

The Duval County Pilot Early Learning Quality Rating System: Cost Assessment



Abt Associates Inc.

Prepared by
Ann Collins
Frederic Glantz
Jeremy Luallen

August 30, 2006

Cost Assessment of the Duval Pilot Quality Rating System

The project was developed to answer the following questions:

- **What is the average cost for early learning centers at each of the 5 star levels?**
- **What would it cost for early learning centers to move up star levels?**

Methodology

Sample:

- 47 of Duval's 300 licensed early learning centers were randomly selected
- The sample is representative of the centers on Duval County

Data Collection:

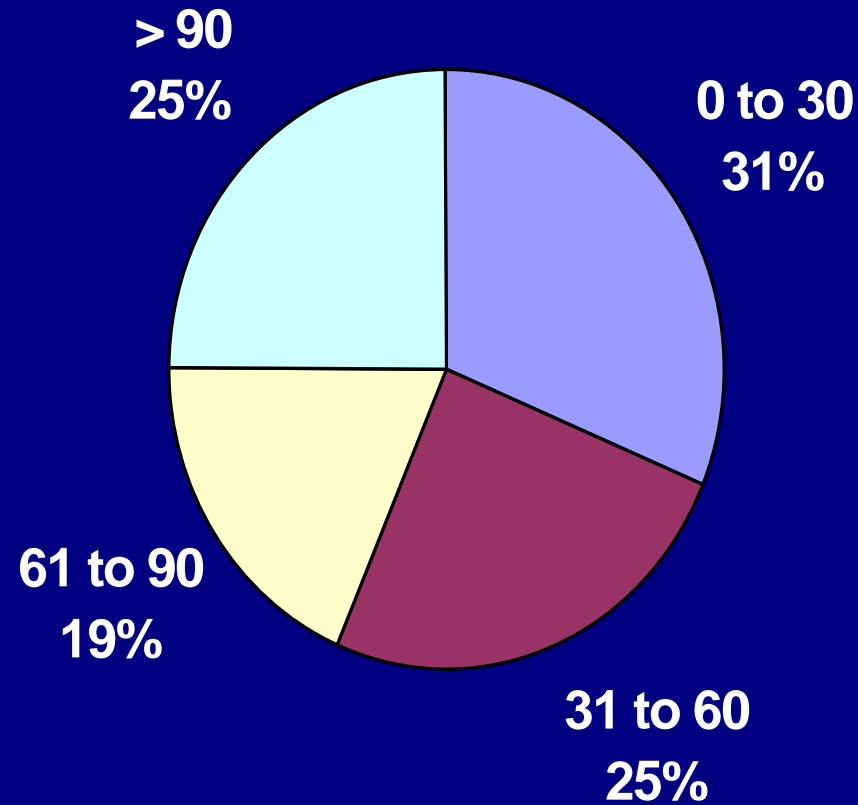
- Surveys to directors asking for information on enrollment, staffing, and benefits

Methodology, continued

Analysis

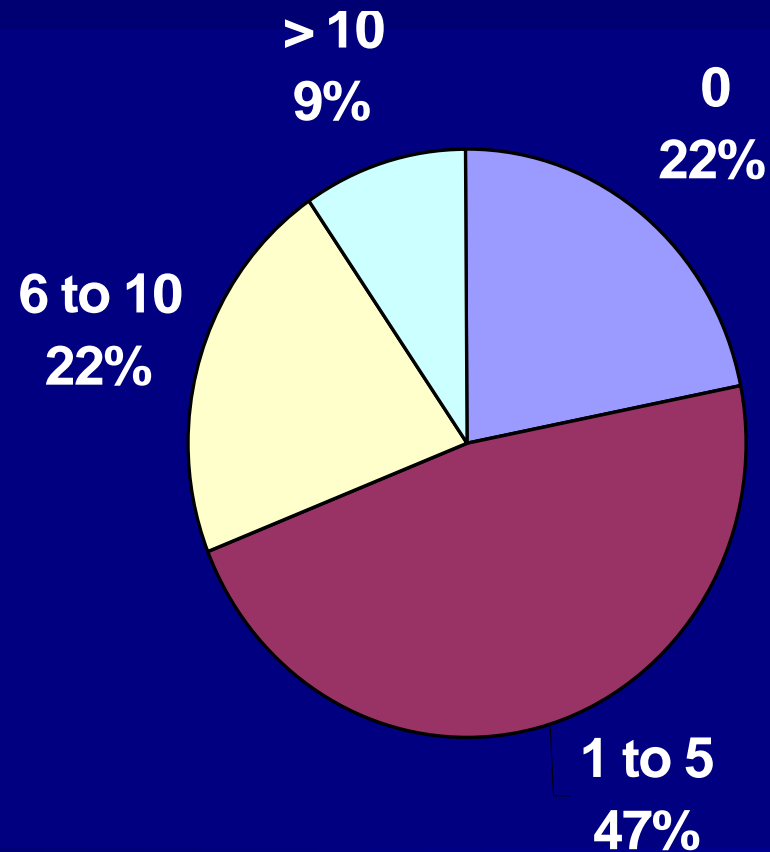
- Rated programs by star level in domains with cost implications, based on survey results (NOT on observed quality).
- Combined survey results with detailed cost assumptions related to star domains with cost implications. Estimated costs for each star level.

