate strategic plan to all stakeholders who participated and publish it in various websites (e.g., OSSE website, Child Care Resource and Referral, Mayor's Thrive by Five).



Role of the SECDCC and
Discussion

Role of the SECDCC

- The SECDCC will play a vital role in the development of the needs assessment and strategic plan
 - Quarterly meetings will serve as structured opportunities to solicit feedback on development and implementation
 - The six standing committees that meet regularly will provide opportunities to have focused and structured conversations on trends and issues affecting early childhood
- All of these opportunities, in addition to leveraging stakeholder engagement (e.g., for survey completion), will be incorporated into the needs assessment and strategic plan

Acknowledgements

- Special thanks to the SECDCC, Bainum Family Foundation, MedStar Georgetown University Hospital, the Early Childhood Innovation Network and our District agency partners who contributed in the development of the PDG B-5 application

Guiding Questions:

- What excites you most about the PDG application?
- What potential challenges do you see in the implementation of the PDG? How do we address these potential challenges?



Legislative Update

Committee on Education

Under Review by the Committee

- B22-0947 – OSSE Amendment Act of 2018
- B22-0952 – State Education Agency Independence Amendment Act of 2018
- PR22-1141 – Master Facilities Plan Approval Resolution Act of 2018
- B22-0945 – Preschool to Postgraduate Outcomes Amendment Act of 2018
- B22-0443 – Child Water Safety Amendment Act of 2017
- B22-0355 – Bolstering Early Growth Investment Amendment Act of 2017

Voted out of Committee

- B22-1003 – Parent-led Play Cooperative Amendment Act of 2018
- B22-951 – “School Safety Omnibus Amendment Act of 2018” (formerly the “School Safety Act of 2018” and the “Student Safety and Consent Education Act of 2018”)
- PR22-1033 – Deputy Mayor for Education Paul Kihn Confirmation Resolution of 2018
- B22-0776 – DC Education Research Advisory Board and Collaborative Establishment Amendment Act of 2018

Committee on Education (cont'd)

Passed into law

- B22-0313 – Healthy Students Amendment Act of 2017
- B22-0934 – Prevention Child Abuse and Neglect Act Amendment Act of 2018
- B22-0026 – Early Learning Equity in Funding Amendment Act of 2017
- (Funded)**
- B22-0594 – Student Fair Access to School Act of 2017 **(Partial S2A)**
- B22-0050 – Child Development Facilities Regulations Amendment Act of 2017
- (No FIS)**
- B22-0103 – Child Care Study Act of 2017 **(Funded)**
- PR22-0626 – Child Development Facilities: Licensing Approval Resolution Act of 2017 **(No FIS)**

Committee on Health

Under Review

- B22-0751 – Newborn Screening Amendment Act of 2018
- B22-0687 – Adverse Childhood Experiences Task Force Act of 2018
- B22-0808 – Baby-Friendly Hospital Initiative Act of 2018
- B22-0784 – Certified Professional Midwife Act of 2018
- B22-0399 – Infant Mortality Reduction Program Act of 2017
- B22-0350 – Home Visiting Services Pilot Program Establishment Act of 2017

Voted out of Committee

- B22-0666 – Women, Infants, and Children Program Expansion Act of 2018 (S2A)

Passed into law

- B22-0232 – School Health Innovations Grant Act of 2017 **(S2A)**
- B22-0172 – Maternal Mental Health Task Force Act of 2017 **(S2A)**
- B22-0203 – Birth-to-Three for All DC Act of 2018 **(Partly S2A)**

Committee on Human Services

Under Review

- B22-0227 – TANF Child Benefit Protection Amendment Act of 2017

Committee on Labor and Workforce Development

Under Review

- B22-0530 – Child and Youth Safety Amendment Act of 2017

Committee of the Whole

Under Review

- PR22-1030 – Child Development Homes Regulations Approval Resolution of 2018

Committee on Transportation and the Environment

Under Review

- B22-0076 – District of Columbia Child Development Facilities Expansion Amendment Act of 2017
- B22-0039 – Community Use of School Facilities Task Force Establishment Act of 2017
- B22-0502 – Field Access Equity Amendment Act of 2017

Voted Out of Committee

- B22-0946 – Safe Fields and Playgrounds Act of 2018

Passed into Law

- B22-0029 – Childhood Lead Exposure Prevention Amendment Act of 2017
(Partial S2A)
- B22-0613 – Ensuring Community Access to Recreational Space Act of 2017 **(S2A)**

Questions?

Jess Giles, Deputy Committee Director
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Chairperson of the Education Committee

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Announcements



Public Comment



Thank You!