Program Size



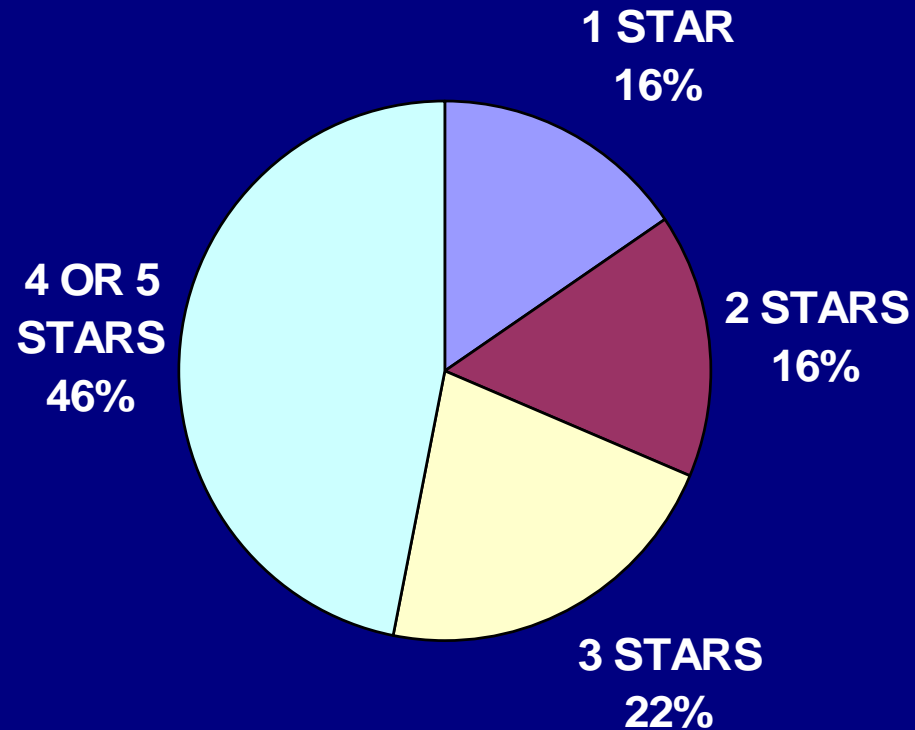
Average: 57 full-time children (national average is 75)

Infant Enrollment



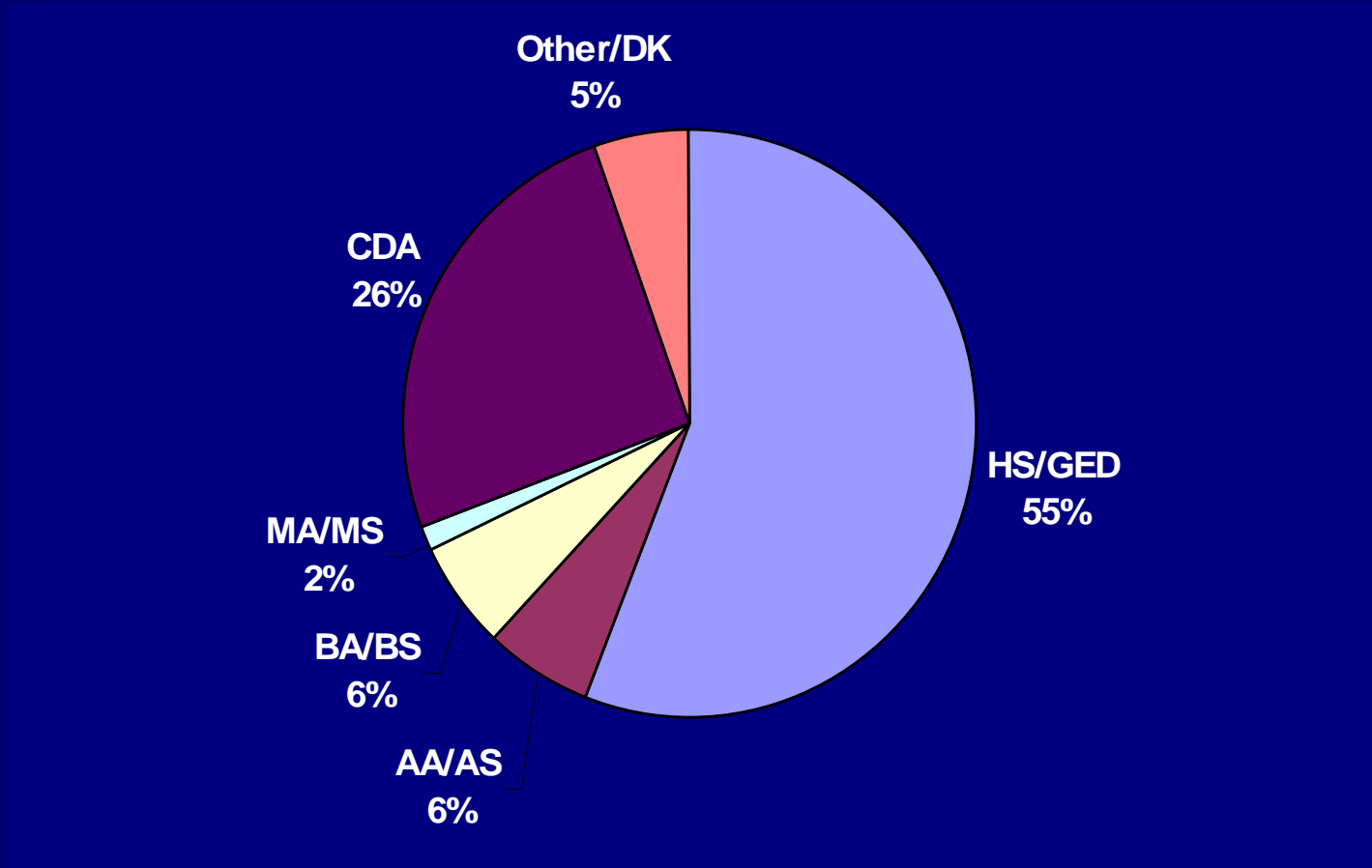
**69% of the centers served five or fewer infants.
22% of those did not serve any infants.**

Domain 1: Ratio and Group Size



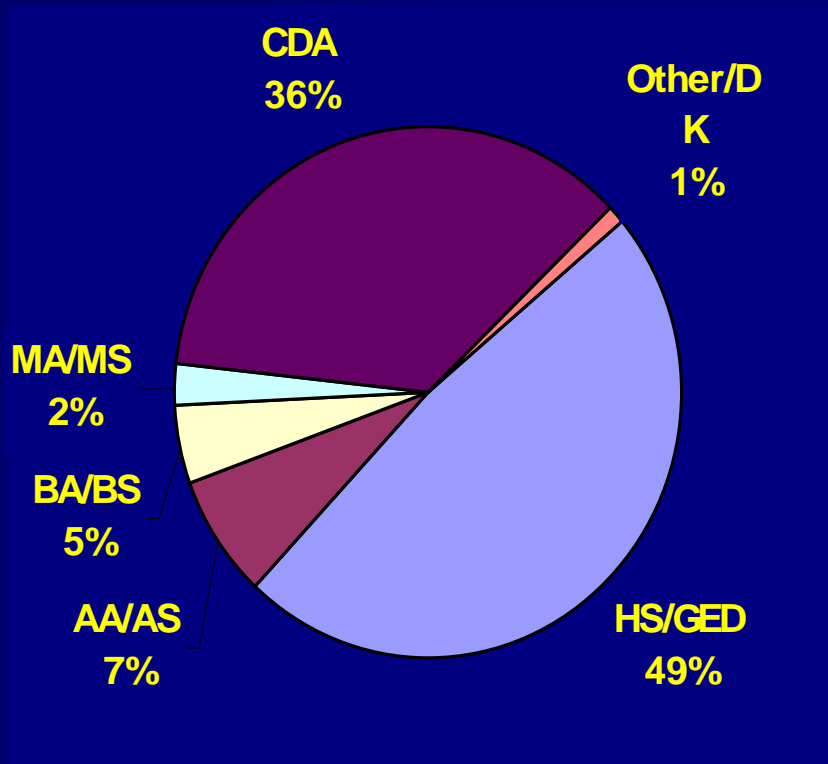
Nearly half of the programs potentially had ratios and group sizes to rate 4 or 5 stars.

Staff Education

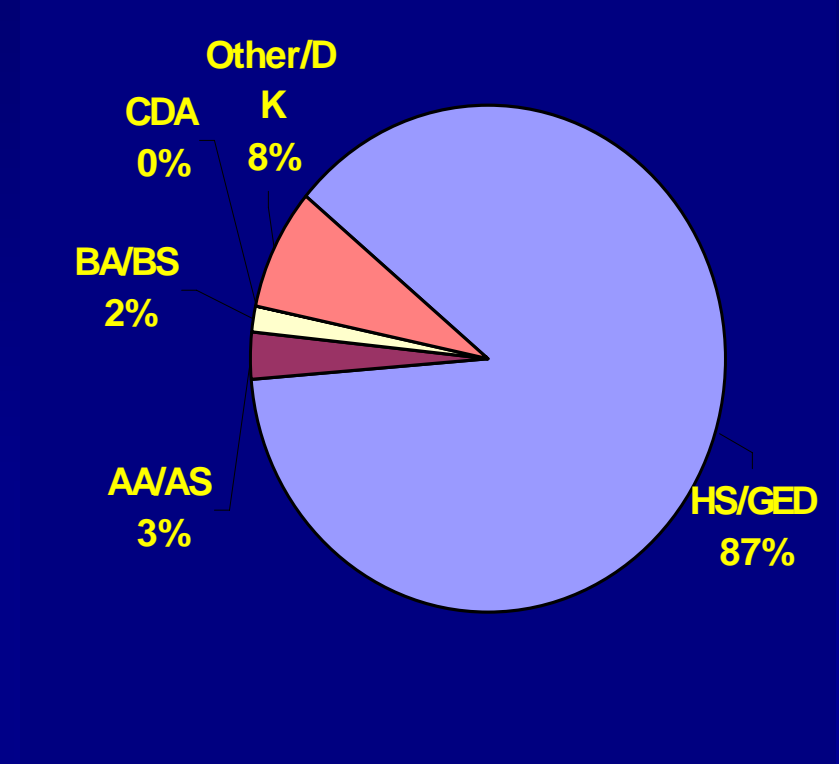


55% of all educational staff had only high school diploma.

Lead Teacher and Aide Educational Levels

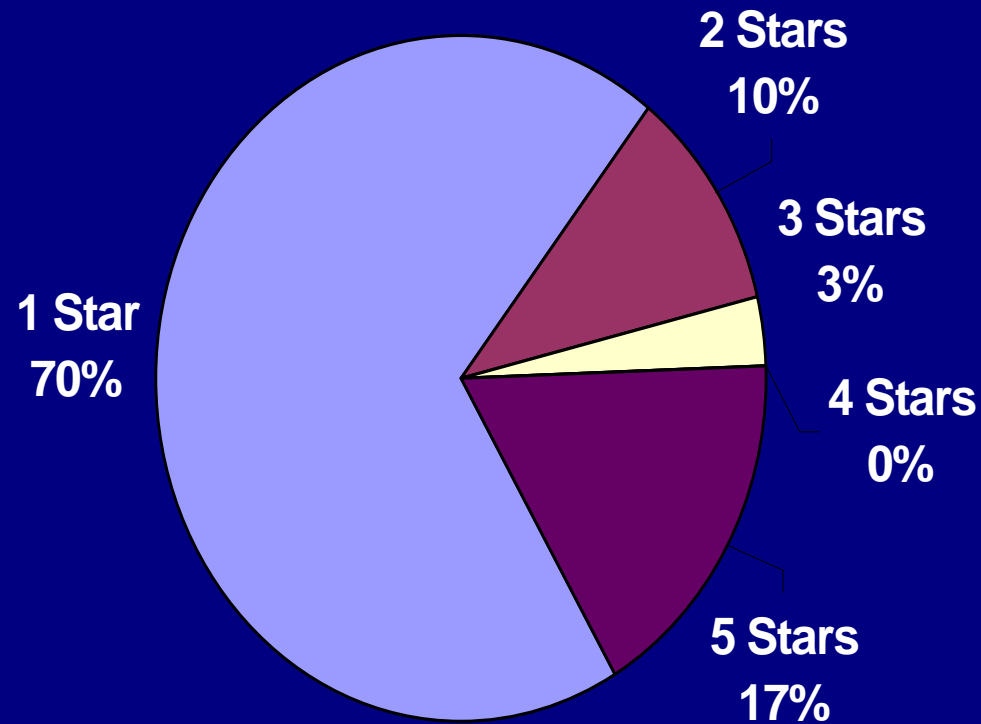


Lead Teachers



Associate Teachers (Aides)

Estimated Star Rating in Domain 3: Teacher Qualifications



Reported Wage Rates

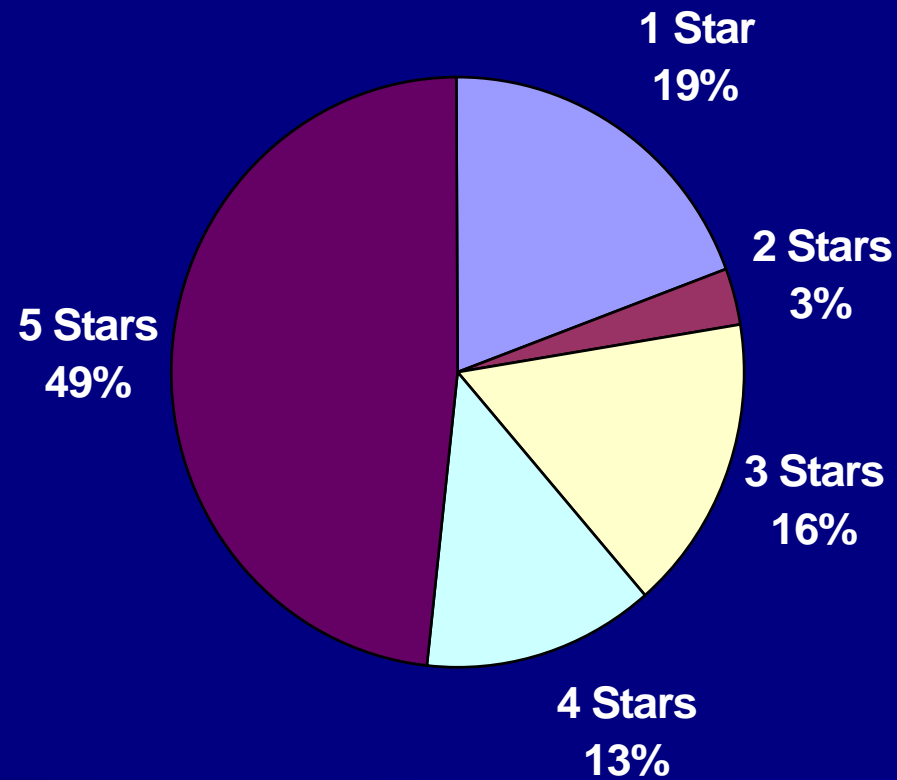
	Directors	Teachers	Aides
Hourly Wage	\$11.06	\$8.76	\$7.30
Annual Salary	\$23,004	\$18,220	\$15,184

(According to the Center for the Childhood Workforce, the average hourly wage for a child care worker in Duval County was \$7.63 in 2001.)

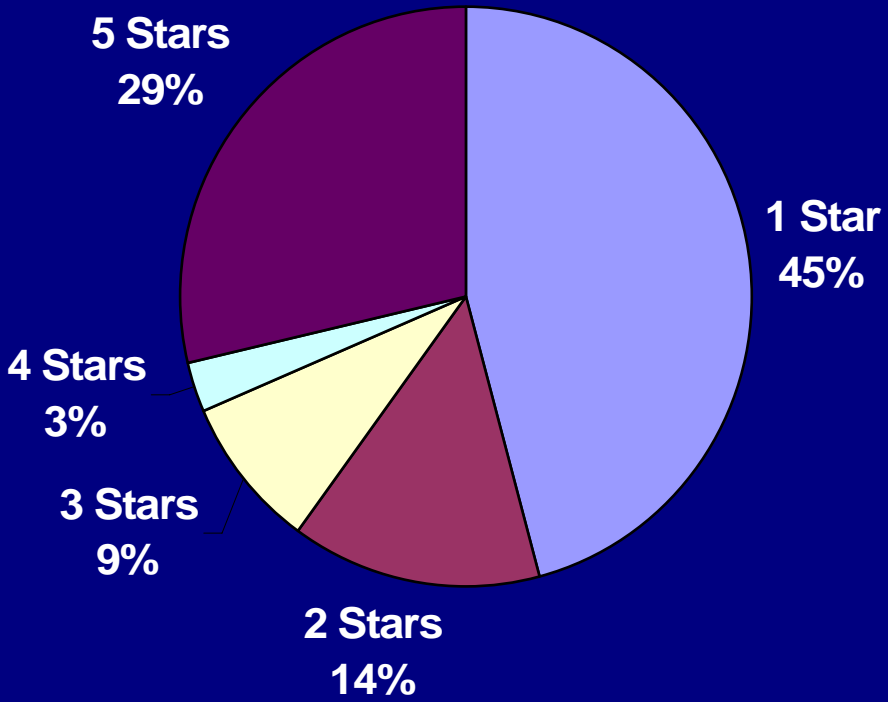
Benefits Offered

Percent of Centers Reporting They Offer The Following Benefits:	
Health Insurance	45%
Other Insurance	32%
Paid Leave	84%
Membership Fees	45%
Reduced Rate Early Care & Educ.	97%
Bonuses	68%
Retirement/Investments	10%
Tuition Reimbursement	42%
Paid Training	71%
Flextime	52%
Additional Benefits	19%

Star Rating For Domain 4: Staff Compensation - Benefits



Star Rating For Domain 5: Professional Development



Estimating Costs

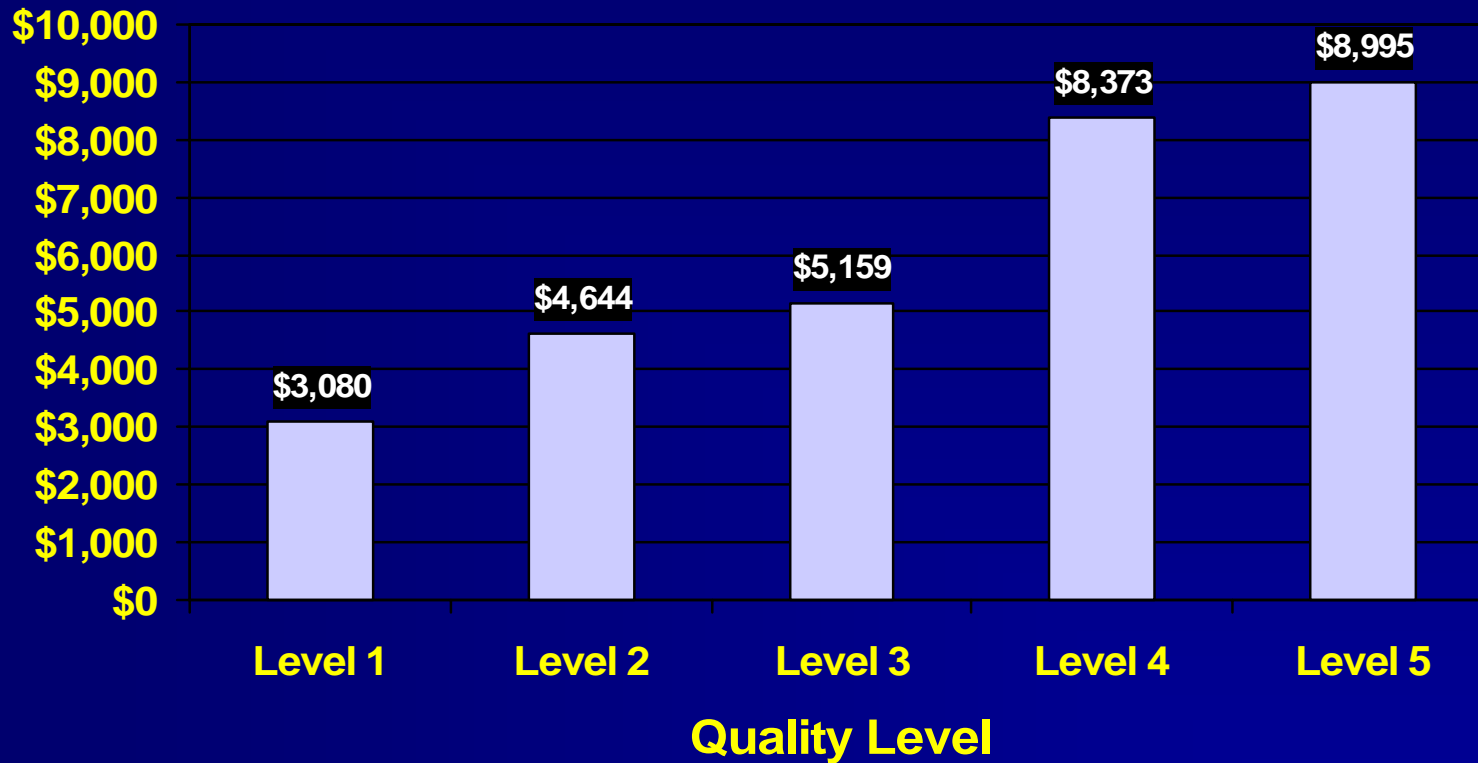
What We Did:

- We did not have pure 3- 4- or 5-star programs in our sample so we had to estimate costs for them.
- We made assumptions about costs for each domain. (We assumed *minimum costs* associated with each domain.)
- We rated programs by star level for child:staff ratios and group size (Domain 1). We then used our cost assumptions for the other domains to make them “pure” 1 to 5 star programs.

Cost Assumptions

Domain	Large Direct Implication	Small Direct Implication	No Direct Implication	Cost Could Change With Definitions
1. Ratio and Group Size	X			
2. Environmental Structure		X		
3A. Staff Qualifications – Director	X			
3B. Staff Qualifications- Lead Teacher	X			
3C. Staff Qualifications: Associate Teacher	X			
4. Staff Compensation – Benefits	X			X
5. Professional Development			X	
6. Screening and Assessment		X		X
7. Curriculum		X		
8. Parent/Family Involvement		X		

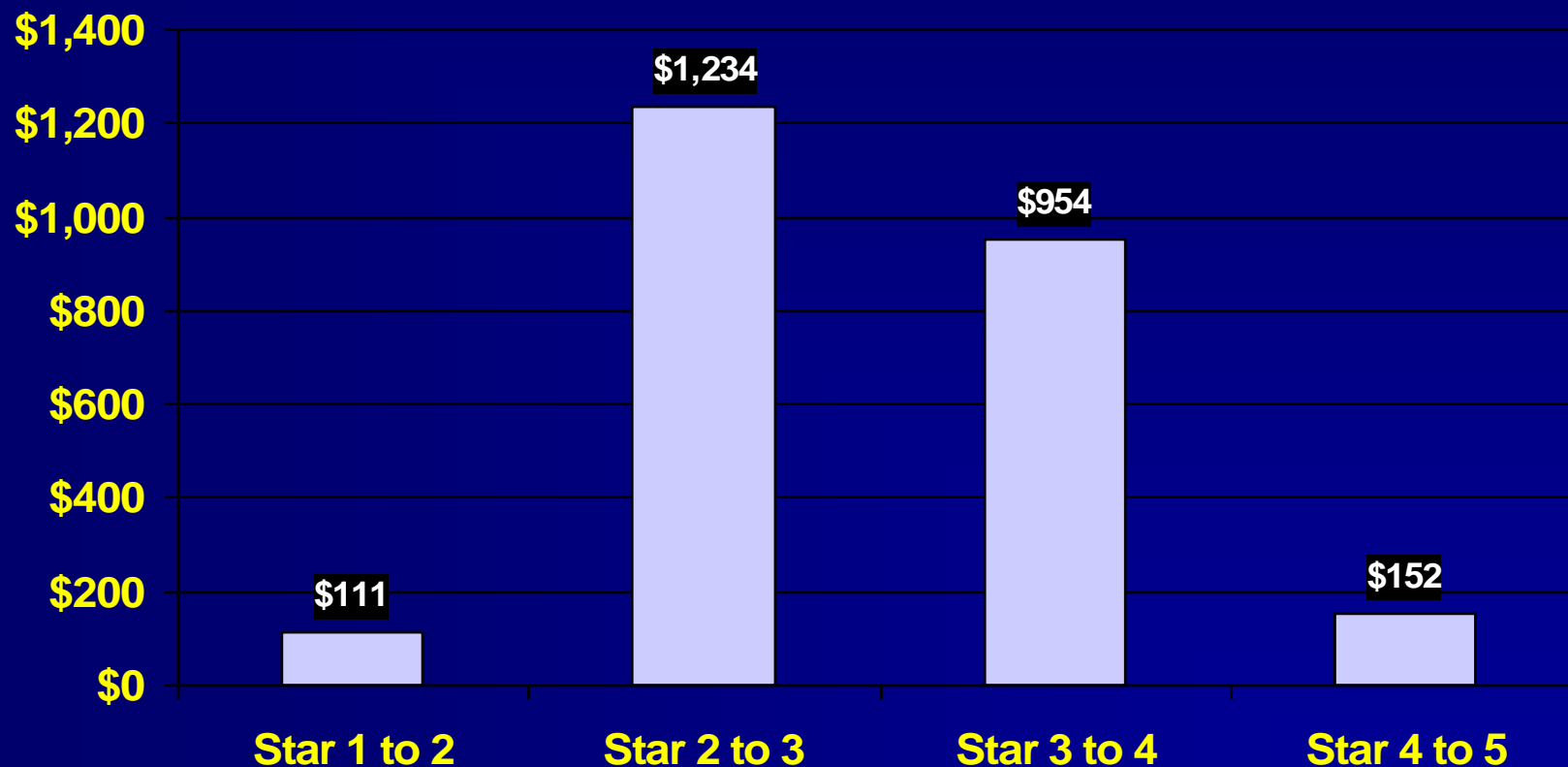
Average Annual Per-Child Year Costs for Centers at Each Star Level



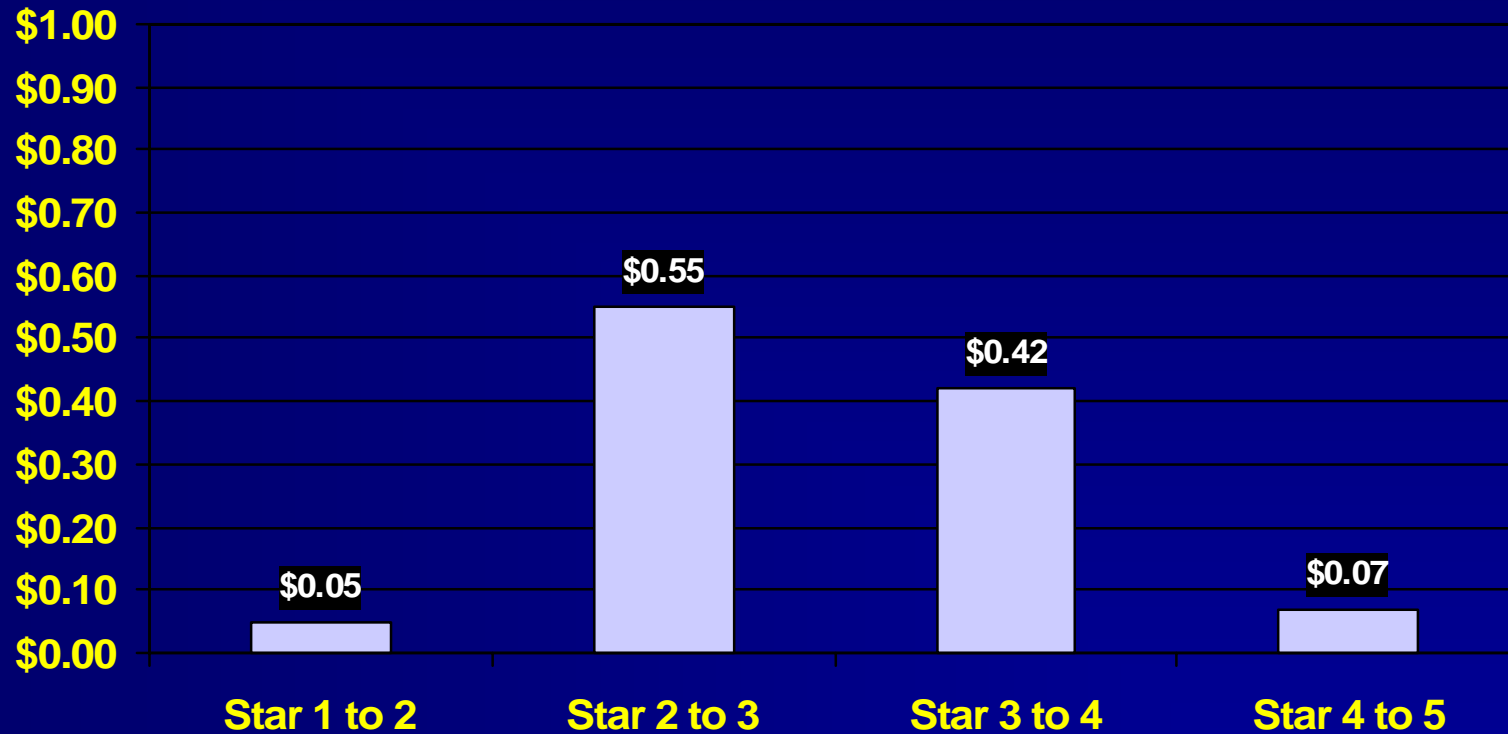
Average Costs Per Child Hour Costs for Centers at Each Star Level



Additional Costs Per FTE Child to Move to the Next Star Level



Addition Costs Per Child Hour for Centers to Move to the Next Star Level



Conclusions

Star Ratings:

- **A high percentage of centers meet 4 and 5 star criteria in Domain 1 (Child Staff Ratios and Group Size). This may be due, in part, to programs being under-enrolled.**
- **Most programs will have to significantly increase educational levels of staff to meet 3, 4, and 5 star criteria in Domain 3.**
- **Many programs potentially had achieved relatively high star ratings in staff compensation (Domain 4).**

Conclusions, Cont'd

Costs:

- The primary source of the costs for the quality rating system relate to Domain 1 (Child Staff Ratios and Group Size). The next important source of costs is Domain 3 (Staff Qualifications).
- The cost implications of the pilot quality rating system were bigger for smaller programs because they are not able to group children as efficiently.